

# BEYOND SEARCH: ILLUMINATING THE ALLTEL WIRELESS SALES FUNNEL

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## Introduction

As online ad budgets continue to grow and expand across multiple media channels, campaign success metrics and reporting standards have remained relatively simple. Click-through rates are the most basic of these standardized online metrics. For many marketers, measuring post-click and post-view conversions (sales or other desired actions) has become a common way to evaluate the ROI for a campaign. The current standard for conversions is referred to as the “last ad” model, as it attributes 100% of the credit for a conversion to the last ad seen or clicked by a consumer. This standard

**EXPOSURE TO DISPLAY  
ADS INCREASED  
THE RATE OF ALLTEL  
SALES FROM SEARCH  
CLICKERS BY 56%.**

enables optimization decisions within and across digital media channels, and has become the widely accepted standard across third-party ad servers, Web analytics vendors, and most proprietary reporting systems. However, as consumers spend more and more time online, the increasing complexity of the digital sales funnel has created a reality gap between what’s happening in the marketplace and what’s being measured in reporting. Case in point, advertisers’ reach and frequency across sites and channels has increased dramatically. An analysis of ad campaigns showed that 94% of the touchpoints in converter histories

are ignored by the last ad standard and receive zero credit.<sup>1</sup> The emergence of rich media, video and mobile channels has added to the growing complexity of the digital sales funnel and stresses the importance of developing more sophisticated standards to measure engagement and ROI.

<sup>1</sup> Song, Young-Bean. Senior Director. Atlas Institute. “Engagement Mapping: A new measurement standard is emerging for advertisers.” [http://atlassolutions.com/uploadedFiles/Atlas/Atlas\\_Institute/Engagement\\_Mapping/eMapping-TP.pdf](http://atlassolutions.com/uploadedFiles/Atlas/Atlas_Institute/Engagement_Mapping/eMapping-TP.pdf)

In this case study, the Atlas Institute compared conversion reporting based on the last ad standard to a reporting model that associates credit to all of the digital touchpoints in a consumer’s online history. We partnered with Ingenuity Media of The Martin Agency to evaluate the campaign results for Alltel Wireless, owner and operator of the nation’s largest wireless network, in order to determine the effect multiple touchpoints have on conversions. We measured the impact of media driving to the sale of either a phone or a wireless plan.

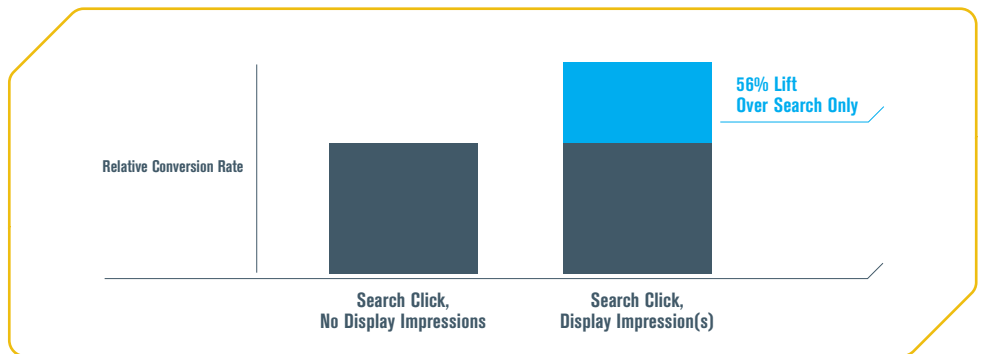
Though they are interested in understanding the impact of all touchpoints in a given consumer’s history, Ingenuity Media took a deeper dive into understanding the specific relationship between Alltel’s two most prominent channels: display and sponsored search.

The online history of users who clicked on an Alltel sponsored search term was analyzed and segmented into two groups:

- > *Search Clickers: Users who only clicked on an Alltel sponsored search term with no Alltel display ad exposure*
- > *Search & Display Consumers: Users who clicked on an Alltel sponsored search term and were also exposed to an Alltel display banner*

Figure 1:

Users who clicked on search ads who were also exposed to display were 56% more likely to purchase from Alltel than those only exposed to search, illustrating a significant synergy between the two.



