

MULTI-TOUCH ATTRIBUTION IS DEAD



AN OPTIMINE EBOOK



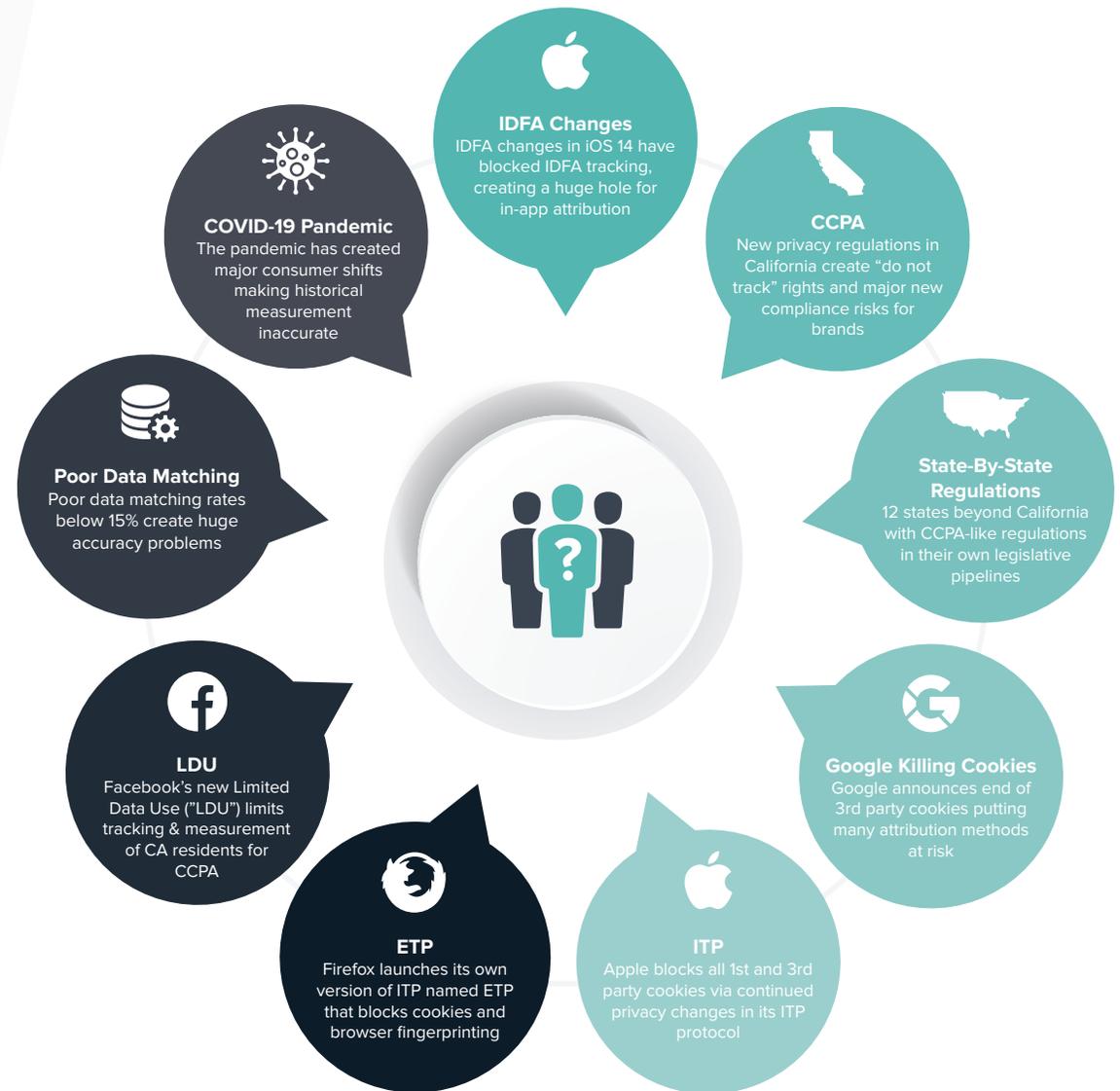
Multi-Touch Attribution is Dead

Multi-Touch Attribution is dead. For those of you who haven't even deployed your first multi-touch attribution model, skip past "Go" and consider yourself lucky. Multi-Touch Attribution- or "MTA" for short- is a method of attempting to measure the effectiveness of marketing campaigns by tracking users across devices and ads using their identities and clicks to determine which ads "caused" the customer to make a purchase. While MTA was never a very accurate or reliable method of marketing measurement, it is now under significant pressure and is no longer a viable method for true cross-channel measurement.

