MARKETING

Which next-generation attribution strategies should marketers have on their radar?

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Photo courtesy of Michael Kors

By Alex Samuely of Mobile Marketer

As mobile attribution continues to be a hotly contested subject, brands will need to place a higher focus on a new generation of smartphone advertisements that consume less bandwidth, reach for higher standards and showcase how consumer resistance to intrusive ads can be sidestepped.

A new series of mobile attribution methods could take center stage for marketers struggling to capitalize on application downloads and new user acquisition. Brands and retailers will be forced to grasp a better handle on their physical locations and complementary data in order to maximize location-based ad attribution in addition to combating ad-blocking problems with more consumer-friendly features.

"We've seen mobile ad blocking almost double in the past year, with Asia leading the way," said Lou Orfanos, vice president of product at Localytics. "A big reason for this is that mobile ads eat up data that is extremely valuable to users in the developing world.

"As a result we expect to see focus placed on developing a new generation of ads that can deliver results while consuming far less bandwidth," he said. "In the developed world, we expect location-based ads will grow, but so will consumer resistance to ads that are too intrusive, creepy and/or irrelevant.

"The result will be a drop in the efficacy of mobile ads when it comes to driving valuable new leads as the novelty of the medium starts to wear off. The hope is that this leads to a new set of higher standards, much like what we see in the world of post-install user engagement today: push notifications got noisy, users revolted, and publishers were forced to get smarter."

Mobile attribution challenges

Per Mr. Murphy, one of the biggest attribution challenges currently facing marketers relates to app downloads and retention rates. While companies do want to ensure their mobile apps are being downloaded and interacted with, they also want to widen their pool of new customers as much as possible.

Often times, an acquisition campaign will be judged on metrics such as app downloads, but this strategy can be ineffective. Marketers must focus on identifying quality users before measuring customer engagement.

While app downloads can display short-term value of mobile consumers to brands, businesses should primarily study session length in apps, retention and other behavior-metrics metrics to accurately determine the efficacy of a campaign.

Additionally, brands will need to adhere to higher standards when it comes to location-based mobile ads. The rise of ad blocking has enabled consumers to dismiss irrelevant or intrusive advertisements with the tap of a finger, a notion that underscores the importance of marketers rolling out interactive, non-stationary units.

For example, Mucinex attracted 16 million views and drove a 250-percent lift in Google search volume with humorous, reverse-psychology TrueView YouTube video ads that saw the brand's Mr. Mucus character insisting viewers use the skip button (see story).

Mucinex's successful YouTube ads demanded a level of interactivity

Brands can also take advantage of advertising platforms' new metrics to more accurately measure in-store traffic.

Facebook is enabling advertisers to more accurately measure their campaigns' effect on in-store sales with new features and metrics, including a native store locator for mobile ads, leveraging a strategy previously rolled out by Google and underscoring how mobile's return-on-investment is becoming clearer (see story).

"Online to offline attribution has rapidly emerged as a must-have capability for digital marketers," said Rob Murphy, vice president of marketing at Swirl. "Why? Because as more and more marketing budgets shift to digital, understanding the full impact of these investments, including their influence on physical store traffic and sales, is critical to optimizing ROI.

"There is certainly no shortage of vendors, approaches and technologies that are now being offered as the solution' for online to offline attribution," he said. "For brands and retailers, however, the biggest challenge today is sorting through the hype to understand what and how these solutions actually measure cross-channel performance.

"Data accuracy, timeliness of results and process transparency are all key areas that marketers should understand when evaluating attribution solutions."

Location's starring role

Another major trend to watch in the mobile attribution sector is the future consolidation of popular mobile apps and sites, per Localytics' Mr. Orfanos. Social networks such as Snapchat, Facebook and Twitter will continue to be optimal platforms for investment as their audiences grow even wider.

While many users are still wary of relinquishing their personal data to advertisers even for meaningful, relevant experiences networks such as Facebook already collect much of that information. Therefore, advertisers can piggyback off of these technology giants to increase their target consumer outreach.
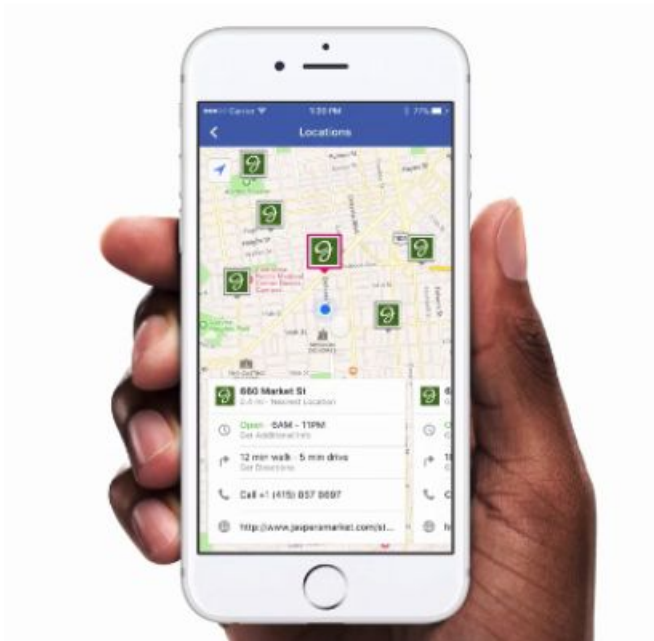
Facebook's new in-ad feature, the store locator

Location-based targeting will also experience an upward trajectory. Thanks to the optimization of technologies such as WiFi and beacons, brands will be able to better understand individuals' shopping behaviors and adjust their future ad campaigns accordingly.

"The biggest trend we see in this area is retailers taking greater control of their physical locations and the data that they are capable of generating," Swirl's Mr. Murphy said. "More and more retailers are deploying secure location signals (including BLE and WiFi) in their stores, and layering on new technologies that allow them to take advantage of these signals for data generation, measurement, marketing and customer service purposes.

"In-store customer behavioral data is an incredibly valuable asset that will be used to deliver much more personalized experiences for consumers in the not-too-distant future, and this asset will continue to grow in strategic importance for retailers who understand the power it provides."