



HERE'S WHAT IT MEANS
FOR MARKETERS

MEASUREMENT HAS GONE TO THE CLOUD

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ACX IOM

MARKETING IS CHANGING FAST. SO IS MEASUREMENT.

You haven't had to have worked in marketing long to realize the pace of change. In just the past few years, trends and technologies—like cloud platforms, cookieless tracking and omnichannel everything—have transformed the whole marketing ecosystem.

And when marketing changes, so must the way we measure marketing. In fact, in many ways the evolution of measurement has been both a response to wider change and an active driver of innovation. Here are just a few of the trends we've seen:

- **Single Channel to Multichannel to Omnichannel** The industry has moved from simple A/B, single-channel campaign testing to omnichannel campaigns requiring significant coordination.
- **Non-addressable vs. Addressable-to-all Media** Ad recall reporting has migrated to media mix modeling (MMM), and simple addressable campaign reports have evolved to multi-touch attribution (MTA). Now we're combining MMM and MTA to simultaneously optimize across all media.
- **Metric Proliferation** With the increases in complexity, the availability of metrics has exploded to the point that we want to know and track everything. But is that realistic or even helpful?
- **Decision Sciences** As the environment has become more complex, decision science has kept pace to help marketers be more effective.

The explosion in metrics and measurement techniques means it's become very difficult to cut through the noise and focus on what's important.

What *has* become clear is the remarkable new potential that technology has opened—especially cloud technology. It's driven home the realization among marketers that measurement is no longer a destination; it's part of the journey—a constant course verifier and corrector.

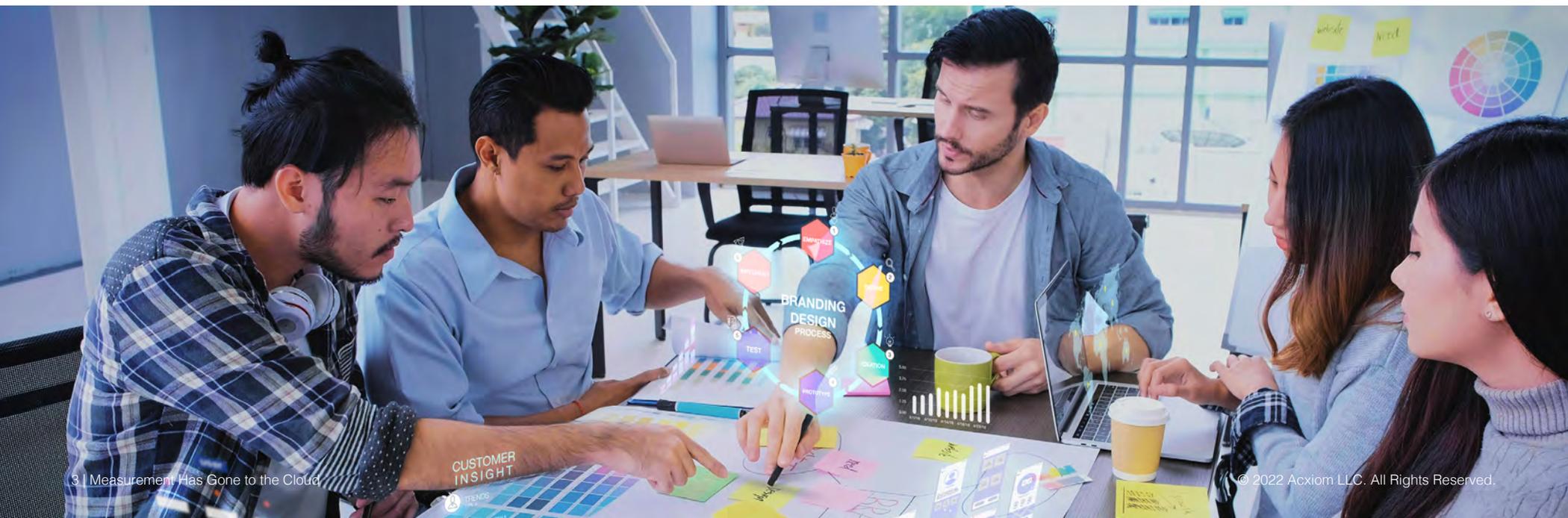
This reframing of measurement comes with a number of implications for marketers—both new opportunities and new responsibilities. Taken together, they represent a fundamental shift in approach that's required from anyone who wants to tap into that new potential.

In short, marketers today must embrace a cloud measurement mindset.

A LOT HAS CHANGED, BUT SOME THINGS HAVEN'T

While many of the methods and metrics marketers spend their time grappling with have transformed over the years, plenty of other things haven't changed one bit—like the curiosity that drives those same marketers to keep asking questions, to understand their customers and to improve their campaigns' performance.