For reference, a previous Atlas Institute study established an industry benchmark that users who clicked on sponsored search and were exposed to a display ad from the same advertiser, on average, converted 22% more often than those users who clicked on sponsored search only.<sup>2</sup> In the Alltel study, users exposed to both search and display were 56% more likely to purchase an Alltel phone or wireless plan online than those users who exclusively clicked on a search term without exposure to Alltel display ads. This halo effect between the two channels illustrates the shortcoming of the last ad standard. The current standard gives sole credit for a conversion to the last click in a consumer’s history, which disregards any influence from ad views before or after the click. Giving entire credit to search clicks ignores the powerful impact that display advertising has on Alltel’s acquisition process.

<sup>2</sup> Strong, Esco. Senior Manager. Atlas Institute. “The Combined Impact of Search and Display Advertising.” [http://www.atlassolutions.com/uploadedFiles/Atlas/Atlas\\_Institute/Published\\_Content/crosschanneldmi.pdf](http://www.atlassolutions.com/uploadedFiles/Atlas/Atlas_Institute/Published_Content/crosschanneldmi.pdf)

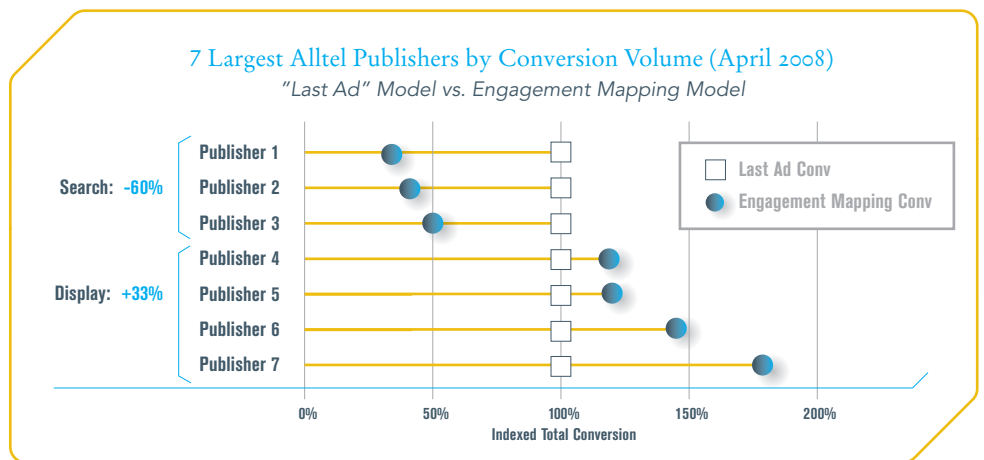
With this understanding of the synergy between their search and display campaigns, Ingenuity Media implemented a new conversion reporting model that attributes credit to every media touchpoint (i.e., all impressions, clicks and interactions) prior to purchase. The new reporting methodology takes into account Alltel's cross-channel reach, frequency, creative type and creative size in addition to recency and the order in which the clicks occurred in a converter's history. This holistic view of a consumer's exposure to digital media was implemented in April 2008.

### The Results

The figure below illustrates the change in credited conversions for the seven largest sites within the Alltel media campaign. Combined, they represent 96% of the total sales associated with the entire campaign. Attributing conversion credit to all of a consumer's touchpoints led to a 60% reduction in Alltel sales credited to the search channel. Alltel's largest-volume search engine had a 58% reduction in credited sales. In contrast, the four largest display sites had a 33% average increase in conversion credit.

Figure 2:

This figure illustrates the change in credited conversions for the seven largest sites in Alltel's campaign. The three search publishers lost an average of 60% of their conversions. In contrast, the four display publishers increased their credited conversions by an average of 33%.



The drivers behind the dramatic shift in conversions from search to display deserve further examination. An illustrative case is the biggest gainer, Publisher 7, which observed a 73% increase in credited conversions. Under the last ad model, Publisher 7 only received credit for 15% of Alltel's overall conversions yet an analysis of Publisher 7's

reach showed that it delivered impressions to 58% of all converters. Beyond its significant reach to converters, this publisher's average frequency to those converters was the highest of the seven sites, and the average creative size of those display exposures ranked second-largest. By factoring every ad impression, click and interaction in each consumer's history, Ingenuity Media is able to justify media opportunities that contribute valuable reach and engagement along the entire purchase funnel.

