



Light
Reaction

Moving to Real Outcomes - A New Level of Marketing

13 QUESTIONS TO ASK YOUR PERFORMANCE MARKETING PARTNER

JULY 2016

The next evolution of performance marketing is emerging, and it's focused on delivering **Real Outcomes** for brands.

Real outcomes combine proprietary media, audiences and technology at scale. Thus, leading to real, quality outcomes that can be guaranteed.

The big differentiator between outcome based marketing and traditional performance marketing is the technology and transparency.

To achieve real performance-based outcomes, savvy marketers should ask their performance marketing partner these questions.

“PERFORMANCE MARKETING HAS EVOLVED. IT WORKS TOGETHER WITH BRANDING, DATA AND TECHNOLOGY TO ACHIEVE REAL WORLD OUTCOMES.”

**—Light Reaction CEO
Bob Walczak**



1. Does Your Performance Partner Focus on Measuring Real-World Outcomes?

There are two key strategic questions a performance partner should ask a brand:

- > What are you trying to accomplish?
- > How do you measure success?

A great performance marketing partner will help a brand not only understand those questions, but also define them in measurable ways, mapped to outcomes.

In campaigns based on outcome advertising, unsurprisingly, actually proving the *outcomes* is crucial. Those outcomes may be traditional metrics such as leads or app downloads, but they can also be more ambitious tangibles such as increased foot traffic or added sales in specific store locations.

2. Does Your Performance Partner Have the Scale and Reach You Need? (And Can Use it Effectively?)

A true outcome driven partner will have the scale needed to work across platforms effectively to reach the right consumer which will drive the best outcomes for the brand.

Only players with will have the intelligence to not only monitor, but also incorporate their own unique pools of user data and the capability to align them with the brand's needs.

"Scale, technology, and rate of adoption are all things that we think about," says Andy Markowitz, General Manager, Performance Marketing Labs.¹

3. Does Your Performance Partner Protect Your Brand?

The reality is that even though the brand doesn't assume the media risk in traditional performance advertising, they are still paying for fraud and non-viewable ad placements if their performance partner doesn't use tools to prevent it.

An outcome focused partner will have processes and technologies in place to avoid:

- > **Fraudulent Inventory.** For real outcomes, false clicks are not beneficial. Only a real person — not a click bot — can take real actions that lead to desired outcomes.
- > **Viewability Issues.** Viewed ads that engage a customer are important for impact. The outcome focused partner aims to make sure ads are viewable. Decreased spending on un-viewed ads lead to new efficiencies.
- > **Poor Quality Placements.** Ad placements should bolster a brand's reputation. Ads that disturb or interrupt people to achieve performance metrics can also damage perception of the brand. The brand's reputation and goodwill cannot be sacrificed in pursuit of KPIs.

4. Does Your Performance Partner Bear the Risk?

With performance advertising, the buyer pays based only upon agreed outcomes. Those outcomes are *guaranteed*.

To achieve real outcomes, the partner will hit the outcome metrics while keeping in mind other brand and audience objectives set forth by the marketer. The net result of this approach will deliver sales growth for the brand and also deliver customers that return to that brand.

Real outcomes are achieved through a process of setting KPIs that lead to specific, beneficial outcomes, not artificial ones that may be meaningless in the long term. Your performance partner should bear the risk, but they cannot disregard your brand to deliver upon the agreed upon outcomes.

5. Does Your Performance Partner Measure Everything?

You can't deliver an outcome if you can't measure it. A true outcomes focused partner will be able to prove that the performance it drove resulted in a measurable outcome.

Measuring an outcome is a collaborative process with the brand and buyer. The performance partner has to understand what they are trying to achieve to ensure they can properly measure the outcome.

Once the partner understands what the outcome is, they should be able to provide the technical toolset to measure it.

¹ <http://www.emarketer.com/corporate/clients/ge-markowitz>

6. Does Your Performance Partner Offer Creative Services?

Traditional performance marketing is known for annoying, intrusive and overall poorly designed creative.

However, to drive real outcomes, the creative experience should be a focal point of the campaign.

