TURN

Redefining Measurement
from Awareness to Conversion

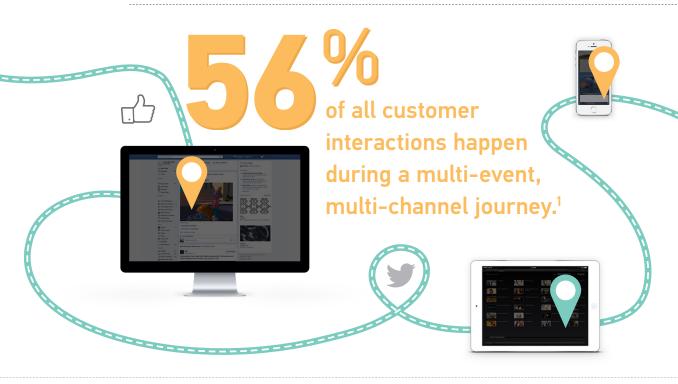**Smart Market: Vol. 4**
Data-Driven Marketing, Demystified

PROGRAMMATIC MARKETING & THE NEW CUSTOMER JOURNEY

In today's multiscreen world, the odds that two customers will follow the same route to purchase from an initial brand encounter are pretty much nil. After all, the modern consumer encounters ads across an ever-growing number of settings and devices, each another waypoint on the path to purchase. And those ads and settings and devices vary from customer to customer, meaning it's up to the marketer to figure out which parts of their marketing strategy are working and which need more attention.

Even though communication pathways have grown more sophisticated, the customer journey hasn't really changed all that much. Customers still pass through four key stages—brand awareness, consideration, intent, and, assuming all goes well, conversion.

Today, thanks to the value and efficiency provided by programmatic marketing, marketers are able to design strategies for countless possible outcomes—and to deliver the best possible results whatever path their customers follow. The key is measurement. By understanding how each stage along the customer journey functions, and by using the appropriate programmatic tactics and benchmarks to reach desired audiences at each stage, the smart marketer is better equipped than ever to deliver optimal results.

From awareness to consideration, intent, and conversion, marketers can analyze campaigns at an extremely detailed level—not only to measure activity in the later stages of the customer journey, but also to understand the impact that different programmatic tactics—tactics that aim to foster awareness, for instance—might have on eventual conversion.

56%
of all customer interactions happen during a multi-event, multi-channel journey.[1]

THE SMART MARKETER'S STEP-BY-STEP GUIDE TO PROGRAMMATIC MEASUREMENT

1 AWARENESS

First impressions are everything, which makes awareness a critical step in the customer journey—and the marketer's task here is no small one. At this stage, your primary goals might include introducing audiences to the brand, increasing site traffic, or finding prospective customers with some purchase intent.

For most brand-awareness campaigns, your desired audience will be quite large. With the availability of high-quality inventory, new ways to protect your brand, and the technology to optimize campaigns toward specific goals, real-time bidding (RTB) has become an efficient way to engage customers through this initial awareness stage.

RTB at this stage gives you access to the reach and scale you need to drive awareness. Setting basic targeting parameters that are reflective of your desired audience at this stage will prepare you to more effectively address potential customers as you move further down the path to purchase. So consider going wide in the awareness stage, then use audience level insights you gather about your prospects to reach them more effectively later on.

Tactics such as look-alike modeling[2], which allows you to expand your desired audience based on characteristics of converted customers, are extremely effective here. Supporting such efforts with a brand-lift survey can help you sort the wheat from the chaff in your customer pool—pointing you to your most valuable impressions and improving the quality of your audience segmentation.

TIP:

Programmatic buying can give you the reach and scale you need to drive awareness with your desired audience.

DO THIS:

Predictive targeting, look-alike modeling

MEASURE THIS:

CPA (most of the time the "action" is defined as a site visit), growth of your retargeting pool, or brand lift (such as with a Nielsen OBE study)

REAL STORY

IN TRAVEL

Searching for a way to track the value of its campaign strategy, a popular travel-booking website analyzed its predictive targeting and retargeting tactics. The company found that audiences who joined the remarketing pool via predictive targeting were responsible for a **30% increase in users visiting the site after seeing an ad (view-through-actions) and a 22% lift in clicks**. These results highlight the value of measuring tactics throughout the customer journey in order to properly attribute success.

