The Key To Figuring Out YOUR Marketing Channels

The oldest dilemma in marketing is "Which of my channels is working?" Yet with the rise of technology that question has only become more difficult to answer. Why?

While the technology for tracking results has increased, the sheer number of promotional options has exploded, and so has the quantity of data a marketer must sort through to find the answer. What's a marketer to do?

For answers, the New England Financial Marketing Association turned to media expert Marilois Snowman of Boston's Mediastruction, and JoEllen Zmolek-Nyquist from Veridian Credit Union in Waterloo, Iowa, an experienced practitioner in media cost attribution.

When approaching the riddle of media attribution—which channel works—Snowman relies on a series of distinct tools, each with their own strengths and weaknesses. In the world of digital advertising, direct tracking of user behavior using bits of identifying code can produce impressive connections between the "upper funnel" of digital video, banners, and social media promotions and the "lower funnel" of those who demonstrate initial interest, purchase behavior and ultimately, ROI.

Yet this methodology is not without limits. It cannot fully account for the impact of offline activities such as sales intervention, the influence of non-digital advertising and the impact of long-term brand awareness. Failing to address such exogenous factors can artificially boost the efficiency of a single digital effort.

A second approach uses statistical tools such as regression modeling and correlation to precisely account for the influence of each distinct channel on patterns of sales response. Products offered by firms such as Neustar, Google, and Nielsen permit the marketer to measure the synergistic impact of each additional channel and help root out the waste inherent in broadly-targeted, multi-channel campaigns. These sorts of approaches can be expensive, however, so the community bank marketer must use them strategically.

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Zmolek-Nyquist put these sorts of approaches to the test at Veridian Credit Union on equity loan and auto loan campaigns. With these methods Veridian was able to determine that just 22% of product sales during the period could be directly attributed to the influence of media after filtering out the impact of external factors such as sales and long-term brand awareness.

Further investigation allowed the Veridian marketing team to profile the relationship between tonnage and efficiency in competing media. While certain media such as print delivered a very low cost per incremental sale, such channels simply could not deliver the required tonnage of balances required to meet corporate objectives. Thus, a balanced approach was required.

Finally, they took campaign results and translated them to a lifetime value impact of the campaign on the bottom line of the credit union. In doing so, they determined that there was not a simple answer to the value of new media versus traditional. Old fashioned broadcast TV delivered the greatest lifetime value, while social media, digital and search gave it a run for its money. ■