

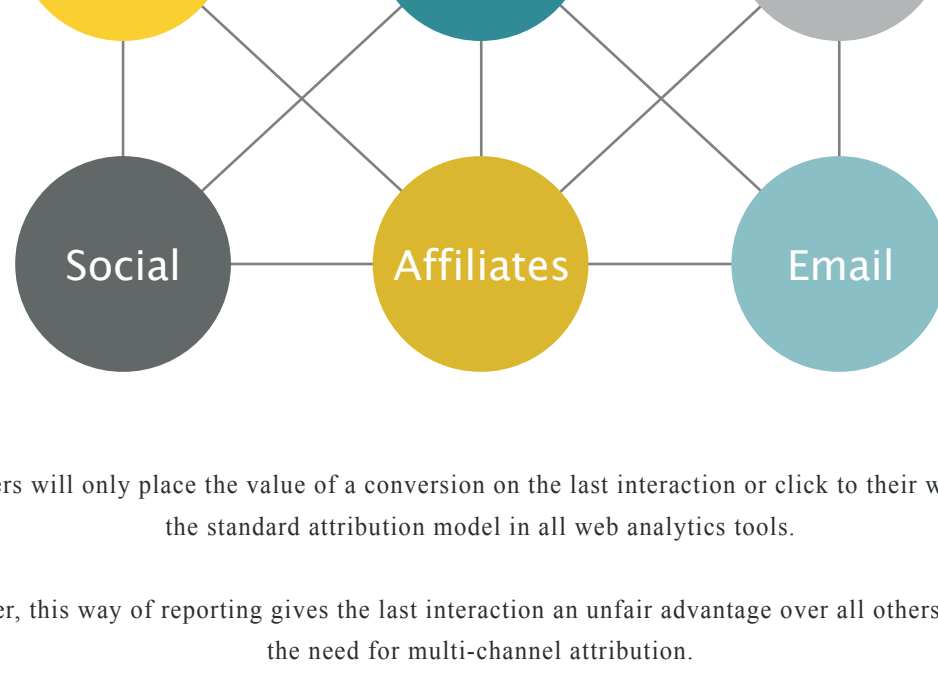
Multi-Channel Attribution Modeling
Thinking Beyond The Last Click

Advertisers and marketers have access to a wide range of online channels, mediums and platforms that enable them to make their brands visible to much larger audiences.

A good marketing campaign should integrate as many relevant, available marketing channels as possible to ensure potential customers can be reached at every step of their journey to conversion.

The number and type of interactions a customer has with your brand before a conversion varies between consumers. This means that businesses today may run into trouble when trying to analyse how their marketing channels are performing both independently and in relation to one another.

Attribution Model

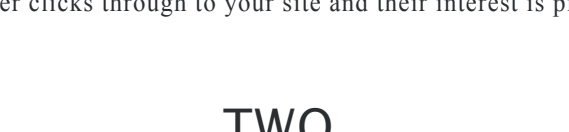


Most advertisers will only place the value of a conversion on the last interaction or click to their website, as this is the standard attribution model in all web analytics tools.

However, this way of reporting gives the last interaction an unfair advantage over all others, creating the need for multi-channel attribution.

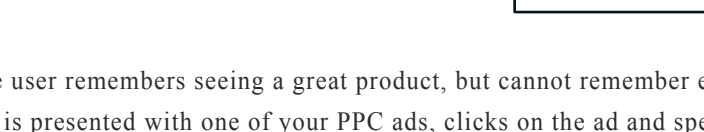
Imagine the following scenario:

ONE



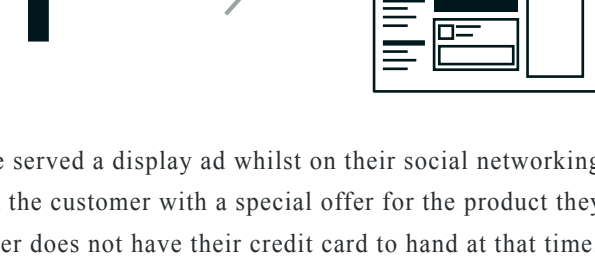
A user receives an email from your marketing team that promotes some of your new products. The user clicks through to your site and their interest is piqued.

TWO



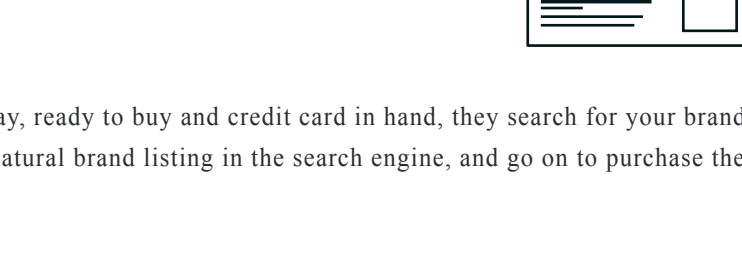
The following week, the user remembers seeing a great product, but cannot remember exactly where they saw it. Typing a query into Google, the user is presented with one of your PPC ads, clicks on the ad and spends a few minutes browsing your site. They are not ready to buy but are definitely interested in your product.