In many ways, we've all been asking the same types of questions for decades. But now the nuance and number of those questions have multiplied, often beyond the reckoning of mere mortal marketers and data folks like us. That's one reason we need those machine learning engines to do the heavy lifting for us—where else but in the cloud?



NEW POSSIBILITIES FOR MEASUREMENT THANKS TO THE CLOUD

Without getting too caught up in the technical weeds, it's worth exploring the "how" of cloud measurement. How does the cloud turn what was once wishful thinking into an everyday reality for marketers?

"Paradigm shift" is an overused term in technology, but in this case it's pretty apt. The crux of the matter is this: **Cloud computing shifts the role of measurement from a retrospective, after-the-fact action to an ongoing, proactive action focused on iterative improvement.**

The key features of cloud computing that enable this new approach to measurement are:

- **Connectivity** Using open architectures to connect multiple systems and all kinds of data sources, from behavioral data to sentiment analysis.
- **Scalability** This allows you to work with vast quantities of data, even on experimental projects. You pretty easily can spin up the kind of analytic power that would have taken a whole data center to handle before the cloud.
- **Decision-making at the Edge** More and more computing is being pushed to the edge, where the user interactions are actually taking place, and decision science is no exception. Adaptive, continuous machine learning provides the ability to optimize marketing mid-stream as opposed to waiting until the end of campaigns.

IT'S TIME TO EMBRACE A CLOUD MEASUREMENT MINDSET

We've seen how the cloud has accelerated the evolution of marketing measurement. This is not "measurement as usual." To ensure they can take advantage of the new possibilities that open up when they measure marketing in the cloud, marketers need to adopt a new approach.

NEW OPPORTUNITIES

1 Ask Better Questions

Cloud measurement enables marketers to ask better questions, and lots of them. And here's the important part—they can ask those better questions in the right tense.

THE OLD WAY

- Did it work? 
- What performed well and not so well? 
- What was the return on ad spend? 
- How many exposures were served? 
- What was the average CPM? 
- How many conversions did we get? 
- What was the CPC? 

THE NEW WAY

- How is it working?
- What can we change?
- What parts are performing?
- What is the current return on ad spend?
- How can we improve it?
- Have we optimized our strategy?
- Can I further reduce cost per conversion?

Cloud enables marketers to focus not just on the past but on the present, so they can react and adapt along the way. Ultimately, this lets marketers switch to the future tense so they can make (and test) hypotheses about what will happen next.

When measurement is reframed as a calibration step in the ongoing optimization processes, it helps marketers find out what's working, so they can do more of it—and do it much sooner. No more waiting for the full campaign and measurement cycle to be completed. Thanks to the better connectivity and integrations the cloud offers, marketers can impact the performance of campaigns on the fly.

2

Close the Feedback Loop

As well as helping us ask better questions, cloud technology helps generate answers much faster than ever.

This isn't just a case of pulling reports faster. It's a fundamental feature of cloud measurement that enables marketers to close the feedback loop between measurement and improvement.

In effect, this creates a virtuous feedback loop of optimization that runs throughout campaigns.

No more waiting weeks or months for campaigns to run and reports to be pulled. The cloud gives marketers the freedom to ask questions, test hypotheses and follow their curiosity in a "fail fast, fail often" kind of way.

After spending years learning to be patient with measurement, marketers can now thank the cloud for making impatience a virtue again.

3

Go From Knowledge to Understanding (and From Understanding to Action)

It might sound like a paradox, but it's the brute-force strength of cloud computing that gives cloud measurement its nuance and granularity.

No more cookie-cutter approaches to measurement and segmentation. Now marketers have the freedom to slice and dice their data any number of ways.

This has dramatic implications for the measurement of campaign effectiveness. In the past, the same standard measurement criteria were applied to all audiences. We always knew there were unique individuals buried in that amorphous “audience,” but marketers had to work with aggregates, averages and blunt measures.

Now they can drill **down into audiences according to their specific context and individual behaviors**—right down to the microsegment level—and market to real people in a privacy-safe way.

We don't just know how many people saw which ad, and how many bought which product. Marketers can understand how individuals engaged in all kinds of ways. Maybe they didn't buy anything, but they downloaded, subscribed or left a review. Before, marketers might have given up on them as a prospect. Now they **understand the fuller context** and can **act on that insight**.

