Proving the impact of marketing on revenue.
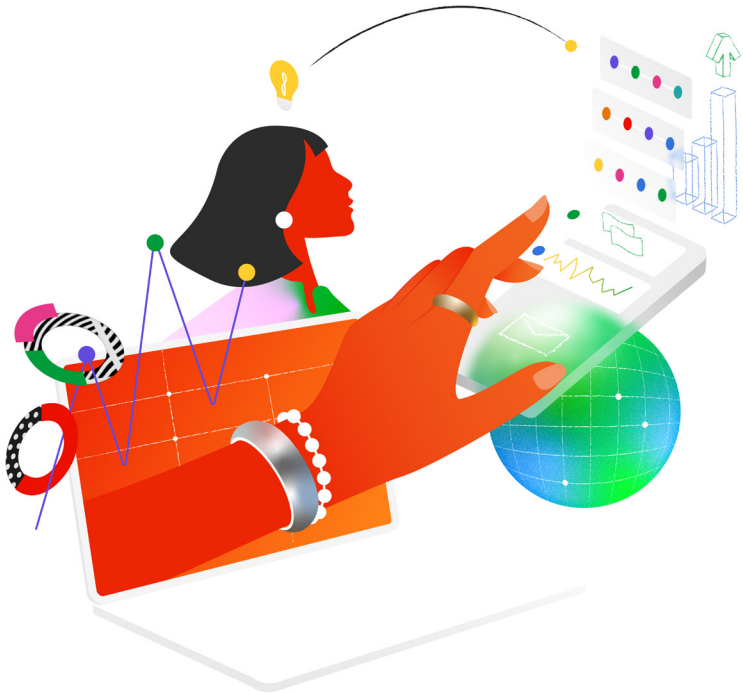
How to quantify the value of marketing and win your next budget battle.

You know someone will say it: "Let's just cut the marketing budget."

Let's dive into why marketing attribution is critical to your team's reputation as a revenue driver and provides tactics and strategies for improving it, no matter where you're starting.

In today's economy, CEOs and CFOs are hyper-focused on cutting unnecessary costs. Any activities that don't directly benefit the bottom line may be in jeopardy. That leaves marketers increasingly worried that their contributions are seen as "fluffy," "nice to have," and expendable. In fact, Pipeline Marketing found that **53.1%** of marketing teams surveyed said they are perceived as cost centers, not as revenue centers.

At the same time, the buyer's journey is expanding to include many more online interactions. Marketers are continually adopting new digital strategies like scheduling paid search and social media ads, working with influencers, and creating virtual events. It can be challenging to know which channels work for your business, industry, and products and to differentiate the channels that get results from those that are a waste of money.

Revenue and pipeline attribution—or, collectively, **marketing attribution**—is a marketing team's ace in the hole. It can help prove the value of marketing to skeptical executives and finance teams looking to cut budgets. Marketing teams with sophisticated attribution tools are 59% more likely to have a reputation as a revenue center, according to Pipeline Marketing.

Why you need marketing attribution.

In today's data-driven world, engagement metrics like downloads, shares, and likes aren't enough to solidify marketing's reputation as a revenue driver.

Executives in the C-suite, particularly the CFO and the COO, look closely at cost and return on investment (ROI) metrics, often focusing on driving costs down. Without marketing attribution, these executives and sales teams have no visibility into channels or activities that contribute directly to the success of the business.

Without the ability to prove that marketing generates revenue and adds qualified leads to the pipeline, asking management to increase marketing spend—or even maintain existing budgets— may be futile.

Even when you can point to results, it's important to understand that not all metrics carry the same weight. In today's data-driven world, engagement metrics like downloads, shares, and likes aren't enough to solidify marketing's reputation as a revenue driver.