Properly designed creative that represents the brand outcome initiative is an obvious starting point. Building on this, there are two areas of focus that will drive significant value:

1. **Dynamic creative** is critical in performance, as it has the ability to leverage search intent and incorporate it into the creative. This could be a product image

or a reminder of what's in a digital shopping cart. As performance marketing continues to move towards a focus on real outcomes, it can be connected to a brand's CRM system and pull unique data to incentivize the customer to continue to engage.

2. **Native Advertising** delivers performance by aligning with the context of the content and actually becoming part of the content experience, which has shown to deliver significant performance value and efficiency.

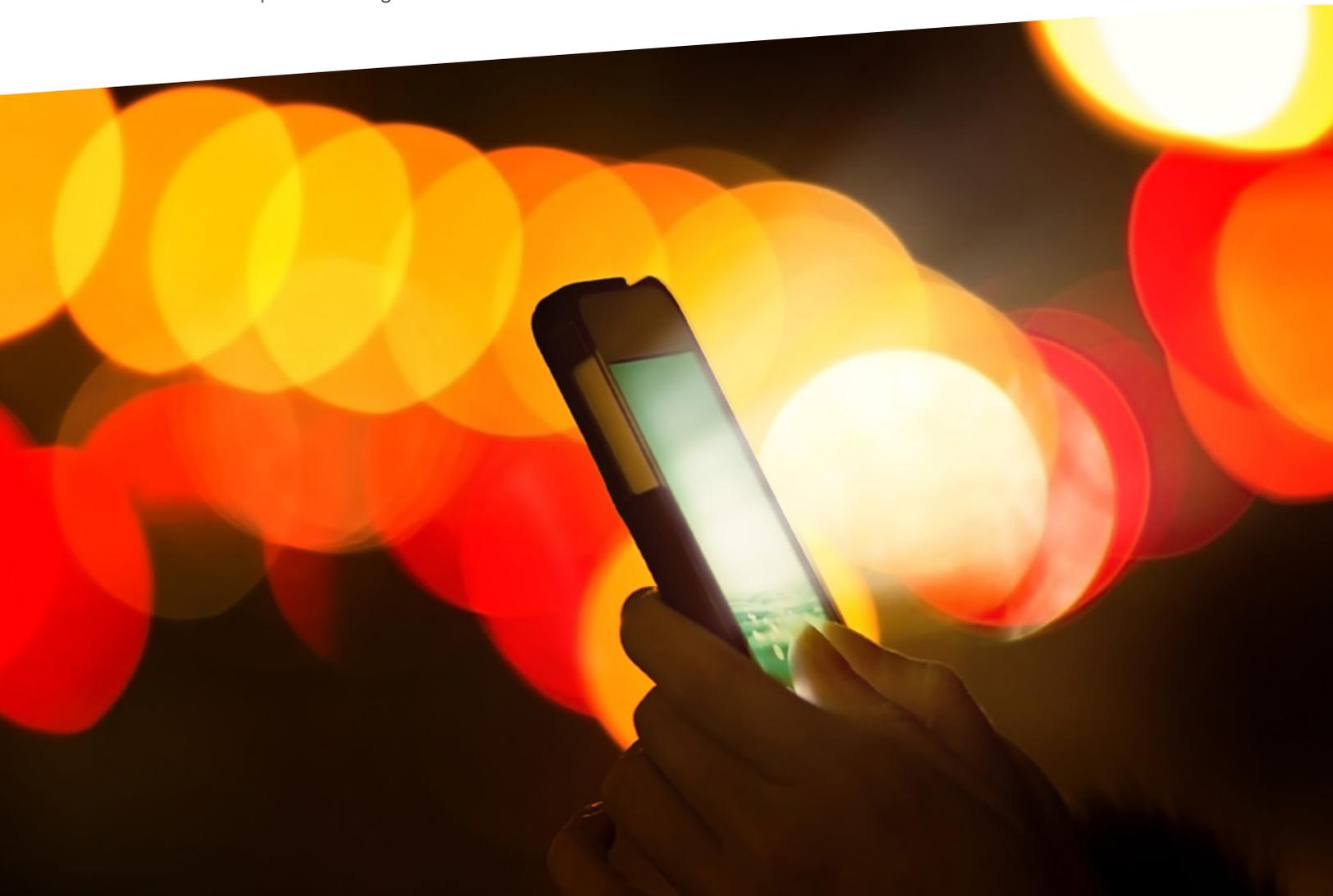
A true outcomes focused partner will offer these creative services amongst others to increase overall performance metrics of the campaign and to drive a quality outcome.