Cloud technology gives marketers the flexibility to create plans that build deeper understanding of their audiences and interactions, and adapt as they learn from them. Cloud measurement is an important piece, but it's just one of many in the bigger cloud technology picture. Just about **every aspect of marketing data management is moving to the cloud**—including data access and data-driven decisioning with cloud technology integrating straight into data marketplaces. For marketers, that means greater control and flexibility across their entire data operations.

NEW RESPONSIBILITIES (AND SOME OLD ONES)

1

Get strategic

With great power comes great responsibility, and the cloud certainly gives marketers more measurement power than ever. So there's also a heightened responsibility to do things the right way.

Cloud measurement also brings new levels of data visibility and transparency, which means that while customer experiences are becoming more meaningful, marketers are becoming more accountable for their work.

It's critical that if you're going to embrace the possibilities that are opening up, you have to adapt your measurement strategies for the new cloud reality. That means taking a more holistic view of the data ecosystem and your marketing workflows. When the cloud helps you transform measurement from a post-campaign look-back to an integrated function of your marketing operation, how will you adapt to that model?

2

Navigate a Brave New Tech World

Mastering new forms of measurement is no small feat. You have to navigate not just a changing data landscape but the tech ecosystem that supports it. How do you decide between all the tools and platforms available to you? How do you form relationships with the big data players?

This responsibility is closely tied to the previous mandate about getting strategic. Technology must now be a core pillar of your strategic planning. Designing a great campaign means deciding what you're going to optimize and measure, as well as creating the infrastructure to do it. Can you identify the best data inputs that will influence outcomes? Can you develop the right predictive models? And can you integrate and orchestrate everything with automated data and machine learning pipelines?

The answers to questions like these will determine your ability to run—and measure—successful campaigns.

3

Earn Trust, and Honor It

We've looked at what's new and different about cloud measurement, and all the ways in which marketers have to adapt. But plenty of the old duties and responsibilities are still as relevant as ever.

The big one here is the ethical use of data. It's always been incumbent on marketers and their data partners to protect the privacy of people's data as we develop new ways to improve their experiences.

That doesn't change when measurement moves to the cloud. We need to keep earning that trust and honoring it. If anything, it's a responsibility that becomes even more important as the power of measurement technology advances.

YOU'RE NOT ALONE

No longer an opaque back-office practice that simply reports on results, measurement has evolved into an exciting, increasingly transparent discipline that has real power to influence campaign performance and decision-making from start to finish.

But it can be a daunting landscape, full of all manners of tech and tools competing for marketers' budget, time and attention. There are evolving data compliance regulations to comply with – not to mention access to the data in the first place, when Big Tech's walls are only getting taller and stronger.

All of this can be hard to manage on your own, especially when the people with the right skills and qualifications are thin on the ground, and every organization is competing for the best of them.

The good news is you're not alone. There are support options out there for companies making their journey to cloud measurement—partners like Acxiom, which can help marketers design and execute on strategies that deliver real returns by tapping into everything the cloud has to offer.

For more than half a century, data has been our business at Acxiom. We've been helping our clients create better experiences for people all over the world, and now we're ready to do it for you in the cloud. The one thing you have to bring to the table is a cloud measurement mindset.



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Scot Richardson is Director of Data Science Strategy and Visualization in Acxiom’s Analytics practice, which focuses on developing analytic marketing solutions leveraging cloud solutions, the martech and adtech ecosystem, ML/AI and visualization tools.

Before joining Acxiom, Scot worked for TransUnion, Digitas, Rapp Collins, GE Capital, Booz Allen and Hamilton and was co-owner of a boutique analytics firm. With more than 25 years of experience in analytic marketing, he has led teams ranging from digital analytics to CRM database design, integration and optimization. While holding many roles over the years, Scot’s love for analytics is demonstrated by his passion to work with clients to solve their marketing challenges through the application of statistics and modeling.

Scot holds a master’s degree in quantitative psychology (cognitive/human judgement and decision making). He is also a certified Google Cloud Platform (GCP) Professional Data Engineer and has a Digital Media Sales Certification from the Interactive Advertising Bureau.

When Scot is not working with clients to develop analytic solutions, he most likely can be found on a sideline coaching lacrosse or spending time with his family and Hooch, his French Mastiff.

WHY ACXIOM

Acxiom offers a full suite of strategy consulting, predictive and marketing analytics and marketing measurement solutions to support all facets of the data-driven prospect and customer journey. We help brands evolve their data strategy, understand marketing impact, and better know their prospects and customers and predict their behaviors.

Acxiom also provides data-driven solutions that enable the world's best marketers to better understand their customers to create better experiences and business growth. A leader in customer data management, identity, and the ethical use of data for more than 50 years, Acxiom helps thousands of clients and partners around the globe work together to create millions of better customer experiences, every day.

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