B2B MARKETING ATTRIBUTION 3.0

2x Your B2B Marketing ROI with Chain-Based Attribution

CaliberMind

A Short Intro from our VP.

Marketing ROI.

For most marketers -- this is the holy grail -- knowing exactly where to spend our next dollar to get the largest impact and return.

I can't tell you how many times I've heard from our investors and board that all they really want for marketing to answer is:

How are we performing?
How much is it costing us?
Are we getting better?

And despite the prevalence of new account-based platforms and significant investment in data and technology, according to a recent Nielsen study, **only 1 in 4 marketers are highly confident they can quantify ROI**.

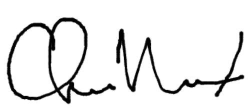
Yikes.

That's not good enough.

So, here at CaliberMind we decided to do something about it. And we explore it in detail in the following pages.

I hope it's helpful in your B2B marketing journey.

Cheers,



Chris Nixon
VP Marketing
CaliberMind

A few reasons we've struggled.

Why have we struggled to be confident in ROI?

Like many things the answers are nuanced and often -- complex. Generally, there isn't one thing that we can turn on and -- poof -- we've got it all figured out.

So, we went on the road and interviewed marketer after marketer and came up with the following challenges that are contributing to us not achieving success. Here are just a few examples.

CHALLENGE #1

There wasn't a way to easily marry online and offline conversion

CHALLENGE #2

Our data was everywhere and often siloed.

CHALLENGE #3

My team isn't built to be able to analyze the data and info.

CHALLENGE #4

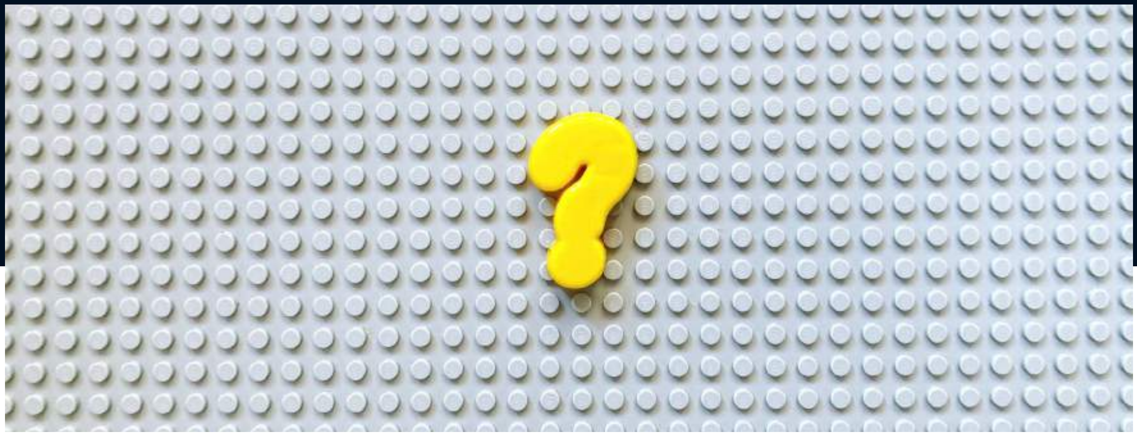
We were guessing at what touchpoints mattered more than others.

CHALLENGE #5

There wasn't consensus on what model was right for our business.

DEEP DIVE PERSPECTIVE

Has Multi-Touch Attribution Worked?



Early B2B attribution vendors (Bizible, BrightFunnel, Full Circle and others) introduced the concept of multi-touch attribution (MTA).

And the model in concept -- was exciting.

Wait? You mean I can assign value to touch points across the entire customer journey. I'm sold. Every marketer dreams of being able to easily know where to spend their next marketing dollar.

But it quickly became complex. The data was siloed and buried. Our tech stacks couldn't digest and display the information in a way that was meaningful to our business. The journey was often long and not linear.

And the issues didn't stop with the data and tech stacks.

What if our approach was misguided?

Think about it. Even the name "attribution" conveys the wrong meaning. We focused on dividing up a chain of touchpoints to determine which channel, program, or campaign should get "credit".

