Linked in ™

SOLVING FOR MARKETING ROI

Measuring Peak Performance

ASSESS YOUR ROI

In order to begin your journey, you'll need to know what you're aiming for.

As a modern B2B marketer, you're likely on a journey into unchartered territory or across challenging terrain: proving the impact of your investments. When budgets are tight and teams are lean, understanding the impact of your marketing programs is more important than ever.

It's no longer enough to just generate leads. Now you need to prove contribution to pipeline and revenue. That's why the leaders of the pack are going "beyond the click" by implementing attribution and measurement techniques to show quality, not just quantity, of leads. This guide will help you master the complexities of calculating ROI "beyond the click" to actual revenue.
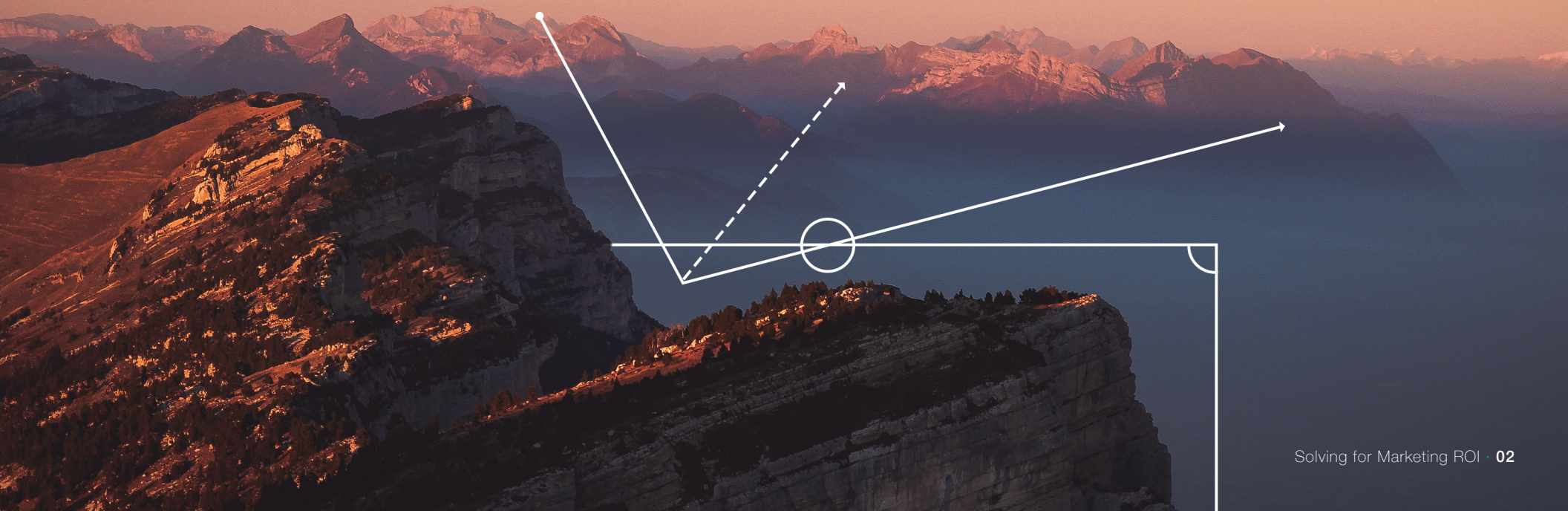
Grading your team's knowledge of calculating ROI:

5.5%
Graduated with Honors

28.7%
Finishing our Degree

62.2%
Just Starting to Learn it

3.7%
What's ROI?

In a webinar we conducted, **62%** of attendees indicated that they were just starting to learn how to calculate their ROI. If you're in that 62%—or even if your team has 'graduated with honors'—we'll provide tips and ideas you can put to use right away.
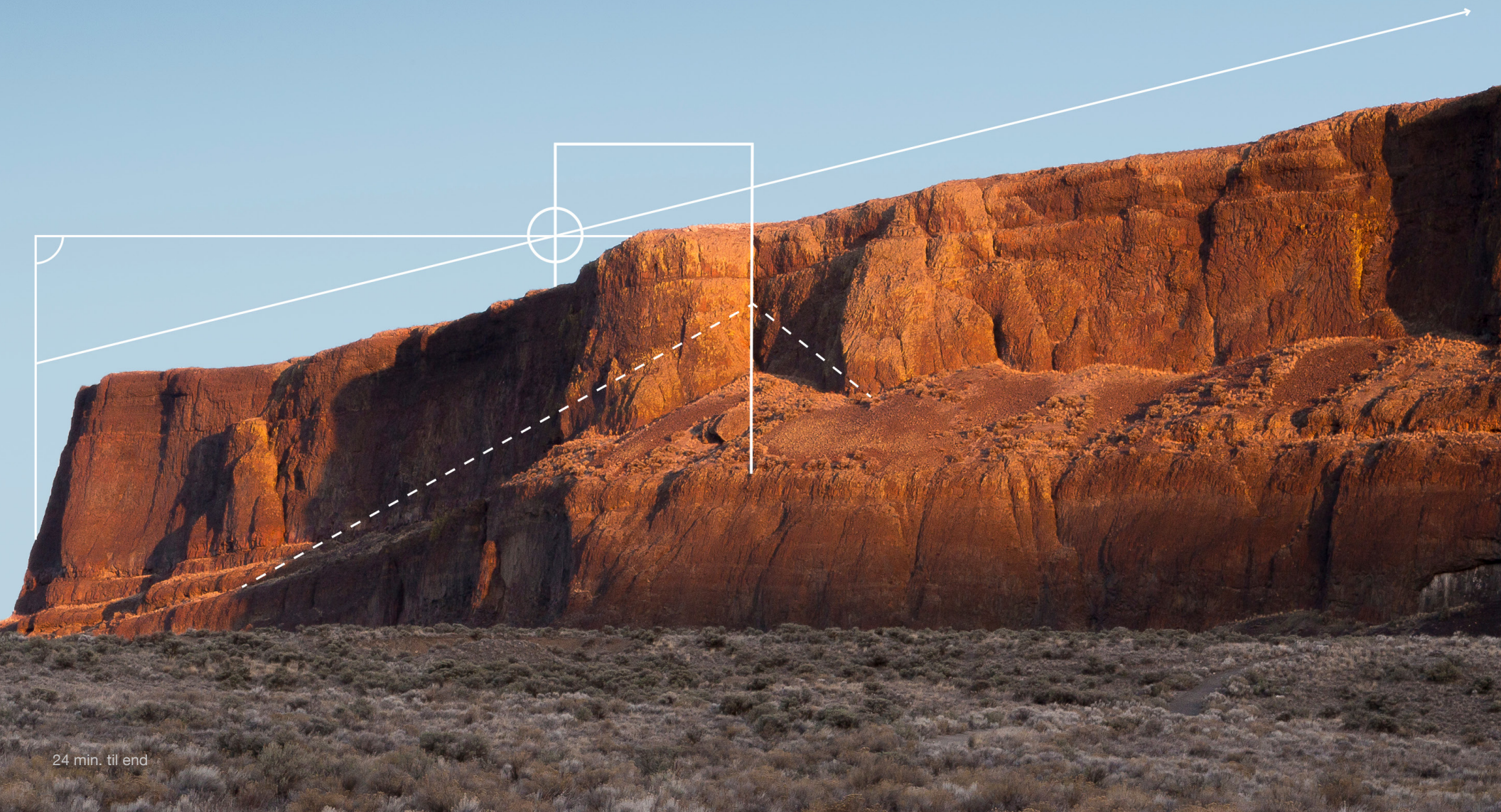
YOUR JOURNEY