A Period of Massive Disruption and Change

The marketing ecosystem is now in a period of massive disruption and change, with several factors stopping MTA measures dead in their tracks. Major consumer data privacy changes from technology titans, new privacy regulations, and even the pandemic have all created roadblocks to MTA. As a result, brands must now look for new ways of measurement to stay competitive, and protect their marketing investments.

The Pandemic is Driving Massive Disruption and Change



Revenge of the Nerds: Apple IDFA

Apple continues its march for consumer data privacy, and IDFA changes in iOS 14 have essentially killed user-based attribution. Brands and app developers are no longer able to uniquely attribute an ad's contribution to an app install, thereby removing measurement of 50%+ of the mobile phone ecosystem.

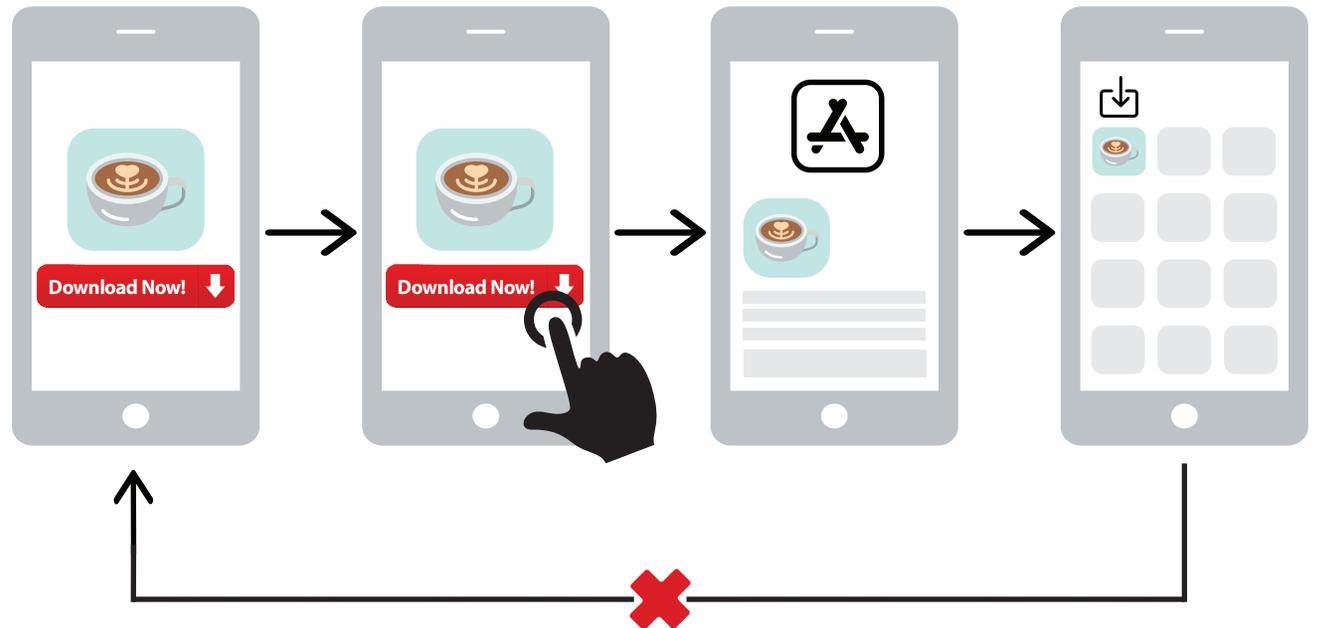
This creates massive issues for marketers relying on these methods to track, measure and optimize their advertising campaigns and investment decisions. What ad, creative, targeting and formats work and don't work? These answers disappeared overnight in early 2021. Marketers are now on the clock to find a new solution. Hint: OptiMine is completely unaffected by Apple's privacy changes.

Only 10-20% of users have chosen to allow tracking so far.

"Pal About" would like permission to track you across apps and websites owned by other companies.
Your data will be used to deliver personalized ads to you.

Allow Tracking

Ask App Not to Track



Revenge of the Nerds 2.0: Apple ITP (+ Firefox ETP, Google Cookie Killing)

Apple started the march towards consumer data privacy all the way back in 2014 and hasn't stopped since. Apple's ITP- or Intelligent Tracking Prevention- has been a series of tracking-killing steps over the last 6 years that now include killing off 1st party cookies. If you are using cookies to track the performance of your ads, there are major holes in the picture and the hole is getting bigger and broader: Firefox and Google Chrome are now following suit by limiting and/or killing of cookies and other tracking mechanisms. Apple ITP isn't "done". In fact, it is expanding in scope and severity and other browsers will follow Apple's lead on this front.