Marketing attribution changes the game entirely. The right marketing attribution tools allow you to do the following:

- Show how activities across every stage of the funnel contribute to revenue and pipeline creation
- Operate in lockstep with your customer relationship management (CRM) system, a source that sales and C-suite executives trust
- Identify your most—and least—profitable activities, so you can direct your funds toward the strategies that work best
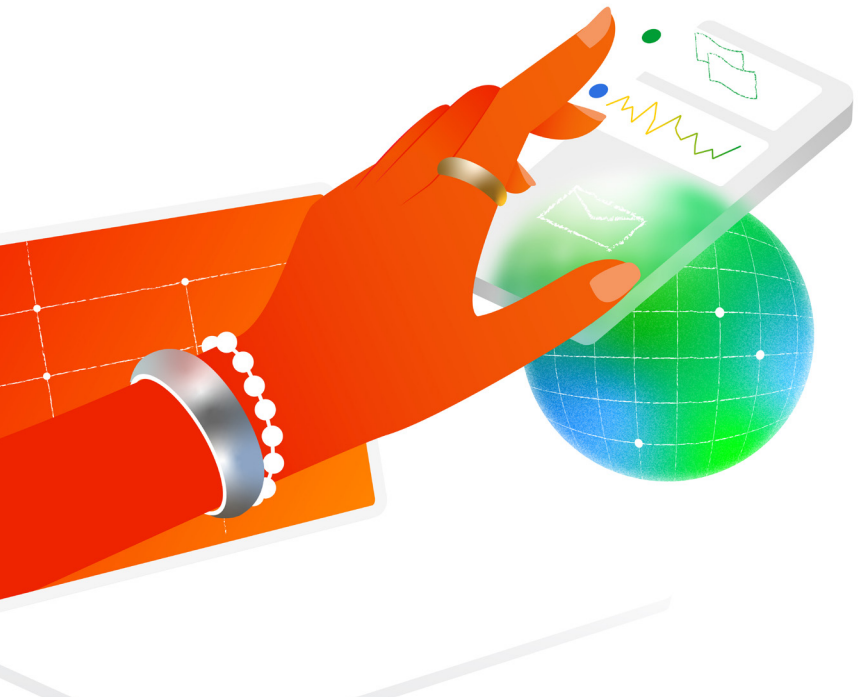
Finding the most profitable needles in your marketing haystack.

Creating effective marketing attribution strategies and accurately assessing the results can be difficult, especially if you don't have access to high-quality data such as the data residing in your CRM. These models require a high volume of data to track prospect and customer activities at each stage of the sales funnel.

That can be problematic if your data is scattered across multiple systems such as your CRM, event management systems, marketing automation systems, or advertising platforms, as there is no single source of truth to tie the data in these platforms together.

Another scenario can further muddy attribution models. Multiple people in an account may influence a sale. B2B buying teams often include six to 10 people, each with a different role and each armed with four or five pieces of independently gathered information. More than 77% of the customers Gartner surveyed described their purchase as very complicated or difficult.

In that case, you may need to map the actions of everyone associated with a particular company to understand which activities moved them from one stage of the customer journey to the next.

77%

Over 77% of customers described their purchases as very complicated or difficult.

Source: Gartner

And although marketing engagement metrics have their place, they don't represent a complete picture. To tell the whole story, you must combine your views, clicks, likes, comments, time on site, and click-through rates with other data from the prospect's journey. This type of analysis is complex and can be difficult to execute manually. For those still using a spreadsheet, marketing attribution conclusions are often plagued by data and human errors.
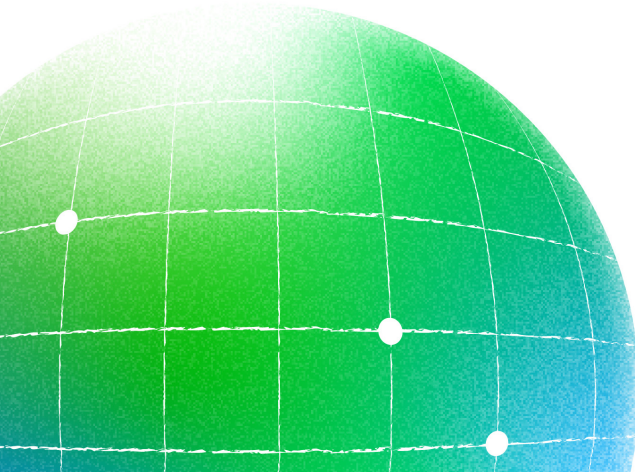
Make it easier with automation.

Generally speaking, automation can make marketing attribution easier and more accessible, even for small teams. Marketing attribution tools can pull in data from your most critical channels and marketing platforms, as well as the CRM, and automatically calculate attributions according to the various models.

The best tools can provide marketing attribution for both lead-based and account-based marketing strategies. They should also have reporting capabilities so you can quickly detail activity for management and other teams.