DEFINING ROI

To reach your destination, you need to
stay focused. Keep the end goal in mind.

DEFINING ROI

At the highest level, you can divvy up marketing investments into three main categories:

- **Brand marketing:** The awareness and perception building that comes with classic brand advertising.

- **Acquisition marketing:** All about bringing in new customers. Lead generation, demand generation and performance all describe how to bring in new customers through marketing.

- **Customer marketing:** Once you've landed that customer, it's about keeping in touch, growing the relationship, and encouraging them to renew. If the customer churns and are no longer a customer, this type of marketing can help win them back.

Because the largest percentage of marketing expenditure often goes into acquisition marketing, we're going to focus this guide on that investment category. We'll share how LinkedIn drives qualified leads, collaborates with sales, and attributes revenue impact. You'll find out how to crunch numbers and develop metrics in order to calculate your ROI—and demonstrate that you and your team are helping your company reach new heights.

Read on to learn how to calculate ROI on acquisition marketing.

DEFINING ROI

Clear the path to better tackle the challenge at hand.

Let's start by understanding how to define ROI.

$$\underset{\text{\small What you earned}}{\text{Return}} \div \underset{\text{\small What you spent}}{\text{Investment}} = \underset{\text{\small Return on investment}}{\text{ROI}}$$

Here's the classic definition from finance: Divide your return—or what you earned—by what you invested to drive that outcome in order to calculate your return on investment.

Return on ad spend is often what marketers mean when they say ROI.

When calculating your advertising investment, you're usually tallying up the spend on paid media and maybe adding in costs for elements like the creative. Figure out how much it will cost you to produce the campaign. Then add in how much it will cost you to run your campaign through paid media channels. Tallying these together is the spend side of *return on ad spend.*

ROI Expert Tip:

Calculating 'Fully Loaded' ROI usually means adding paid media spend plus the creative cost and other investment categories, like salaries for sales and marketing. Some CFOs prefer this version of ROI, because it provides a more holistic view of the costs marketing incurs versus the revenue their activities drive.

Chapter 2:

BREAKING DOWN THE ROI CALCULATION

Make the journey manageable.

When you're facing a tough climb, it helps to break it into manageable steps.

Here's how to break down this ROI calculation. It starts with ad-sourced revenue: the revenue that's coming into your company from advertising. You then subtract the ad spend from the ad-sourced revenue. Then divide that by the spend to figure out your ROI.

$$\left(\text{Ad-Sourced Revenue} - \text{Ad Spend} \right) \div \text{Ad Spend} = \text{ROI}$$

For example, if you spend **$2,436** and generate **$7,720** in ad-sourced revenue, here's how you'd calculate the ROI:

$$(\$7{,}720 - \$2{,}436) \div \$2{,}436 = \mathbf{217\%} \text{ (or 2.17x) ROI}$$

Ad spend measuring is quite simple: you tally up all your invoices and contracts from various paid media that you're running. Measuring ad-sourced revenue is harder because you need to figure out marketing attribution.

In larger companies, marketing's contribution is not always crystal clear. The buying process can be quite lengthy and involves multiple buyers and touchpoints. We're going to spend a bit of time in the following sections explaining how can you better measure ad-sourced revenue and what kinds of tools marketers are using to do so.

UNDERSTANDING THE METRICS NEEDED TO SOLVE FOR ROI

Every traveler needs to grasp the lay of the land and the equipment at hand to find the best way forward.
Before we get into the specifics, let's define the most common ROI acronyms.

CPC—COST PER CLICK	Ad spend / clicks. The actual price you pay for each click.
CTR—CLICK-THROUGH RATE	Clicks / Impressions. The amount of clicks in your campaign divided by the number of impressions or sends.
CPL—COST PER LEAD	Ad spend / leads. The amount of money you spend to acquire a lead.
MQL—MARKETING QUALIFIED LEAD	A lead that meets the benchmark agreed upon by marketing and sales for being considered a strong prospect. Usually qualified through analytics and/or a lead scoring system.
LEAD SCORE	The methodology marketing uses to identify MQLs.
SQL—SALES QUALIFIED LEAD	A lead that sales has vetted and qualified as a prospective customer.

CVR—CONVERSION RATE	Conversions / Clicks. The percentage of users that take a desired action.
CPA—COST PER ACTION OR ACQUISITION	Ad Spend / Conversions. How much it costs on average for one person to fill out a form or become a lead.
ROI—RETURN ON INVESTMENT	(Revenue - Ad Spend) / Ad Spend
MARKETING AUTOMATION SYSTEM	Technology used to automate marketing actions to improve engagement and efficiency.
CRM—CUSTOMER RELATIONSHIP MANAGEMENT	Technology used to manage and analyze interactions and data throughout the customer lifecycle.
ATTRIBUTION	Accurately attributing an outcome to a specific tactic. The five models for marketing attribution are: first touch, last touch, multi-touch, rules-based and algorithmic. (More on this below.)

Move away from click-focused metrics. By optimizing for just those numbers, you could be hurting your ad campaigns. You might even be optimizing away from conversions by instead optimizing for clicks—which do not always convert to customers.

OVERCOMING THE ATTRIBUTION CHALLENGE

In order to optimize your marketing, you need to be able to accurately attribute an outcome to a given tactic. Let's review the three basic attribution models and why algorithmic attribution is the future.