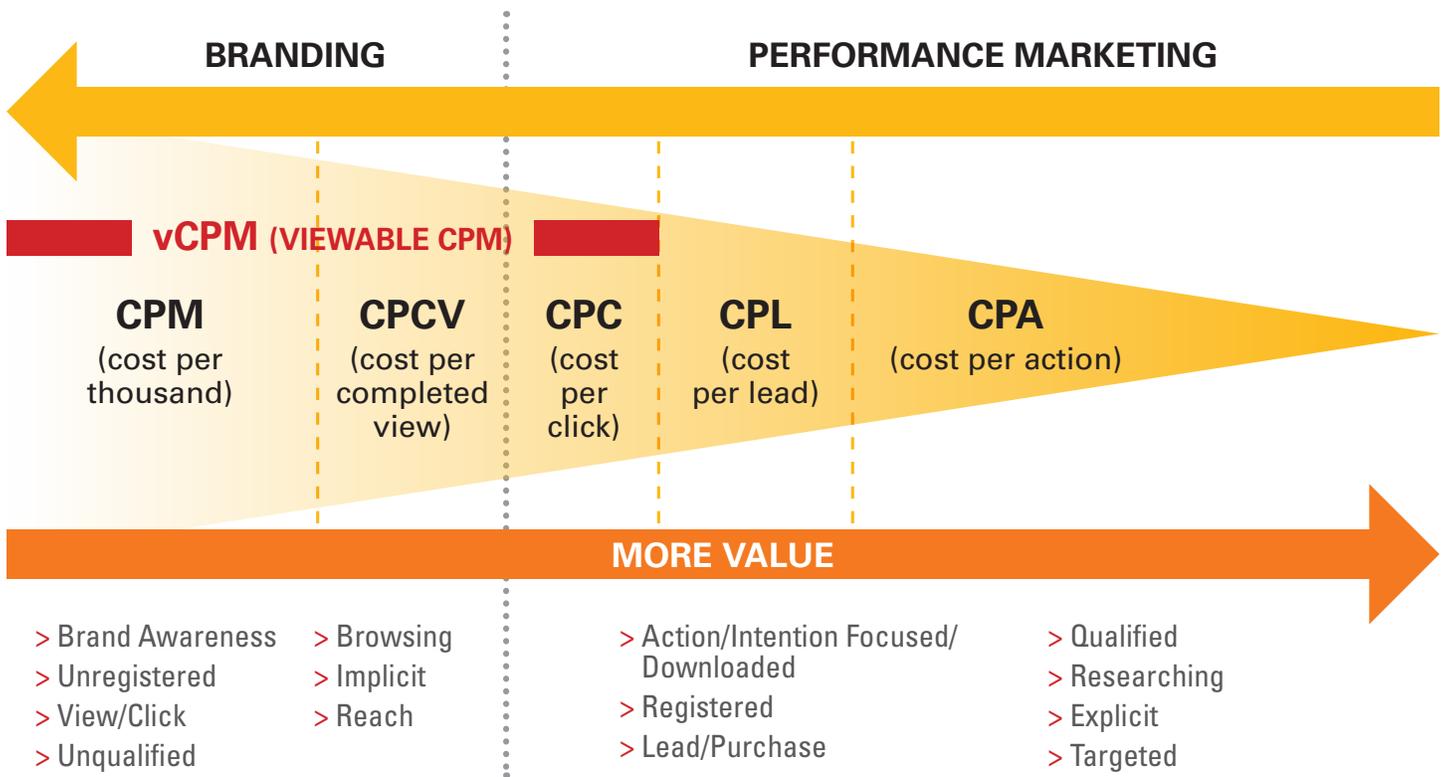
7. Does Your Performance Partner Price Your Outcomes Right?