Marketing attribution platforms for any team.

Adobe Marketo Engage Performance Insights provides powerful insights into your marketing programs' performance, helping you prove marketing ROI, maximize your mix of channels, and spot consistent winning strategies. You can create a variety of reports that are easy to save and share across your organization.

Adobe Marketo Measure Revenue Attribution provides complete attribution across all touchpoints, making it possible to see the full buyer's journey—and offering unmatched visibility into marketing performance to help you improve impact and power growth. Multitouch attribution accurately reveals which channels and campaigns deliver the most revenue and highest ROI. Forrester reports that the average Adobe Marketo Measure (formerly Bizible) customer received an ROI of 298%, which translates to roughly $1.2 million in revenue.

With Adobe Marketo Measure, customers reported:

298% $1.2M

in ROI   in revenue

Source: Forrester

Calculating credit where credit is due.

Identifying the marketing activities most responsible for an opportunity or a sale can get tricky, as marketing attribution models make assumptions about which marketing activities should get credit for results.

At a high level, there are two main attribution model types: single touch and multitouch.

Single-touch models give 100% of the revenue credit to one marketing touchpoint. Common models include first touch, last touch, and last non-direct touch. The downside of these models is that they may overstate the effectiveness of whichever stage of the funnel is on the receiving end of the credit.

Multitouch models attempt to divide credit among all the marketing activities along the path of the buyer's journey. Some of the models give equal credit to all activities, and others are weighted more heavily toward the top or the bottom of the funnel, wherever the activity took place. Conventional multitouch models include linear, U-shaped, and time-decay.

Many marketers look at multiple attribution models to get a balanced picture of how their activities perform.
Learn more about attribution models.

How is marketing attribution working for you?

Businesses vary widely in their use and understanding of marketing attribution. Some are sitting on the sidelines, while others have sophisticated software and models designed to isolate the marketing activities that are delivering revenues and opportunities.

Do you know where your business is on this spectrum? Have you assessed what you should do next? Our marketing attribution maturity model can help you measure your company's level of marketing attribution expertise and determine the next steps.

LEVEL 0
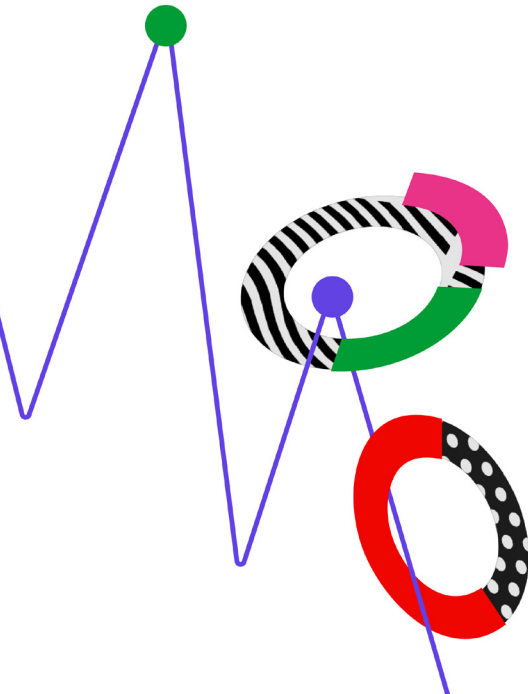
No marketing attribution

Many businesses don't practice any form of marketing attribution. These include smaller companies as well as large, complex operations with small marketing departments or a culture that dismisses marketing as fluff. Research conducted by AdRoll suggests that roughly 80% track marketing attribution, which suggests that 20% may do nothing at all.

**Your business is at level 0 if you do these things:**

- Evaluate performance based only on engagement metrics—downloads, clicks, and likes

- Have no visibility into which marketing activities lead to opportunities and revenues

- Find yourself losing budget battles because the C-suite sees marketing as "window dressing"

- Run the same marketing programs year after year without any data to support your choices

If that describes you, any marketing attribution model will help you redirect investments toward more successful strategies.

Take these steps to move forward:

- Start by researching marketing attribution.

- Find out if your marketing platform includes marketing automation.

- If the platform has an automation tool, consider using it for high-traffic channels.