1. First-touch attribution: This gives 100% credit to the first action the person took before making a purchase. Because it gives all the credit to the first touchpoint, it will naturally overemphasize upper funnel tactics.

2. Last-touch attribution: The most common model gives 100% credit for a conversion to the last marketing tactic the prospect interacted with. This model naturally overemphasizes lower funnel tactics, such as email or paid search. This is problematic, because last-click attribution fails to recognize the contribution of branding efforts that got the prospect in through the upper funnel in the first place.

3. Multi-touch attribution: Multi-touch (or multi-channel) attribution more accurately measures the impact that your entire marketing strategy drives, but is of course the most complex. There are two basic kinds of multi-channel attribution:

    a. Rules-based attribution: In this model, you assign a certain value to particular tactics based on predetermined rules, such as frequency, recency, and perceived value of the interaction. For instance, you might give a higher score to a more recent interaction or for watching a demo than for downloading an eBook. We're not huge fans of this model, because the rules are not necessarily driven by data.

    b. Algorithmic attribution: This is the more complex, yet more accurate model. While similar to rules-based attribution, algorithmic relies on machine learning to apply value to interactions and improve the weighting over time. This method analyzes data from online and offline tactics by pulling in sources like cookie and CRM data, historical sales data, and other technologies.

ROI Expert Tip:

Without a doubt, it's much simpler to measure only that final touch, but for improved visibility into the buying process, you should work toward a multiple-touch attribution model. The more insight you have into the effectiveness of your nurturing techniques, the better you'll be able to optimize them.

CLIMBING THE CURVE OF MARKETING MATH SUCCESS

Reach new heights.

CLIMBING THE CURVE

The biggest rewards come to those who create solutions to obstacles along their travels.

As a marketer, your goal is to travel up the curve of marketing math success. By doing so, you'll realize a more mature marketing measurement approach that goes far beyond the click and ultimately leads you to understand your ad-sourced revenue in order to calculate your ROI. Simply put, you want to be able to look at an ad and see exactly how many conversions it has generated. Ultimately you want your ad to turn into a lead and then into a customer.

The Curve of Marketing Math Success
Move from clicks to conversions

Click Focused: Only measuring what happens with ad.

CPC/CTR
Success= Low cost and high-click through

Traffic
Success=
Visits to my site

ROI
Success= Strongest return on my ad spend and lowest cost-per-acquisition

Conversions
Success= Leads and a strong conversion rate

Conversion Focused: Measuring the actions ads drive.

On a recent webinar, HubSpot's Product Marketing Manager, Marcus Andrews spoke to this slide. Moving up the curve requires a shift away from clicks to conversions.

Many marketers begin at the left-hand side of the curve, focusing on CPC and CTR, but these can be misleading since they don't tell the whole story. The best marketers have traveled up to the second half of the curve; they're conversion based. In other words, they know which actions and ads lead to a conversion.

PUTTING THE MATH TO WORK: MOVE FROM CLICKS TO CONVERSIONS

You're on the right trail, but how do you optimize for the quickest way to the top?

First, take a look at all of your campaigns. Using either a last-touch or multi-touch attribution lens, see which is driving the most conversions. Can you isolate the one factor that sets this campaign apart? Maybe it's the unique format or the spot-on copy or compelling creative.

Second, try moving more money into your top performing campaign to see if it continues to produce high returns.

Third, you might set up an a/b test in your next campaign that further isolates the variable you think is driving ROI. That way, you'll know for sure why one campaign does better than the other. Repeat this process over and over to optimize your marketing strategy over time.

30%
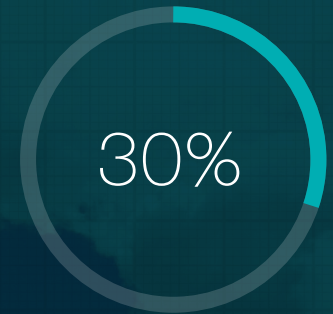
EXAMPLE: You're running two Sponsored Content campaigns on LinkedIn. One promotes your new tech eBook, the other a finance video ad. You see that the video ads are converting **30%** higher than the eBook, so you move some money out of the eBook campaign into the video ads. Next month, you might run a video ad and an eBook promotion on the same topic with the same post copy to find out if your audience truly prefers video to eBooks.

PUTTING THE MATH TO WORK: MOVE FROM CLICKS TO CONVERSIONS

Here's how to take a multi-channel approach on LinkedIn:

Publish an attention-grabbing ad with a clear call to action. LinkedIn Text Ads insert text-based promotions into your target audience's newsfeeds, while LinkedIn puts ads you customize with information from profiles where your audience will see them on LinkedIn.

Offer compelling and relevant content. LinkedIn Sponsored Content puts your content in the feed of your target audience.

Proactively reach out with an offer. Through LinkedIn InMail, you can send personalized messages directly to key prospects, perhaps with an exclusive offer.

The Importance of Customer Lifetime Value

All of the metrics mentioned previously tie into a master metric that can guide marketing budget allocation. Lifetime value is a projection of the revenue that a customer will generate during their lifetime (note this means their lifetime as a customer, not their expected lifespan on the planet). For subscription based services, this is a simple calculation of average length of subscription X monthly cost of subscription.

KISSmetrics produced an infographic with a good explanation of how to calculate lifetime value for less predictable services.

Looking at how much one of your customers spent as a result of your first campaign with them is not enough to understand that customer's full value to your organization.

PUTTING THE MATH TO WORK: MOVE FROM CLICKS TO CONVERSIONS

Now here are the steps you take to move from clicks to conversion:

Build an ad conversion funnel. This is an optimized landing page with a form where you can capture a lead.

Start measuring initial performance. After the first few weeks running your ad, review CPC and CTR. You may not get many conversions at first. Depending on your ad spend and sales process, it may take months. Once you see results come in, you can start measuring performance. If you start optimizing before you gather data or see conversions, you're just guessing. Make sure you let the numbers run and then assess.

Once you've got conversions, run the ROI numbers to see how well you're moving up the curve. Look at your campaign. Perhaps you're running one campaign with four different creatives or targets. Look at which is driving the best conversions and click-through rates.

Optimize the results. Do more of what works and less of what doesn't. Put more budget toward ads that are doing well or create similar ads. After you optimize by running more of what works well and then iterate (i.e., further optimize), you'll get closer to a CPA number and understand how much it costs you to drive one conversion.

