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CASE STUDY
IHC INSIGHTS IN ACTION

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Situation

Our client, Fingerspitzengefühl (FSG), is a digital media agency that helps international brands navigate the vast online marketplace. They help these brands grow by co-creating a unique but solid online strategy with a focus on brand building, performance marketing, and data insights. It is imperative for them to focus on achieving monthly performance-based targets for their clients. In order to deliver on these targets, they require a centralized business intelligence system that collates and combines multiple sources of information.

Solution

We developed a ready-to-use BI dashboard. This unified BI dashboard contains information from 10 different sources: IHC Attribution, Bing, Google Ads, Google Analytics, Facebook Insights, Trade tracker, Rakuten, Outbrain, Instagram and Backend data.

Results

- The ready-to-go PowerBI dashboard was customized for the client.

- With e-commerce data scattered all over, the dashboard is able to link information from various sources. Due to its tracking set-up and channeling of the so-called channel mix, it helps to provide simple interpretations and analysis.

- The dashboard has easy-to-use tabs that cascade through all relevant data and its correlations. For instance, from top-level KPI's to channel specific performance.

- All customer journeys are aggregated over all the channels, as well as all the attribution parts of every conversion/sale that played a relevant part.

Dashboard Use Case

IHC model use case

The results of Q1 and most of Q2 were showing Display and Content Marketing channels being quite expensive based on the Last Non-Direct CPO. Hence, the marketing team decided to reduce the Adspend for those channels starting June 2018.

The marketing specialists of FSG exceeded the Turnover target in June by 23%. This is due to a 40% higher CVR (Conversion Rate) as forecasted. However, the Sessions goal was not reached and not all budget was spent.

Turnover	
Actual	Monthly Goal
475.52K	387.344K
Target Completion	
123%	

Conversion	
Actual	Monthly Goal
5.77%	4.14%
Target Completion	
139%	

Sessions	
Actual	Monthly Goal
127,880	150,485
Target Completion	
85%	

Positive ROAS (Return On Ad Spend) and lower CPO (Cost Per Order) suggest that if Sessions goal was reached, June could have performed even better. They wanted to further investigate what caused Sessions to underperform.

Costs	
Actual	Monthly Goal
26,689	32,856
Target Completion	
81%	

Return on Ad Spend	
Actual	Monthly Goal
1,782%	1,179%
Target Completion	
51%	

| Cost per Order	
Actual	Monthly Goal
3.62 €	5.28 €
Target Completion	
69%	

In July, FSG observed a drop in turnover compared to the target performance. It seemed that the underperforming sessions in June had a high influence on this.

Reached only 107% of target revenue in July, compared to 123% above target in June.

| Turnover	
Actual	Monthly Goal
410.941K	384.243 K
Target Completion	
107%	

The marketing specialists wanted to investigate this issue. The dashboard customized to their needs and specifications provided essential information why the Sessions goal was not achieved.

It turned out that the only two channels that were not delivering were indeed Display and Content Marketing. This observation correlates with a significant decrease in the costs of June compared to May. Marketing spends were reduced for Content Marketing and Display by **56%** and **52%** respectively.

Content Marketing Costs | Display Costs
May — 100%, June — 56% | May — 100%, June — 52%
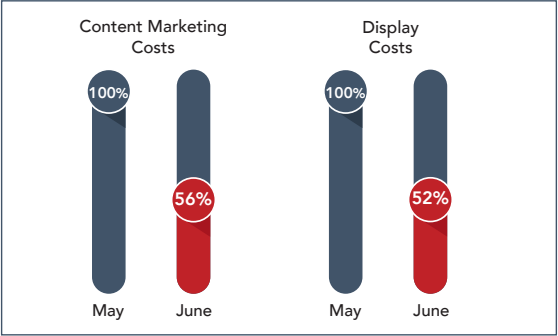
Content Marketing, based on Google Analytics (GA) last non-direct attribution is an expensive channel (high CPO, 56% above target).

And in general, it is the last touchpoint in only around 11% of the customer journeys whereas branded Search Engine Advertising (SEA Brand) is as high as around 50%.

Touchpoints in Customer Journey

Content Marketing — SEA Brand

Before last non-direct — Last non-direct
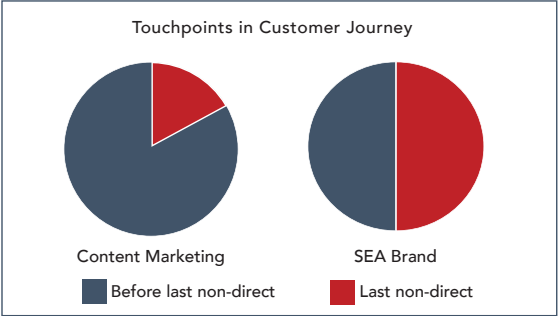
When our client took a look at Initializer Holder Closer (IHC) attribution numbers for Content Marketing in June, they saw that IHC CPO is well within the target, even slightly lower.