- Share your findings with the sales team and use them to refocus your strategy.
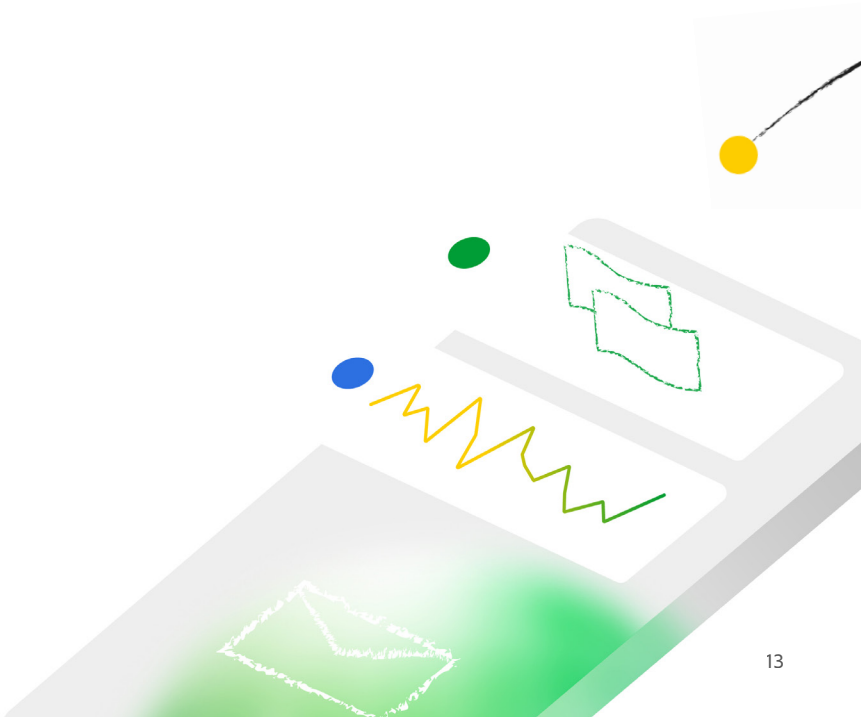
Basic marketing attribution

A larger number of businesses use a simple marketing attribution program. They may track attribution for one or two channels, especially if their marketing automation system comes with an attribution tool. However, they do not drill down to the finer details or specific program elements, such as individual emails and pieces of content. And they may not feel confident enough to share their attribution reports with the C-suite.

Your business is at level 1 if you do these things:

- Use a simple single-touch model for revenue and pipeline attribution

- Look at marketing attribution for only a handful of channels, such as web and email

- Have difficulty justifying your overall marketing spend, which spans several channels

- Struggle to obtain buy-in when you recommend new marketing strategies

If that describes you, there's good news. Becoming more comfortable with marketing attribution and applying it to more channels should yield better results quickly.

Take these steps to start leveling up:

- Apply marketing attribution across more of your critical channels.

- Check out a webinar or a training class to better understand marketing attribution models and the results.

- Share your marketing attribution reports with sales and (if appropriate) the C-suite.

- Use your marketing attribution insights to inform new strategies.

- If your marketing attribution tool can only handle a few channels or can't integrate with your CRM and other systems, consider acquiring a more sophisticated tool.

Multichannel marketing attribution

A growing number of businesses have a solid grasp of marketing attribution. They rely on multiple models to get a balanced picture of how marketing contributes to pipeline and opportunities, and they make a point of tracking all their channels. Even better, their marketing attribution syncs up to their account-based marketing (ABM) strategies, so marketing's value is captured even when large buying groups engage with sales.

Your business is at level 2 if you do these things:

- Use multiple models for revenue and pipeline attribution
- Look at marketing attribution for all your channels, both digital and offline
- Drill down to understand attribution at the campaign and asset level
- Can make a solid case to the C-suite that marketing delivers significant ROI
- Have a discretionary budget to test new marketing strategies

If that describes you, you're in an excellent position to explain marketing's value to the C-suite and advocate for your team. But adopting more sophisticated models and technologies could help you become even better—and save more time.

Here are some ways you can fine-tune:

1. Take a closer look at your marketing attribution tool or app. Ask yourself:

   - Are we spending too much time collecting and integrating all the data we need to track marketing attribution across all channels?

   - Does the tool support all the models we'd like to use, including custom algorithms?

   - Can it provide easily digestible reports that C-suite and sales execs will understand?