**60% OF ALLTEL SALES CREDITED TO SEARCH WERE REATTRIBUTED TO DISPLAY.**

The dichotomy between the last ad conversions and the amount of engagement each channel delivered is also quite revealing. Alltel's sponsored search clicks only accounted for 2% of total engagement touchpoints associated with Alltel acquisitions yet the search channel was credited with 35% of conversions via the last ad model. Given that the vast majority (98%) of engagement touchpoints with Alltel's customers came from display ads, a significant shift in credit from search to display is not surprising.

This shift will be a common theme with any attribution model that goes beyond a single ad or click. The navigational nature of search ads will continue to be a great vehicle for driving traffic at the bottom of the sales funnel.<sup>3</sup> However, leading marketers like Ingenuity Media and Alltel now have the ability to close the reality gap between consumer engagement at all levels of the sales funnel and the reporting they use to optimize the ROI of their digital ad campaigns.

### What Advertisers Can Learn from these Findings

**Optimize the entire funnel, not just the last ad:** The last ad standard masks the complexity of your media plans and the organic nature of the consumer marketplace. By evaluating all of the engagement touchpoints prior to a conversion, you may discover media opportunities that appear to perform poorly but are creating the brand awareness that ultimately leads to a conversion. Given the vast volume of data captured when analyzing a consumer's entire digital history, the key to success and actionable insight for this new emerging standard is automation. New capabilities, such as Engagement Mapping, empower marketers to automate and customize their real-time reporting with little to no change to current media optimization processes. As a result, agencies and advertisers are able to quickly and effectively substantiate previously undervalued channels such as display and rich media as well as justify budgets for emerging channels such as Web video and mobile.

**Track all of your digital marketing through a third-party ad server:** Ingenuity Media observed a 56% increase in Alltel's conversion rate when consumers clicked on sponsored search and were also exposed to display ads. This insight highlighted the importance for a more comprehensive reporting methodology; however, the analysis would not have been possible had search and display been tracked through different reporting systems. Third-party tracking helps avoid the vagaries of double-counting conversions and enables reporting that allocates credit across multiple channels. Even with the use of different vendors for email, rich media or search, your advertising technology solution should tie all of those marketing touchpoints together to provide a holistic view of the consumer.

<sup>3</sup> Brooks, Nico. Atlas Institute. "Paying for Navigation: The Impact of Navigational Behavior on Paid Search." <http://atlassolutions.com/uploadedFiles/Atlas/Content/Brochures/Paying%20for%20Navigational%20Search.pdf>

## What Publishers Can Learn from these Findings

**When budgets are threatened by poor performance, challenge advertisers to go beyond the last ad:** The last ad standard perpetuates the struggle of many sites (e.g., entertainment, social media, and news) to prove their value to advertisers. These “upper funnel” sites are often cut from budgets, even though they are reaching the right audience with sizeable frequency. To make things worse, last ad reporting devalues premium CPM inventory for large ads, rich media and sponsorships. The challenge is proving that your site is delivering valuable reach and engagement, even though it’s not particularly good at delivering the last ad or click before a conversion. Many marketers may not be aware of, or equipped to measure engagement beyond the last ad or click. Encourage them to conduct similar studies to the one described in this case study, to identify buys that are delivering engagement throughout the purchase funnel. All advertisers using Atlas as their advertising technology solution can readily access these insights through Engagement Mapping.

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## About the Atlas Institute

The Atlas Institute is the research and education arm of Microsoft Advertising. The Institute publishes Digital Marketing Insights (DMIs), a series of publications by digital marketing experts that help our customers improve their digital marketing effectiveness. Many of these findings are also made available to the digital marketing industry at large. Each DMI is designed to help marketers more successfully build value with their customers, throughout the customer lifecycle: from awareness to acquisition and from retention to growth. The Atlas Institute also provides education in digital marketing to Atlas customers.

*To view a full listing of the Atlas Institute’s DMIs, please visit [www.AtlasSolutions.com/insights](http://www.AtlasSolutions.com/insights).*

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