Putting the Math to Work
Move from clicks to conversions

Build Ads Conversion Funnel

CPC/CTR

CPC/CTR

Optimize

INBOUND CAMPAIGN AND GOAL

Measure Success

CVR

CPA

CVR

Run the Numbers

On a recent webinar, HubSpot's Product Marketing Manager, Marcus Andrews spoke to this slide. Moving from clicks to conversions enables to better measure success and optimize.

# HOW LINKEDIN'S MARKETING TEAM MEASURES BEYOND THE CLICK

Learn from those who have gone before you.

BEYOND THE CLICK

While on your trek, it's wise to pay attention to the signposts left by earlier trailblazers.

Here's how we (the LinkedIn Marketing Solutions team) set ourselves up for a positive ROI on our own advertising spend:

Define
your goal

Target	Engage	Optimize
the right people	them with content	your impact
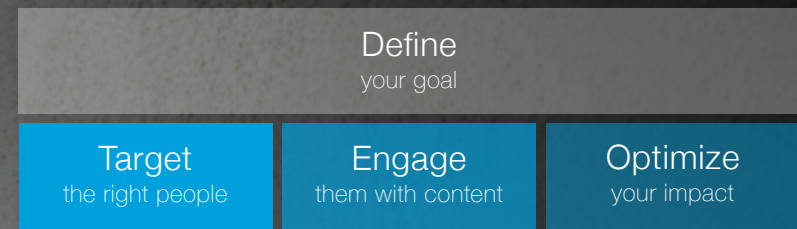
Our team's three main marketing goals:

1. Drive quality traffic to our properties
2. Drive MQLs for the sales team
3. Deliver bookings/revenue dollars for our business from new customers

LEARN FROM THOSE WHO HAVE GONE BEFORE YOU

Our process for moving 'beyond the click' to deliver bookings:

1. Before you even get the lead, you need traffic.

2. Traffic leads to inquiries aka leads (Here's where LinkedIn Conversion Tracking comes in. More on that below.)

3. With MQLS, it's not all about quantity; you need quality. We use a lead scoring methodology to assess the quality of leads before passing them to sales. By focusing on quality traffic and quality conversions, we increase the percentage of traffic that converts to MQLs. Because of LinkedIn's quality audience and unique targeting capabilities, our platform is extremely effective at driving higher quality leads.

4. Next, sales creates opportunities from the most qualified leads meeting their criteria.

5. Some of those opportunities will close and turn into bookings, or revenue.

When we say 'moving beyond the click', we're referring to the MQL, Opps (i.e., opportunities) and Bookings circles below Traffic and Inquiries.

Traffic

Inquiries (aka Leads)

Marketing Qualifed Leads

Opps

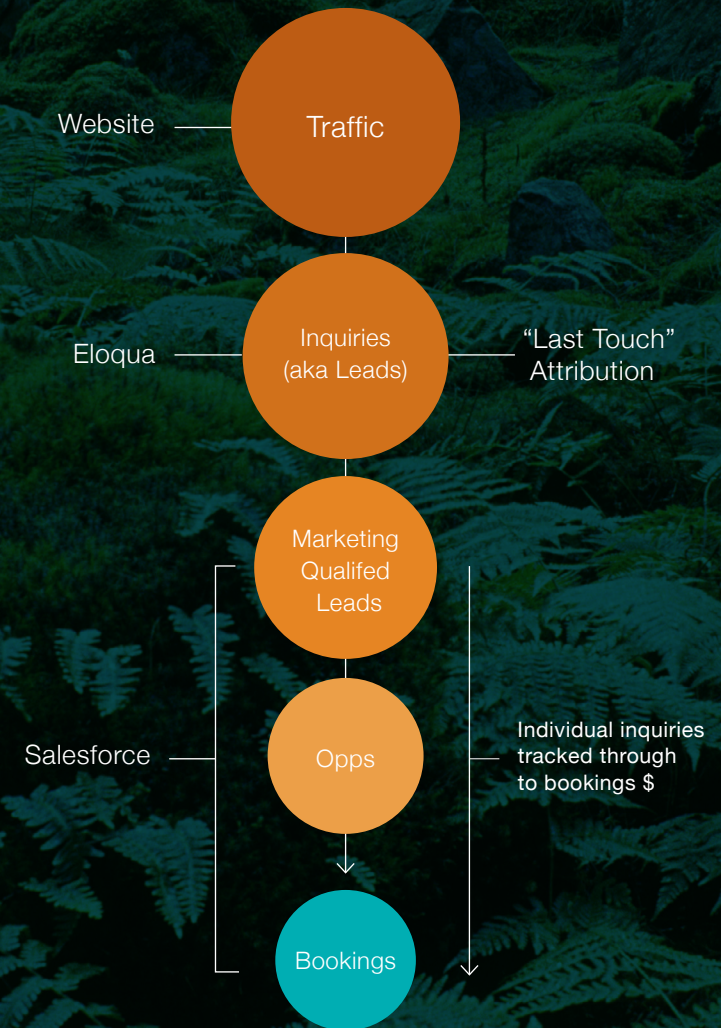Bookings

SYSTEMS ENABLE MEASUREMENT

We use a number of systems to measure across the whole spectrum, but most importantly, to measure beyond the click.

Using Google Analytics, we measure website traffic.

With Eloqua (a marketing automation platform), we measure inquiries and use a last-touch attribution model. (As we mentioned, the most sophisticated model is multi-touch attribution. However, we're still evolving our approach, so we use last-touch attribution. That means the campaign prospects interact with last before becoming an inquiry gets the credit. The channel through which that campaign was delivered also gets credit.)

Everything "beyond the click" is occurring in Salesforce. To measure beyond the click, we set up the right codes in Salesforce so that we can track individual inquiries from the moment they become an inquiry or when they qualify as an MQL. We also use Salesforce to measure the activities the sales team takes to qualify an MQL as an opportunity and then when those opportunities close and become a booking. All that activity is on the right hand side of the Sales Enablement Measurement graphic.