2. If your marketing attribution tool isn't meeting your needs, look at alternatives.

3. If you don't have one, consider consulting with a data scientist to evaluate and refine your attribution models.
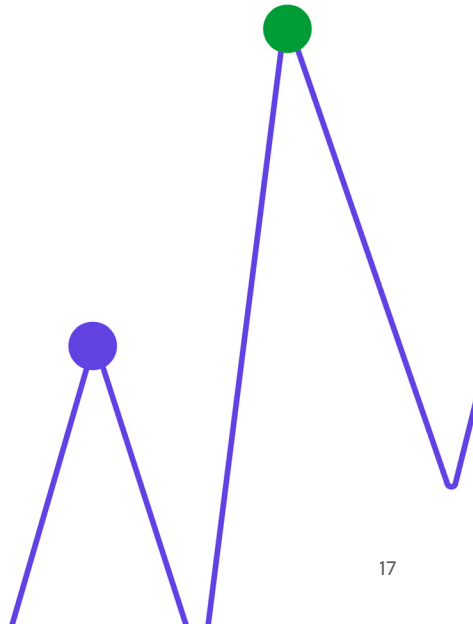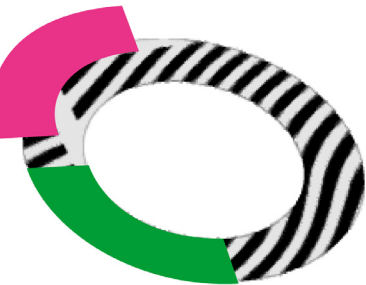
Advanced marketing attribution

Businesses with advanced marketing attribution wholeheartedly believe in the value of marketing. They have a thorough understanding of the effectiveness of their marketing programs and may be running a custom algorithmic attribution model. Whether they're large enterprises or emerging players, these companies are likely to be leaders in their category. They may also rely on artificial intelligence (AI) to automatically evolve strategies in response to performance data.

Your business is at level 3 if you do these things:

- Run a custom model to estimate marketing attribution for all your channels

- Can accurately attribute marketing value despite a complex product or a long sales cycle

- Track the value of sophisticated, multichannel marketing programs

- Work closely with the C-suite on companywide strategies

- Partner with sales on pipeline acceleration strategies

- Manage a large budget equal to 10–15% of company revenue

- Use AI and machine learning to innovate continually

If that describes you, you're probably ahead of your competition. But continue to innovate and use data to help your organization remain a leader.

Take these steps to ensure a higher level of performance:

- Consult with or hire a data scientist to keep refining your attribution models

- Continue providing attribution reports to the C-suite to prove the value of significant marketing spends

- Encourage practitioners to use attribution reporting to improve individual campaigns

- Use marketing insights to drive new strategies and get the C-suite to fund the initiatives

- Measure conversion velocity to fine-tune pipeline acceleration strategies

- Consider upgrading your attribution platform if its maintenance is taking more time than it should

> " Adobe Marketo Measure bridges the gap between marketing initiatives and sales-won opportunities. This helps justify marketing spend and secure marketing budget for future years. We are finally able to connect the dots between all the money we spend on marketing campaigns and closed-won revenue.
>
> **Kevin Lissandrello**
> Manager, Demand Generation Marketing Group
> PitchBook

Ready to learn more?

Learn more about how Adobe Marketo Engage can help your business.

Get details

You can also check out these other resources.

Learn about predictive content

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Adobe Experience Cloud

Adobe Experience Cloud is the most comprehensive suite of customer experience management tools on the market. With solutions for data, content delivery, commerce, personalization, and more, this marketing stack is created with the world's first platform designed specifically to create engaging customer experiences. Each product has built-in artificial intelligence and works seamlessly with other Adobe products. And they integrate with your existing technology and future innovations, so you can consistently deliver the right experience every time.

Adobe Marketo Engage

Adobe Marketo Engage specializes in customer engagement for complex B2B buying journeys. As a complete solution for lead management, it brings marketing and sales together to nurture leads, orchestrate personalized experiences, optimize content, and measure business impact across every channel. It natively supports both demand- and account-based marketing strategies, providing a single, integrated lead management platform from acquisition to advocacy. Build engaging, personalized experiences at scale and prove impact with Adobe Marketo Engage.

Sources

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