2

CONSIDERATION

The goal of the consideration stage is to discover audiences and deliver ads to those customers that are most likely to continue to the intent stage of the customer journey. To increase customer consideration, look to narrow the audience segment captured with broader branding tactics used during the awareness stage.

To find your most likely customers, use content[3], predictive[4], and behavioral targeting[5]. Content targeting matches the content of an ad to the content of a web page your audience is viewing for more relevant messaging. Predictive targeting during the consideration stage will allow you to narrow your desired audience based on data gathered during the awareness stage; behavioral targeting will reveal which users are most likely to show interest in your brand by using third-party data to create detailed anonymous demographic profiles[6]. Content targeting uses content of the web page as a correlation of advertising relevance. These programmatic tactics will help you hone your audience to a population of customers most likely to convert and then deliver more effective and intelligent ads to that audience.

TIP:

During the consideration stage, use a combination of content, predictive, and behavioral targeting to find your most likely customers.

DO THIS:
Predictive and behavioral targeting; possibly some content targeting

MEASURE THIS:
CPA, ROI

REAL STORY

IN RETAIL

After analyzing conversions, an outdoor retailer found that much of the revenue attributed to remarketing tactics actually originated from predictive targeting tactics. The company discovered that 68% of users were exposed to predictive targeting before they ever entered the remarketing pool and **95% of the revenue initially credited to remarketing had come from users influenced by predictive targeting.** These results point to the value that branding tactics play at the beginning of the customer journey, which were ultimately responsible for the majority of the outdoor retailer's conversions.

3 INTENT

By signaling interest in your brand—with site visits, click-throughs, or other advanced actions—your prospects can be categorized in the intent stage. The goal during this stage is to turn interest in your brand into desire for purchase.

To achieve this, a combination of behavioral targeting and retargeting should be used. Retargeting works by delivering ads in succession, which serve as reminders that greatly increase the chances of a conversion. While predictive targeting, behavioral targeting, and retargeting are all effective tactics individually, a strategy that combines all three will yield the best results, helping you nurture your customer all the way to conversion.

TIP:

Frequency experiments can be used to identify the optimal number of ads delivered to make a connection with your desired audience.

✔ DO THIS:

Continue to draw in new prospects with predictive and behavioral targeting. Add retargeting, seeking a balance between upper-funnel and lower-funnel activity that works for you. Retailers and others might find an opportunity here to apply Dynamic Creative Optimization (DCO)[7], leveraging a browser visit history to trigger reminders to complete purchases or other actions.

MEASURE THIS:

CPA, ROI

REAL STORY

IN TECHNOLOGY

When analyzing conversion data, a technology brand isolated tactics that were effective in moving customers down the path to purchase. When comparing their predictive targeting efforts to their retargeting efforts, it became clear that both tactics, executed during different stages of the customer journey, were instrumental in cultivating eventual conversions. Results showed that **customers acquired with predictive targeting and later placed in a retargeting segment were responsible for 75% greater ROI than users solely in the retargeting pool.**

4 CONVERSION

Finally, the audience reaches the last and most important stage. Once a conversion is made, real-time bidding allows you to appropriately segment audience members based on purchase history and deploy highly relevant follow-on advertising. Keep in mind that using multi-touch attribution (MTA)[8]—which measures where customers saw your ad before conversion—instead of last-touch attribution (LTA)[9] at the conversion stage allows you to properly give credit to other stages throughout the customer journey.

Use look-alike models, site extension, and DCO (again) to refine your segments and reach prospects based on what you know about your converting audience. Build on that knowledge to restructure your behavioral targeting and content targeting so you have a better idea of your customer attributes in relation to your third-party data. Don't be afraid to experiment—it's the best way to see what works best.

TIP:

Working with a partner like Turn, prospects who have converted to customers will transition to your upsell segment in real time. This speed ensures messaging is relevant and timely.

✓ **DO THIS:**
Look-alike modeling, site extension, multi-touch attribution, DCO

📏 **MEASURE THIS:**
To get a sense of cost per incremental conversion, measure campaign performance against a hold-out group.