Another valuable insight provided by IHC model was that Content Marketing is extremely strong in the initializer phase of the customer journey.
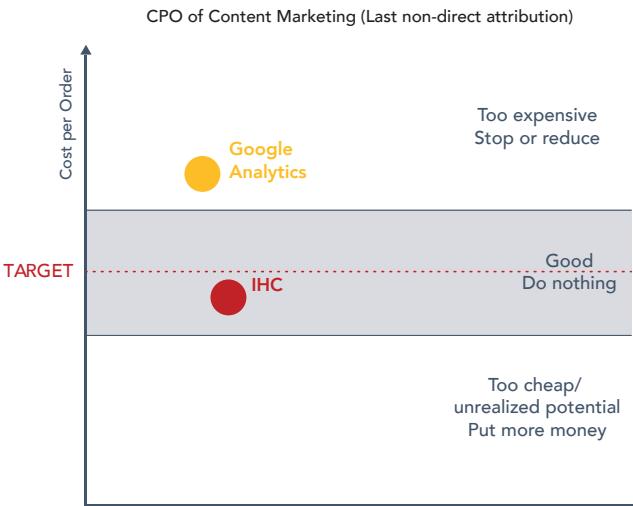
Hence this indicates the unrealized potential of the Content Maketing channel to engage new prospecting customers.

Content Marketing Impact within Customer Journey

Initializer Phase — Holder Phase — Closer Phase
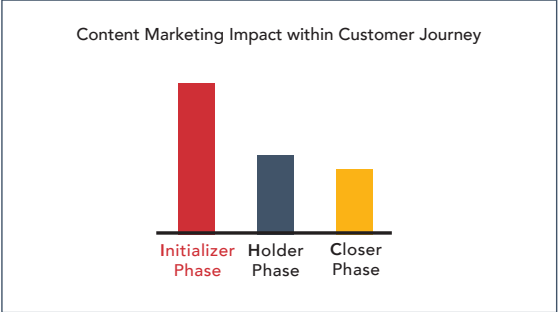
GA CPO is 56% above the target, while IHC CPO is 7% below the target. Our client saw similar behaviour for Display channel as well.

This led to the decision of increasing the budget for Content Marketing and Display, in order to support future transactions by boosting strong initializer phase channels.

IHC helped our client understand the entire customer journey and the importance of relevant touchpoints. Based on GA, FSG would have decided to reduce the budgets for certain channels. However, taking a look at the IHC insights, the marketing specialists increased the budget for July for Content Marketing to as it was in May. This resulted in the Sessions reaching the assigned target in the following months and turnover returning back to the expected high performing trend.

CPO of Content Marketing (Last non-direct attribution)

Cost per Order

Too expensive
Stop or reduce

Google Analytics

TARGET

Good
Do nothing

IHC

Too cheap/
unrealized potential
Put more money

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Summary

The job of a marketing specialist is very much connected to making informed decisions that directly impact business performance. Thus, it is of utmost importance that specialists use state-of-the-art attribution models. They need to have all the essential information at their fingertips to successfully navigate their business through a competitive e-commerce environment. The IHC attribution model combined with the dashboard that contains compelling marketing data provides an unparalleled experience in the decision-making process and makes it as straightforward as possible.

The dashboard was customized to our client's needs and their manner of working. It is able to link information from various sources due to its tracking set-up and channeling of the so-called channel mix which helps to provide simple interpretations and analysis. Every single customer journey is taken into account. Aggregated data is provided which includes attribution parts of every conversion/sale of all the channels that played a relevant part.

The importance of relevant touch points to understand the entire customer journey can be made possible with IHC. We can evaluate the impact of different campaigns in the overall performance and hence help in optimizing it. The client, in this case, had decided to reduce the budgets for certain channels based on the insights received from Google Analytics. However, having taken a look at the data from the IHC attribution model, they successfully decided to reassign their budgets and this led to them further overachieving their targets.

The IHC attribution system provides you with

- Fully data-driven model evaluating every customer journey

- Cutting edge interaction type attribution model

- Live attribution dashboard, that is insightful for top-level management as well as channel specialists

- The dashboard is easy to share across teams, with an available direct connection to the source database over an API

- The dashboard contains information from various sources: website events tracking, API connections, IHC attribution, backend data, etc.

- The IHC system is able to link the marketing costs with the attributed revenue on any available breakdown level providing realistic cost effectiveness of campaigns (CPO, ROI, ROAS)

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We are a technology and data analytics boutique providing solutions that are tailor-made and exclusive to fulfill our client's needs. Using cutting edge mathematics, outstanding machine learning and big data solutions, we focus on bringing smart data analytics to your business.