Systems Enable Measurement

Website — Traffic

Eloqua — Inquiries (aka Leads) — "Last Touch" Attribution

Marketing Qualifed Leads

Salesforce — Opps — Individual inquiries tracked through to bookings $

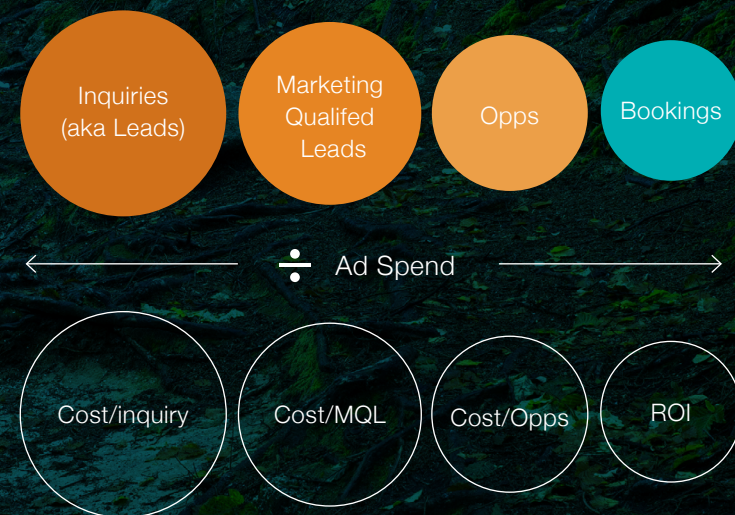Bookings

SYSTEMS ENABLE MEASUREMENT

While you can promote content in numerous ways, when using ads, you need to first know the ad sourced revenue number. Then you can get to ROI. Divide all of the above variables by ad spend to calculate:

• ROI (if you're dividing bookings by ad spend)

• Cost per opportunity (if you're dividing opportunities by ad spend)

• Cost per MQL (if you're dividing MQLs by ad spend)

• Cost per inquiry (if you're dividing inquiries by ad spend)

Since our sales cycle lasts up to 2-3 months, we're not going to be able to get the real-time read on ROI for a new initiative, a new campaign, or a new channel that we're testing. So we move back to the left and start looking at these cost per comparison to get timely intelligence about how our campaigns are performing. This is especially important when you're trying something new, and when your sales cycle is longer.

While it's essential to ultimately calculate ROI by dividing your bookings attributable to advertising by your ad spend, you also need to manage further back to the left. That's the only way to make sure you're making adjustments based on the real-time patterns.

Manage ROI by channel, using cost per X as a leading indicator to optimize more quickly.

Inquiries (aka Leads) — Marketing Qualifed Leads — Opps — Bookings

÷ Ad Spend

Cost/inquiry — Cost/MQL — Cost/Opps — ROI

HOW TO MEASURE IMPACT ON LINKEDIN

When you're ready to push your limits, be as prepared as possible.

LinkedIn Conversion Tracking, a set of capabilities built directly into LinkedIn Campaign Manager, enables you to easily measure leads, sign-ups, content downloads, purchases, and other desired actions on your LinkedIn Sponsored Content and Text Ads campaigns. With LinkedIn Conversion Tracking, you can:

- **Track the metrics that matter most:** track website conversions from your LinkedIn programs directly in Campaign Manager. At a glance, you can understand your LinkedIn advertising ROI, conversion count, cost-per-conversion, conversion rate, and return on ad spend. You can even track which audience segments are driving the most conversions.

- **Record every conversion, every time:** track conversions on your website from desktop and mobile, whether members converted after clicking on—or even after just viewing—one of your ads.

- **Optimize your campaigns to drive even better performance:** Monitor the specific campaigns, ads, and the nature of the audiences that are driving conversions. Then use this information to improve your LinkedIn ad targeting, creative, and maximize the downstream impact of lead and opportunity pipeline goals.

Cost Per Lead → Marketing Qualified Leads → Sales Qualified Leads → Marketing Impacted Pipeline → Revenue Per Opportunity

HOW TO MEASURE IMPACT ON LINKEDIN

How we think about LinkedIn Conversion Tracking metrics

At LinkedIn, we know that the best optimization happens when you look beyond CTR or conversion count. Our 'true north' metrics or KPIs are conversion rate and cost per conversion. Cost per conversion is the dollar amount you spend to acquire a conversion through a campaign. The lower that number, the better. We use LinkedIn Conversion Tracking to track our true north metrics.

There are two other conversion KPIs we like to keep an eye on:

1. **View-through:** This reveals what actions users took after they viewed your ad. You can track, for example, if someone sees your ad, and then comes back within 30 days to your landing page and converts. This helps you understand how impressionable your ads are.

2. **Post-click:** This reveals what actions users took after they clicked into an ad. Did they go on to fill out a form or buy a product? From this data, you can determine if the ad is attracting the right buyers to your website.

Optimization by top funnel metrics vs bottom funnel metrics

Top Funnel

Opens / Open Rate / Clicks / Click-Through Rate / Engagement Rate / Cost-per-Click

Bottom Funnel

Conversions / Conversion Rate / Cost Per Conversion / Conversion Value / Return on Ad Spend