In performance marketing, a partner can 'spray and pray' ads unintelligently or use damaging, annoying ad units to hit any outcome metric. The reality is they aren't driving a quality outcome, and they are likely doing more damage than good.

When a partner is pricing an outcome, they must work hand in hand with a brand to understand how they measure success and then implement a strategy that delivers that outcome.

To price an outcome this way means the partner has to deliver the





right strategy to meet the brand's outcome needs. This requires using all of the data and measurement tools to project a number that will allow for the partner to take the risk needed to deliver the outcome.

Overall, it's not a partnership unless both parties are aligned in achieving the end result that builds the brand.

The answers to all the questions above should be a spirited "Yes." Done right, real outcome focused marketing is a powerful tool for brand marketers.

8. Is Your Performance Partner Transparent?

Just because performance partners take the media risk doesn't mean a brand needs to accept that they will be blind to how the outcome is achieved.

With a true outcome focused relationship, the brand should still have visibility into what media their advertising is running on and understand how it's working. Additionally, the brand should have visibility into how high value outcomes are being generated. For example, we at Light Reaction make sure to meet certain quality criteria that is important for a transparent initiative.

"Transparency is so intertwined with trust," says Julia Kirby in the *Harvard Business Review*². Businesses should show customers and partners "how you measure your performance, and let them see it happening."

9. Is Your Performance Partner Collaborative?

Achieving real outcomes requires a lot more than ticking off boxes on a dashboard.

The best outcome focused marketing partners will collaborate to understand a brand's goals and express them in performance terms. They'll execute on a "cost per X," basis, where X is an outcome that matches the marketer's needs.

Measurement toward outcomes requires metrics beyond simple clickthroughs, shares or interactions.

"Transparency is so intertwined with trust"

—Julia Kirby

² <https://hbr.org/2012/07/trust-in-the-age-of-transparency>



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10. Does Your Performance Partner Have Branding Intelligence?

(and Can They put it into the Mix?)

To achieve real-world outcomes while protecting a brand, an outcomes focused partner needs metrics beyond the performance campaign.

A full service outcomes driven partner will offer post-performance measurement that provides greater service to the client than they could get from simple performance campaigns, including:

- > Surveys that give intelligence on the brand and the campaign
- > Analysis and insights
- > Brand awareness studies beyond performance measures

11. Does Your Performance Partner Have the Best Technology?

The best outcomes focused marketing partners will have proprietary technology with predictive capabilities to drive execution on performance goals.

They will deliver and measure across devices and platforms, in premium media, with targeted segments in desired verticals.

They will use location, beacons and other technologies, all while keeping your brand paramount.

Their technologies will assure all efforts work together (not in separate silos) to ensure stronger more effective optimization.

12. Does Your Performance Partner Provide a Holistic View

(and are They Multi-Channel Masters)?

To deliver real outcomes with premium value to a brand, the performance marketing partner should have competency across all media and all devices.

Additionally, the best partners will leverage proprietary audiences and segments across programmatic channels while providing insights with their multi-device delivery.

They will also leverage the right form of advertising to match the brands

desired outcome, be it display, performance, native advertising or engagement components as an integrated whole.

13. Does Your Performance Partner Leverage Data to Increase Outcome Efficiencies?

The best outcomes focused marketers have direct access to data so they can complement top- and mid-funnel marketing initiatives, and work closely with display partners.

All data and technologies will be holistically and intelligently processes to secure optimal media allocation.

The partner will have access to a premium data platforms to gather and process data that infuses an entire operation along all programmatic marketing initiatives.

With the platform, they will have the power to gather data across devices, campaigns and user profiles. This will allow them to create multiple, custom segments and look-alike segments in quality media to achieve real results.



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<http://lightreaction.com>

| info@lightreaction.com