This likely stems from what we've been taught. We've had a channel-specific worldview that has carried over into our digital programs, budgets, and even operational structures.

So we applied the same approach to attribution. We shoehorned multi-channel data into our single-channel reports, tools, and execution.

And in a number of ways -- we failed to achieve the promise.

So, what now?

Attribution 3.0: The Rise of the Machines

Over the past five years we've seen an advancement in AI, machine learning, and natural language processing.

Couple this together with the rise of Customer Data Platforms that can integrate, cleanse, and analyze both online and offline data at the lead and the account level, gave rise to a new and improved approach to attribution.

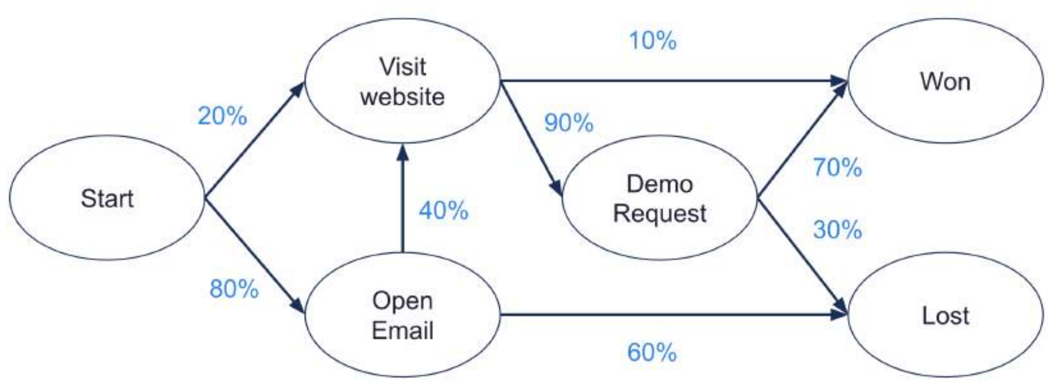
We call it Chain-Based Attribution (CBA).

(Yes, the fact that we still call it attribution is not lost on us).

CBA is built on top of a model (Markov) rooted in probability and statistics. Named after the Russain mathematician Andrey Markov, a Markov model focuses on specific calculations of the chance that an interaction in one channel will transition to a different state.

Chain-Based Attribution hops from one "state" (a situation or set of values) to another but instead of randomly assigning credits to touchpoints, it works backwards from Closed-Won / Closed-Lost opportunities to analyze the complete chain of events and computes the contribution of each marketing channel to revenue.

For those interested in the underlying principle, here's a quick example.



How Chain-Based Attribution Works

Chain-Based Attribution (CBA) uses your account's conversion data to calculate the actual contribution of each channel along the conversion path. By comparing the paths of accounts that convert to those who don't, CBA determines what truly matters for each conversion path.

The beauty of CBA is that as long as your CRM has enough (100 or more) Closed-Won and Closed-Lost opportunities, you're eligible for Chain-Based Attribution. With that data in hand -- we automatically train a model that's unique to each of our customer conversion types. The model observes what your accounts do before converting, and what they do when they don't convert, to measure what's important.

And it's not one-and-done -- using machine learning -- with more data the models continue to improve over time.

Unlike existing MTA (Multi-Touch Attribution), CBA can take less than perfect data, combine in it with web tracking and identity graph partners to give B2B marketers full-funnel visibility throughout the entire customer journey from anonymous to new revenue.

> Using a Markov chain model, each touch point is fairly given credit for their influence based on the outcome you want to achieve.
>
> Want to close more leads? Increase e-newsletter subscriptions? Determine the event that generates the most revenue? A Markov chain model can help you do that.
>
> Say you ran a webinar campaign. You could use a Markov chain model to see how organic search traffic contributed as compared to paid ads traffic, determine which event had the highest probability of generating webinar traffic, and then predict how to best allocate your marketing budget for the next webinar. You can also find out which events would cause the largest drop in traffic if they were to stop by looking at the Removal Effect report.

So, what the heck is the difference?