These are the metrics we look at to isolate top or bottom performers.
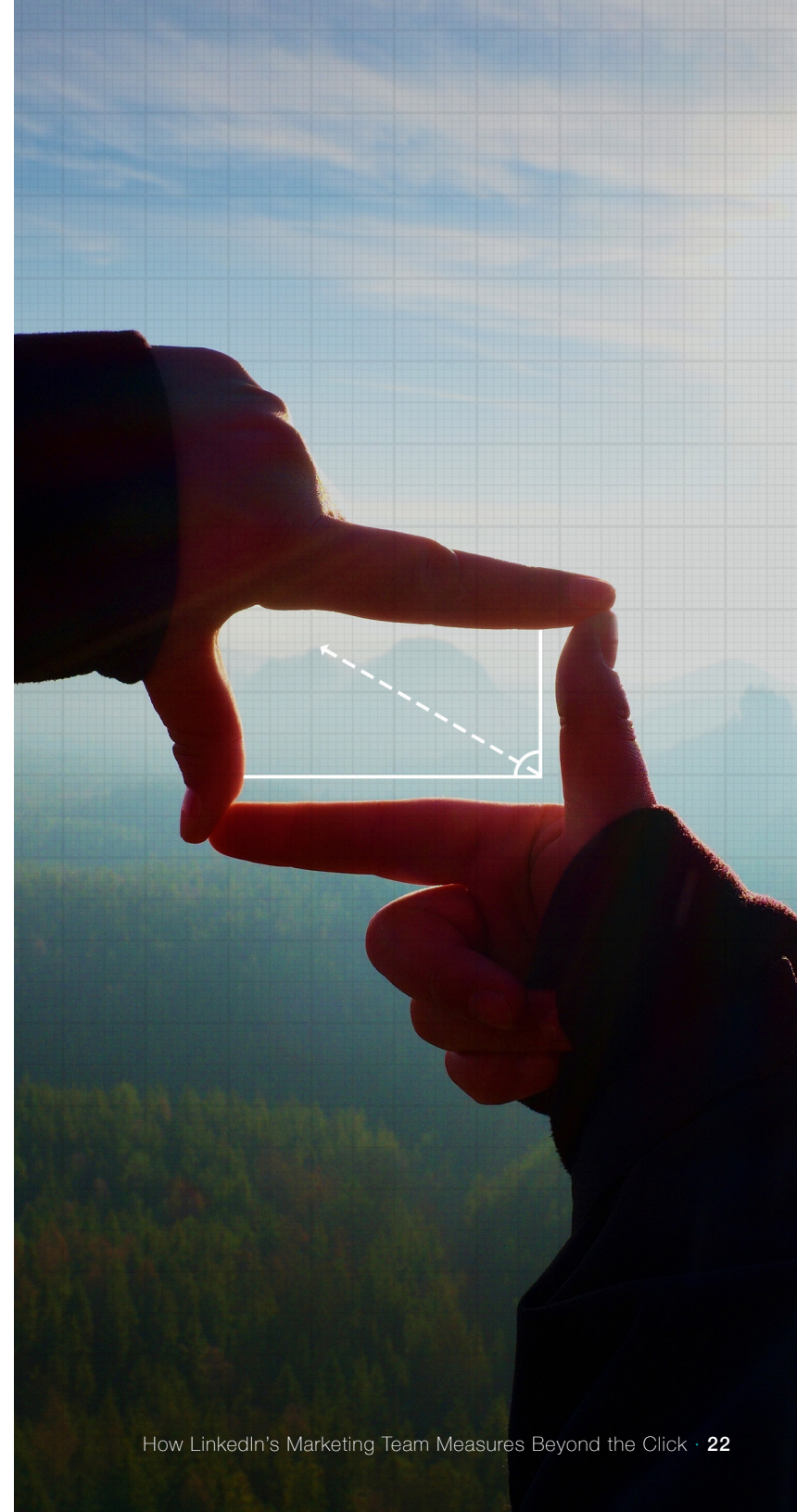
HOW TO MEASURE IMPACT ON LINKEDIN

How we optimize campaigns by top metrics vs bottom funnel metrics

When deciding which metrics to use to measure our campaigns, we first define our objective. If the objective is to drive new visitors to the website, we look at metrics like clicks, click through rate and cost-per-click to understand campaign performance. If our goal is to drive leads for our sales team, we look at metrics like conversion rate and cost-per-conversion.

Below are two examples that illustrate the importance of understanding the metrics you'll use to measure campaign performance. In both of these examples our objective was to drive leads for the sales team.

The first example shows only top-funnel metrics, and it's clear that our 'TechCSCCaseStudy' (Technology Case Study) campaign is the winner. It is getting higher click through rate and engagement rate.

Campaign Name	Status	Impressions	Clicks	Avg. CTR	Total Social Actions	Total Eng.	Avg. Eng.
	Total	2,560,276	10,574	0.413%	2,956	13,532	0.529%
LMS_TechCSCaseStudy		12,011	87	0.724%	3	90	0.749%
	Status	Impressions	Clicks	Avg. CTR	Total Social Actions	Total Eng.	Avg. Eng.
	Total	6,922,575	26,191	0.378%	7,346	33,536	0.484%
LMS_SMG16Refresh		2,174,928	6,762	0.311%	2,421	9,183	0.422%

HOW TO MEASURE IMPACT ON LINKEDIN

How we optimize campaigns by top metrics vs bottom funnel metrics

In this second example, we look at those same campaigns through the lens of our conversion tracking metrics. This changes the perception of a top-performing campaign. The 'SMG16Refresh' (Sophisticated Marketer's Guide to LinkedIn) has a much higher conversion rate at a significantly lower cost-per-conversion, for a much higher return on ad spend.

Campaign Name	Status	Conversions	Post-click conversions	View through conversions	Conversion rate	Cost per conversion	Total conv. value	Return on ad spend
	Total	3	1	2	0.203%	$56.62	$93.00	54.754%
LMS_TechCSCaseStudy		3	1	2	3.448%	$56.62	$93.00	54.754%

	Status	Conversions	Post-click conversions	View through conversions	Conversion rate	Cost per conversion	Total conv. value	Return on ad spend
	Total	2,744	1,583	1,181	5.797%	$6.49	$85,250.00	478.453%
LMS_SMG16Refresh		2,744	1,583	1,181	40.58%	$6.49	$85,250.00	478.453%

So remember, the key to effective measurement is understanding your objective from step one, and then associating your campaigns with the right metrics. Simply put, you shouldn't define success in the same way for all campaign objectives.

Cisco Canada Lowers Lead Generation Costs with LinkedIn Marketing Solutions

Challenge:

Cisco Canada was looking for a more effective way to hit its KPIs in digital marketing, and turned to LinkedIn for help in:

• Lead generation and contact acquisition
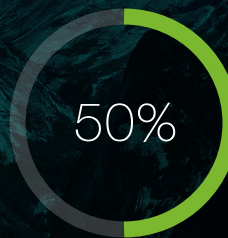
• Better value for their marketing solutions

Solution:

Cisco partnered with LinkedIn to generate high-quality leads by promoting a tech manufacturing whitepaper. They also worked with LinkedIn to improve their targeting to IT decision makers and ultimately used the Matched Audience feature to determine which targeting insights were most valuable, carrying this data over to optimize future campaigns.

"Our cost per acquisition was a bit high via our traditional marketing, so a new avenue of lead generation or contact acquisition through LinkedIn was fantastic."

—Julian Jasniewski, Social Media Manager, Cisco Canada

Results:

56%

56% lower cost per acquisition than other marketing efforts

50%

50% lower cost per contact acquisition compared to Cisco's traditional methods

Chapter 5:

YOUR FAQS ABOUT ROI ANSWERED

It's smart to ask questions of those who've already made the trek.

YOUR FAQS ABOUT ROI ANSWERED

Q. What are examples of how marketers can act on the results of measuring ROI?

A. Marketers can do the following once they understand the return on their investment:

- Modify and test an ad to try to drive higher performance
- Offer different content to try to better appeal to the target audience
- Reallocate ad spend to prioritize the ad(s) driving better returns

Q. Who should be involved from my company in defining a structured method of measuring the value of marketing?

A. Because marketing's ultimate contribution is helping drive revenues, this exercise should involve representatives from marketing, sales, and finance.