The question for marketing and analytics teams is this: what measurement approach will survive this onslaught and be the future-proof method to serve the brand? The answer to this question needs to be solved NOW to avoid the continued gaps, disconnects and inaccurate measures that lead to poor decisions and weak performance.



Inherent Weaknesses of MTA

MTA promised to measure the mightly and mythical “path to purchase” and the magical sequence of advertisements that unlocked the treasure chest of consumer purchases. Never mind the inconvenient fact that over half of online purchases have two or fewer clicks prior.¹ And, if the cookies and 3rd party data get the consumer matching wrong even by a small percentage, the models and measures become highly inaccurate in a hurry.

Think this doesn't happen? It most certainly does. Read “Measuring the Incremental Values of Marketing,” here: http://optimine.com/wp-content/uploads/2018/02/Determining_the_Incremental_Value_of_Marketing_Final.pdf.



Most of these issues are well known to cross-channel marketers and analytics professionals. Despite this, many have pursued the tantalizing siren song of consumer tracking-based measurement. Tracking via MTA can be a good method for understanding the consumer experience and for personalization objectives, but it just isn't particularly good for measuring the contributions of an ad. Even the MTA vendors knew about these problems and added other techniques (marketing mix modeling) to overcome these known deficiencies and accuracy issues. The problem is, they still use MTA to measure digital campaigns, and all of the MTA problems still exist.



Here Come the Regulations

To make matters for MTA worse, there are new regulations hitting marketers and marketing technology vendors right in their MTA hearts. The roll-out of GDPR in the European Union in 2018 sent marketers and vendors scrambling as a result of new restrictions on consumer tracking and consumer data.

In 2020, California was the first state in the US to roll out new consumer privacy restrictions- the California Consumer Privacy Act (“CCPA” for short). They have not been and will not be the last state to do this.



CCPA places significant restrictions on marketers and marketing measurement vendors including governing the use of data and tracking. Under the CCPA, businesses have new disclosure and “do not track” requirements. Because MTA relies on tracking, there are CCPA-driven financial penalties at risk with the misuse of this consumer data: up to a \$7,500 fine per individual violation- and “individual” means a “human individual”, not a “single infraction”.

In July, 2020, the state of California also began enforcement of the regulation and the first lawsuits have already emerged, raising stakes for brands and the tech vendors they use. An ominous note of future risk: twelve additional states have CCPA-like regulations in their own legislative pipelines creating a worst-case scenario for marketers.

CCPA fines of up to:

\$7,500
per individual violation

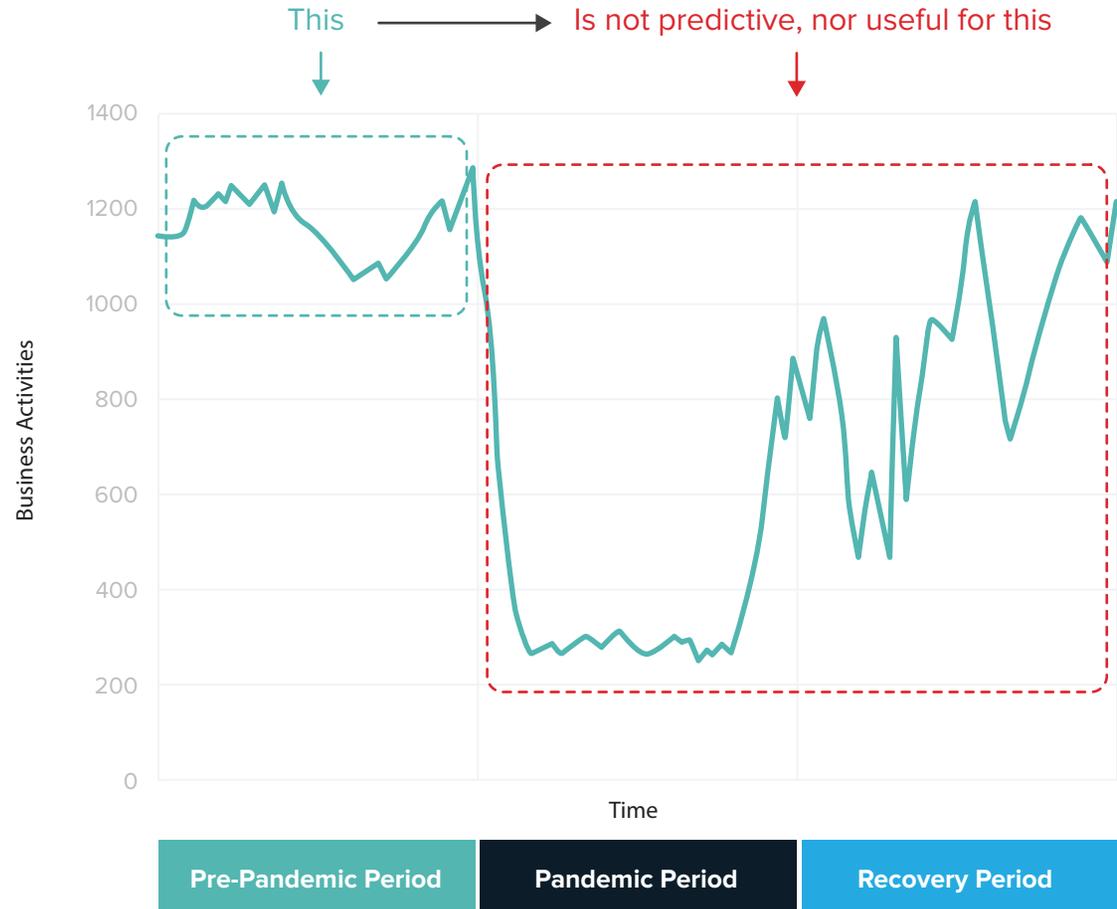
will be assessed to marketers who don't adhere to consumer data disclosure, opt-out and tracking restrictions.



