Ingenious Technologies

WHY TRADITIONAL DEDUPLICATION IS NOT GIVING MARKETERS THE FULL PICTURE

Ingenious Technologies AG
Französische Straße 48
10117 Berlin
Germany

www.ingenioustechnologies.com

Customer habits are ever-changing and their interactions with brands prior to a sale ever more complicated. Here, we explain why it is necessary for businesses to change the way they deduplicate, in order to keep up with their customers today.

DEDUPLICATION AND THE LAST-CLICK MODEL

Businesses usually work with many partners to reach out to their customers when advertising online. Traditionally, when we talk about deduplication, we are referring the process of attributing a sale to only one partner. Most commonly, this is based on a last-click model, which means that advertisers attribute the sale to the very last partner the customer was interacting with for payment.

This raises the following question: why does deduplication usually work around that one last touch point? To answer that, we need to bear in mind that marketers are often conversion-oriented and focus on the last activity immediately before the sale, and tracking technology has not been advanced enough to look beyond the conversion. Therefore, the quickest way to attribute a sale is with the help of the last cookie, which is instantly and always available.

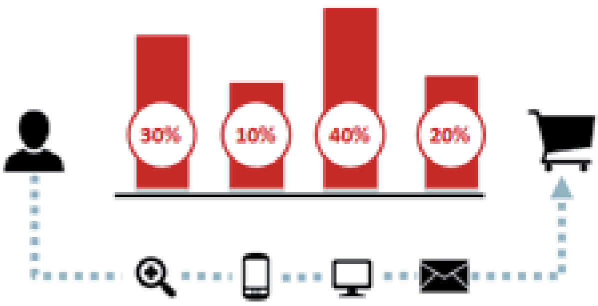
However, the last-click model provides a myopic view of the customers' decision-making cycle. There is often complex behaviour behind a sale, as customers interact with a large number of partners before arriving at a decision.

Furthermore, these partners are aware that they play a large role in influencing the customers' decision. By giving them little or no credit, marketers are weakening their marketing activities as they lose control of the partners' performance.

ENTER ATTRIBUTION MODELLING

Since it became obvious that there is a bigger story behind a conversion, marketers have turned to attribution modelling for a better picture of how the marketing budget is spent.

This concept of attribution modelling refers to the setting of rules that assign credit to each channel, which has directly or indirectly contributed to a generated sale or any other conversion target. In other words, marketers are able to determine a percentage for each channel according to how important the channel has been to their business.



By monitoring sales in alignment with the chosen attribution model, marketers can amend or justify the marketing strategy for each channel.

Yet, when it comes to paying out commissions, the majority end up returning to the last-click model due to technology limitations and the lack of sufficient data. This means that they have kept the processes of de-duplication and attribution modelling completely separate from one another and for different purposes.

MODERN DEDUPLICATION STRENGTHENS MARKETING STRATEGIES BY INCORPORATING SPLIT COMMISSION

Since marketers already use attribution modelling to spot the synergies across different channels and tracking technology is becoming innovative enough to capture customer journeys accurately, companies would significantly benefit when all valued partners are rewarded appropriately.

In order to do so, modern deduplication technology makes use of identified customer touch points in the decision-making cycle and aligns them against predefined rules according to the attribution model. Then, the commission is split among those partners, which are important to the business and the users have interacted with. This applies to all performance-based remunerations that are not fixed fees, e.g. cost per sale.

For example, let's say that a customer made a purchase from you after interacting with your brand several times and the total commission adds up to 100€. The traditional deduplication process would reward one partner all 100€, while modern deduplication splits this commission among your strategic partners who were involved in the sales. If you have set to reward the partner initiating sales 20%, assisting sales 30% and closing sales 50% of the total commission, the corresponding partners would receive 20€, 30€ and 50€ respectively.

By moving away from the last-click model and taking into account the complex customer decision-making cycle, marketers can be assured of an optimized marketing strategy, as well as a boost of their business KPIs through accurate payout processes and more control over their strategic partners. On top of that, since the payout process is more closely aligned to reality, marketers will also be able to maintain more sustainable and profitable partnerships for their businesses.

For more information:
Ingenious Technologies AG
info@ingenioustechnologies.com
T +49 30 577 02 - 60 00
F +49 30 577 02 - 60 99
www.ingenioustechnologies.com