Q. What is the difference between metrics and analytics?

A. Metrics are what you measure about your marketing programs to gauge performance or progress. Your most important metrics are your key performance indicators, or KPIs. Analytics use metrics and how they're trending to help you make decisions about your marketing efforts. Metrics and analytics are both important. You can't have analytics without metrics, but metrics alone won't help you take action that can improve your results.
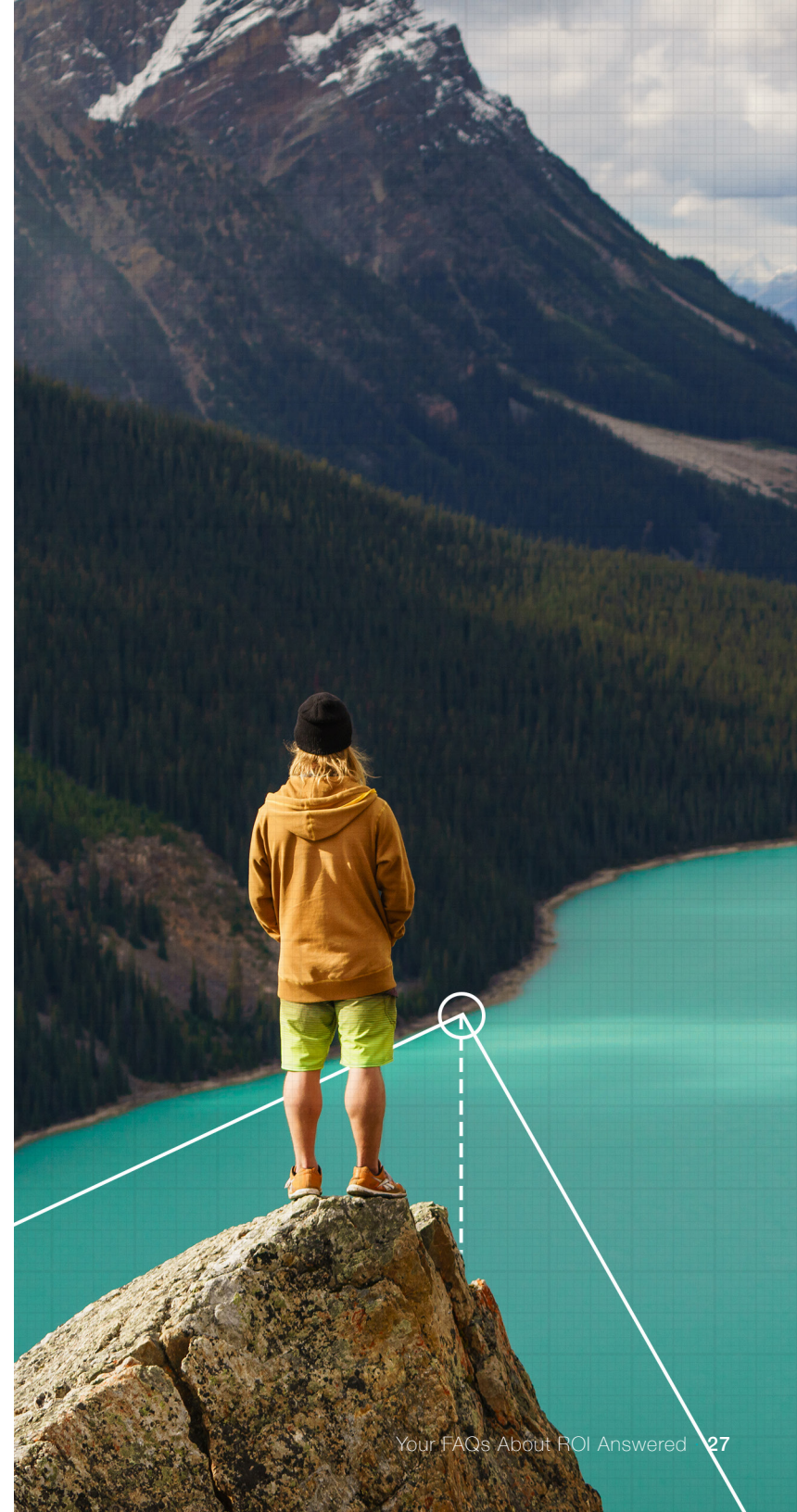
YOUR FAQS ABOUT ROI ANSWERED

Q. What are useful metrics for measuring the effectiveness of upper funnel and lower funnel programs?

A. In the upper funnel, your goal is reaching your audience at scale to build awareness and a positive impression of your brand, even with those not yet in the market for your offerings. In the lower funnel, you "nurture" prospects that have either implicitly or explicitly expressed an interest in your brand, product, or service.

UPPER FUNNEL	LOWER FUNNEL
• Awareness	• Website form conversion rate
• Branded search	• Leads (organic vs. paid); cost per lead
• Brand recall and lift	• Marketing qualified leads (MQL); Cost per MQL
• Website and referral traffic lift	• Sales qualified opportunities (SQOs)
• Targeted page views, pages per visit, and time spent on site lift	• Sales accepted opportunities (SAOs)
• Subscriber/opt-in lift	• Qualified lead velocity rate (i.e., growth in qualified leads)
• Targeted engagement (open rate, shares, likes, comments)	• Pipeline contribution
• Bounce rate decline	• Revenue contribution
• Targeted unique visitors lift	• Retention rate and/or customer lifetime value and/or upsell/cross-sell
• Inbound links lift	

Q. If I am targeting small companies, can LinkedIn find these through people's profiles?

A. LinkedIn gives you the ability to target based on company size, so yes, you can set up your target to focus on small companies. Then when you're getting leads from LinkedIn, you know that they are from small companies.

YOUR FAQS ABOUT ROI ANSWERED

Q. Does it make sense to attribute revenues to an ad, even if it was the first touch?

A. Last-touch conversion says that whatever marketing channel last touched this lead gets full credit for the conversion. That's the place most advertisers and marketers start because it's the simplest. If you're getting a little bit more sophisticated, over time you probably want to move to something more like a time decay, attribution model or a multi-touch attribution model. This helps you understand the impacts of your different marketing tactics.

Q. How do you suggest organizations with a long sales cycle using last-touch attribution models identify ROI ad spend for top-of-funnel effort?