	MULTI-TOUCH	CHAIN-BASED
MEASURES	Touches	Conversion Paths
REPORTS ON	Credit	Contribution to Revenue
ANALYTICS	Output-Based *(Clicks, Downloads)*	Outcome-Based *(Engagement, Revenue)*
MODELING	Heuristic/ Business Rules *(subject to human biases)*	Probabilistic *(using Markov Chains, based on Closed conversion path analysis)*
CAMPAIGN DATA	Native Salesforce Campaign & Budget Fields	Supports Salesforce and Virtual Campaigns, Google Sheets Budget
CRM INTEGRATION	Standard and Custom Objects	Map Campaigns from web analytics, Marketing Automation, & CRM
IDENTITY MANAGEMENT	Requires Email ID	Anonymous Identity Graphing

Is Chain-Based for you? Let's find out.

You want to transition from lead-based to account-based (or run hybrid).

You want to measure account engagement across channels and alert sales in real-time inside Salesforce.

You want to attribute both marketing and sales touches for full-funnel visibility, from Anonymous to Closed Won and beyond.

You want to replace the complexity of multi-touch with reporting on Lift and likelihood to convert, with more advanced machine learning models.

You want to use smaller, less perfect data (machine learning model requires min of 100 Closed/ Won/ Lost).

You want to align journey analytics and attribution with the activities that drive engagement at the account level.

You want to consider and compare the relative impact of all touches, including web visits, intent data and especially high engagement activities such as sales calls and meetings.

You want to move beyond campaign tracking to understand the impact of the entire revenue team.

You want to measure business outcomes along the entire buyer's journey, pre- and post-purchase

You want to get greater visibility into full-funnel marketing, from campaign planning through to execution and all the way down to revenue.

You want to enable teams to increase marketing return on investment and improve effectiveness.

Let’s Get Technical: Tips for Better Attribution.

Automated Lead Routing

If the lead-source assignment is a manual process, you leave it to someone’s judgment. And if you measure only the channel that created the lead, you don’t capture what drives that lead to become an opportunity. So, make sure your lead routing is automated and in real-time.

Mandatory Fields

Lead sources may get “dropped” when a lead is converted into an opportunity. Account executives may overwrite lead sources when they create an opportunity.

Consolidate Touchpoints

If you can, consolidate touchpoints. For example, paid media (Google Ads, LinkedIn Ads, etc.), events and trade shows, and webinars are all important to track independently. But maybe you can bundle newsletter and marketing emails (outside of nurtures) into a single campaign.

Map the Customer Journey

Creates touchpoints for each campaign (Salesforce or Virtual) and map them along the attribution journey (First Touch, Opportunity Creation, etc.). Users can create different models or even their own model.

UTM Paramaters

You can also set up matching rules to add UTM parameters to custom touchpoints (like campaigns that turn leads into marketing-qualified leads). Since all this is native to Salesforce, you can create dashboards and reports based on campaign/channels to gauge performance accurately.

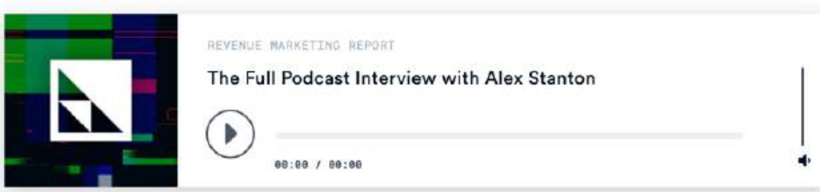
The Model(s)

No model is the “right” one. It depends on the context of your business and how you prefer to measure. And remember: While not perfect, each model is better than not having any framework in place.

REVENUE MARKETING REPORT SHOW EPISODE

All Things Attribution:
Getting Started & Proving Its Value

In this episode of The Revenue Marketing Report we speak with the @mktg_queen herself, Alex Stanton, Director of Demand Gen at WorkWave. She answers questions about attribution like: How much is too little? When is it too much? And if you're new to it all — where do you start?



Attribution is on everybody's mind. How much is too little? When is it too much? And if you're new to it all — where do you start?

Listen to the report, or read on to learn about:

1. Setting Yourself Up For Attribution Success
2. The Attribution You Really Need
3. The Double Funnel Dilemma: Measuring Demand and ABM Side-By-Side

Thank You.

For more information on Chain-Based Attribution, visit www.calibermind.com.

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