REAL STORY

IN FINANCE
An American financial company analyzed audiences who converted in a recent campaign to determine the value of the different tactics employed throughout their customer journey. The audience was segmented into two groups: conversions generated through predictive targeting and conversions generated through retargeting. This financial brand found that **3.8% of users captured using predictive targeting contributed over 10% of total conversions**. This analysis revealed the positive effect that their branding objectives had on eventual conversion.

THE BOTTOM LINE

As we've seen, each stage plays a unique role in the customer journey. Applying the right tactics to measure marketing effectiveness at each step along the way can lead to better, more effective, more efficient campaigns. And that means better results for your business.

Ready to craft your own measurement action plan for programmatic marketing? Turn the page.

YOUR MEASUREMENT ACTION PLAN

Stage 1: Building Awareness

If you want to...	Try this...	Measure this...
Introduce your brand to new prospects	Look-alike modeling	CPA
Increase site traffic	Predictive targeting	Site traffic, CPA
Increase site favorability	Predictive targeting	Brand lift

Stage 2: Fostering Consideration

If you want to...	Try this...	Measure this...
Narrow your desired audience segments	Predictive targeting, content targeting	CPA, ROI
Hone your understanding of your potential customers	Behavioral targeting	CPA, ROI

Stage 3: Cultivating Intent

If you want to...	Try this...	Measure this...
Turn intent into conversion	Behavioral targeting, retargeting	CPA, ROI

Stage 4: Securing Conversion

If you want to...	Try this...	Measure this...
Analyze conversions	Multi-touch attribution	ROI
Retarget potential customers	RTB based on purchase history	CPA
Restructure your audience segments	Look-alike modeling and site extension	CPA

About Turn Inc.

Turn delivers real-time insights that transform the way leading advertising agencies and enterprises make marketing decisions. Our integrated cloud platform enables data management, multi-channel advertising, and advanced analytics from a single login, along with point-and-click access to more than 150 integrated technology partners. Every day, the Turn marketing software and analytics platform makes nearly 100 billion advertising decisions and analyzes more than 1.5 billion anonymous customer attributes. Our robust architecture provides instant access to over 2 trillion display, mobile, social, video, and TV advertising impressions every month, with response times under 10 milliseconds. Turn is headquartered in Silicon Valley and provides its products and services worldwide.

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Sources:
1 McKinsey & Co., "Customer Journey Analytics and Big Data," April 2013 "Multi-event" refers to a consumer's multiple exposures to a campaign across devices and platforms.
2 Look-alike modeling: Targeting that involves the generation of statistical models based on first party advertiser data (e.g., website visitors or offline purchasers) or an existing audience segment. This model is used to reach a large segment of Internet users who match the characteristics of the initial set. The size of the audience can be chosen along a curve, yielding more audience reach if the specificity is more flexible.
3 Content Targeting: A method of advertising in which the content of an ad is in direct correlation to the content of the web page the user is viewing. Third-party content providers analyze and categorize web pages (URLs) for types of content (i.e., contextual, brand safety, page quality) that they contain.
4 Predictive Targeting: enables direct marketers to drive incremental sales by accurately predicting which audiences are in-market for what they sell, leveraging a range of data and tactics such as user, context and advertiser data, campaign performance goals, channels & creatives and campaign performance measurements.
5 Behavioral Targeting: Using a profile of the viewer's prior behavior to determine which ad to show during a given visit. For example, delivering car ads on a portal to a viewer known to have visited the automotive section of a general media site.
6 Profiles used within audience selection tactics on the Turn platform are comprised of non-personally identifiable information. Non-PII includes, but is not limited to unique identifiers associated with users' computers or devices and IP addresses, where such identifiers or IP address are not linked to PII. (Source: 2013 NAI Code of Conduct, http://www.networkadvertising.org/2013_Principles.pdf)
7 Dynamic Creative Optimization (DCO) leverages dynamic ad creative and automatic optimization processes to enable marketers to deliver the best custom-tailored ad creative for each ad impression in real time.
8 Multi-Touch Attribution (MTA) is an advertiser-defined methodology that tracks conversions across all media spend. Fractional and proportional credit is given to all of the impressions encountered by the user before an action is taken.
9 Last Touch Attribution (LTA) is a methodology through which a conversion is credited to the last media provider or channel that displayed an impression to the user.