A. With a long sales cycle, top-funnel marketing efforts aren't necessarily going to get attribution credit. That's because by the time someone's converting into a lead they may have consumed more than one piece of content and they may be lower down the funnel when they're consuming it. At LinkedIn, we find that most of the leads that become MQLs have consumed multiple types of content (paid and organic) before they reach the lower funnel. This suggests that it's necessary to add that top-of-funnel investment to fuel the lower funnel. It is good to look at what percent of qualified leads have consumed upper-funnel content to understand which of it is helping drive people lower down the funnel.

Q. What is the definition of a quality lead?

A. The definition is different for every company because every company has a different ideal customer. A qualified lead is a lead meeting certain criteria that sales and marketing have agreed is indicative of a strong prospect for the sales team. This is usually qualified through analytics and/or a lead scoring system. They key to coming up with criteria is to conduct research to understand your buyers and how well your product or service solves their problems.

Conclusion:

YOUR JOURNEY BEGINS WITH YOUR FIRST STEP

When you're aiming to reach new heights,
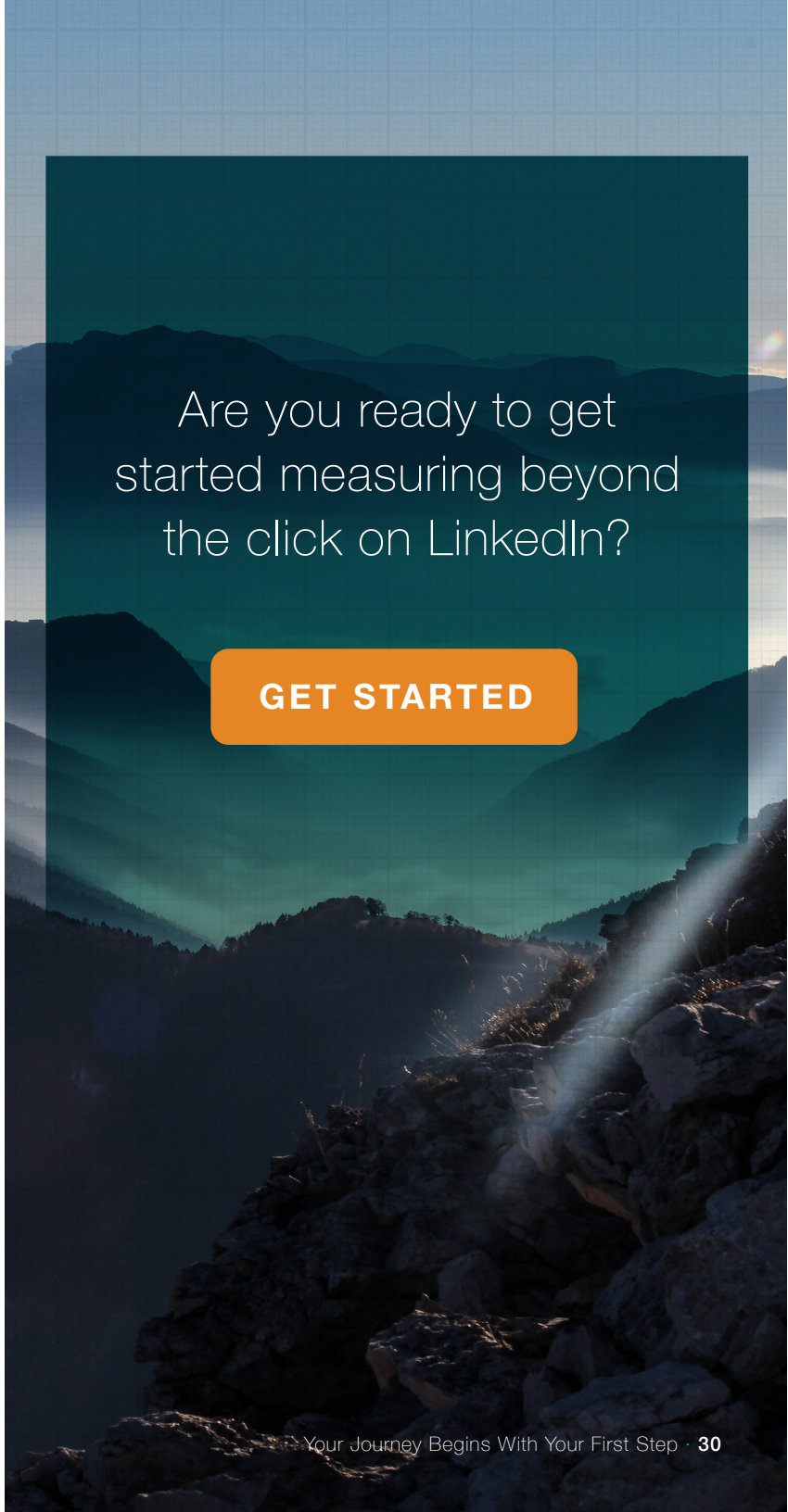it's okay taking your time getting there.

YOUR JOURNEY BEGINS WITH YOUR FIRST STEP

Your company increasingly relies on you to attract and drive prospective buyers through the funnel. It also expects you to prove the value of your marketing investments. By substantiating that your marketing efforts pay off as explained in this guide—ultimately by contributing to revenues—you can confidently report the ROI of your programs and campaigns.

Here's a checklist of best practices to keep handy:

- ☐ Implement attribution and measurement techniques to show quality, not just quantity, of leads

- ☐ Divide your return—or what you earned—by what you invested to drive that outcome in order to calculate your return on investment

- ☐ Divide revenue by ad spend to determine return on ad spend

- ☐ Know which ads lead to a conversion

- ☐ Call upon multi-channel attribution for a more nuanced view of performance than last-touch attribution

- ☐ Consider customer lifetime value (CLV) a master metric that can guide marketing budget allocation

- ☐ Measure ROI using LinkedIn Conversion Tracking by simply assigning a value for each conversion

Are you ready to get started measuring beyond the click on LinkedIn?

GET STARTED

Linked in ™

About LinkedIn

LinkedIn operates the world's largest professional network on the Internet with more than 550 million members in over 200 countries and territories. This represents the largest group anywhere of influential, affluent and educated people.

Relationships Matter

With LinkedIn Marketing Solutions, brands build relationships with the world's professionals by using accurate targeting to deliver relevant content and communications. As today's connected professionals seek out ideas and insights from the people and brands they trust, marketers use LinkedIn to target advertising and publish relevant content in a professional context. Brands extend reach through the social sharing that occurs naturally on LinkedIn.

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You're done!