Using History as a Guide: the Problem with Traditional Marketing Mix Modeling

Finally, because traditional marketing mix models require so much more historical data, they require history that is no longer relevant in today's pandemic environment. Marketing and conversion data from pre-pandemic periods are no longer useful and are not an accurate representation of what should be expected now. And since the pandemic recovery is still highly unpredictable with significant variance in behavior, only agile modeling methods that can isolate smaller time windows will be successful in guiding marketing decisions.

Traditional MMM models and vendors require the use of pre-pandemic historical data which invalidates measurement during the pandemic and recovery periods.



Agile Measurement is the Key to Pandemic Recovery

The pandemic's effects have created a highly complex environment that requires a new level of marketing (and marketing measurement) agility:

Marketing measurement agility for our current era means:



Geographic Complexity:

Highly localized and variable consumer regulations and behaviors state-by-state



Re-Openings, Rebounds & Relapses:

Highly unpredictable recoveries require constant, continuous model adaptation to “new normals” that fluctuate abnormally



Product & Channel Shifts:

Consumers' product choices and channel preferences have shifted considerably



It's All About Timing:

Will all of these factors be persistent or shift with pandemic rebounds? Will the patterns in the last month apply next month? Will today be predictive of tomorrow?

Agile Requirement

Why It Is Needed

Speed

Avoid Losing Propositions Faster: Marketing measurement reaction speed is critical to reduce heavy losses and avoid lengthy losing approaches.

First-Mover Advantage: Knowing before competitors do allows a brand to take advantage of opportunities before competitors seize them.

Flexibility

Change is the New Normal: Your marketing measurement needs to be flexible enough to quickly change KPIs, adjust windows of time to focus on pandemic rebound periods, and adapt at the speed of business. New questions should not become a new analytics problem.

Actionable Detail

Discovery In Depth: Opportunities are hiding in your campaign details and data, and your measurement approach is most likely missing them. Minute changes and shifts go undiscovered by most measurement vendors because marketing channels are treated like monoliths. And marketing staffing levels no longer permit the time needed to manually find ROI “gems” hidden deep in the data.



OptiMine is the Agile Measurement Choice

Agile measurement and attribution is the key to transitioning to success during this period of consumer privacy & pandemic disruption. Only OptiMine offers brands a truly agile marketing measurement choice:

Agile Requirement



OptiMine Advantage

Future-Proof



Only OptiMine provides attribution without PII, cookies, or consumer data, making it the only future-proof measurement solution on the market.

IDFA, ITP, CCPA, Cookie Death? No Problem. OptiMine (and you) will NOT be impacted by those or any other changes.

Flexibility



New question? No Problem. Only OptiMine has the data management flexibility to quickly adapt and address new questions at the speed of business.

Think MTA is fast? Think again. Do you have time to completely re-tag all of your brand's digital assets to ask a new question? No way.

Speed



Only OptiMine delivers modern high-scale software easily beating highly manual approaches of all other marketing measurement vendors.

OptiMine is the fastest marketing attribution vendor in the market- fastest to deploy, fastest to evolve and adapt, fastest to refresh models to deliver insights as the market rapidly evolves.



Contact Us

Contact us today to schedule a demo or meet with OptiMine to learn how you can leverage our advanced analytics to lift your marketing performance.



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