THREE



Later that evening, they are served a display ad whilst on their social networking site of choice. This remarketing ad has provided the customer with a special offer for the product they had been looking at. The customer does not have their credit card to hand at that time.

FOUR



The following day, ready to buy and credit card in hand, they search for your brand name on Google, click a natural brand listing in the search engine, and go on to purchase the product.

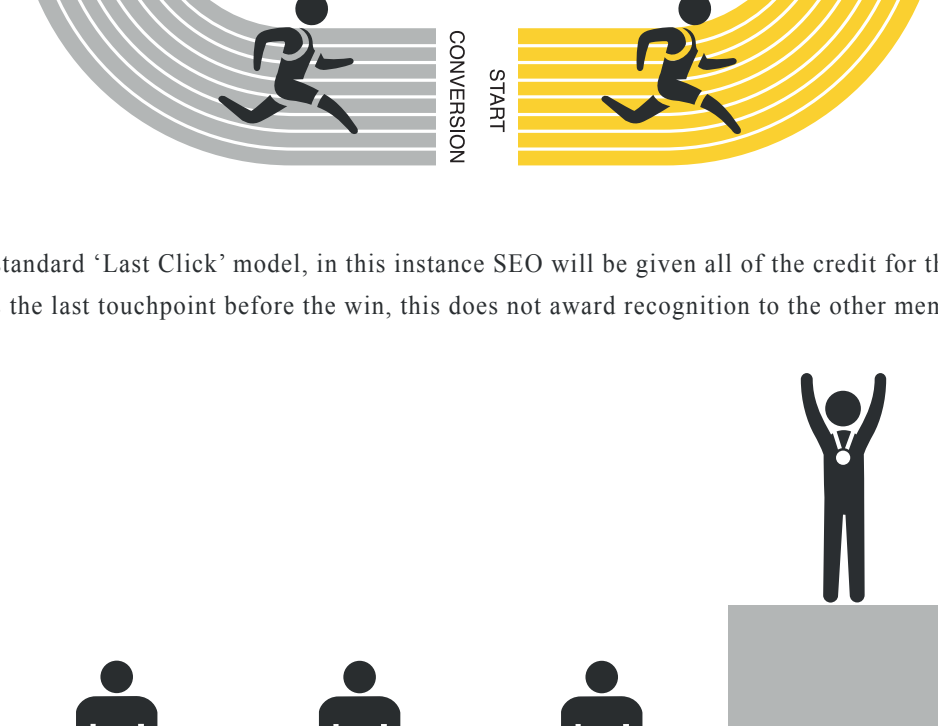
This is the path they followed to conversion:



This path can be visualised as a relay race where each channel plays its part in the journey to a conversion.

First click is the first runner and gives the team a head start
Last click is the final runner who brings home the win

Why do we count all the clicks in between? Because all the runners in a winning team deserve a spot on the podium!



Taking the standard 'Last Click' model, in this instance SEO will be given all of the credit for the conversion. While SEO was the last touchpoint before the win, this does not award recognition to the other members of the team.



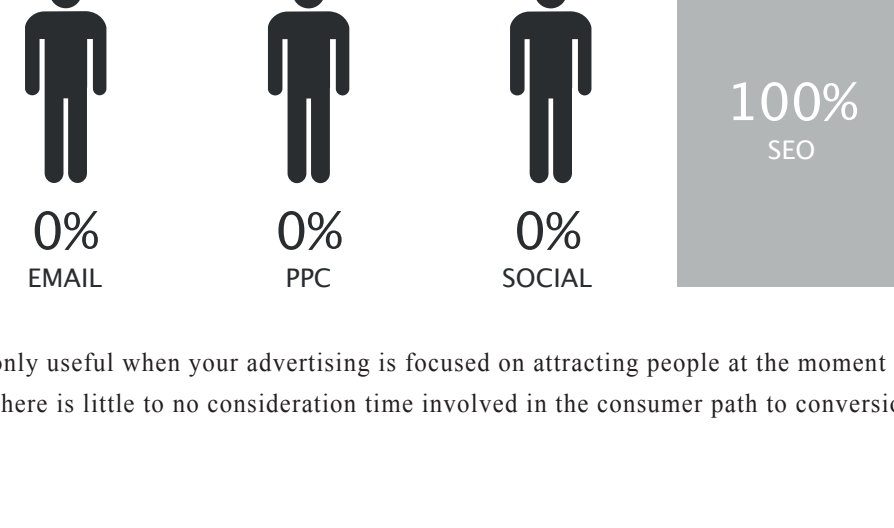
The Solution

The need for more in depth analysis on marketing channel performance and the tremendous amount of data available to marketers today means that a number of attribution modeling tools have been made available. There are many paid resources out there, but as a starting point, take a look at the Attribution Model Comparison in Google Analytics.

n.b. Various standard models are available, but over time and with an understanding of your business goals, custom models are also possible.

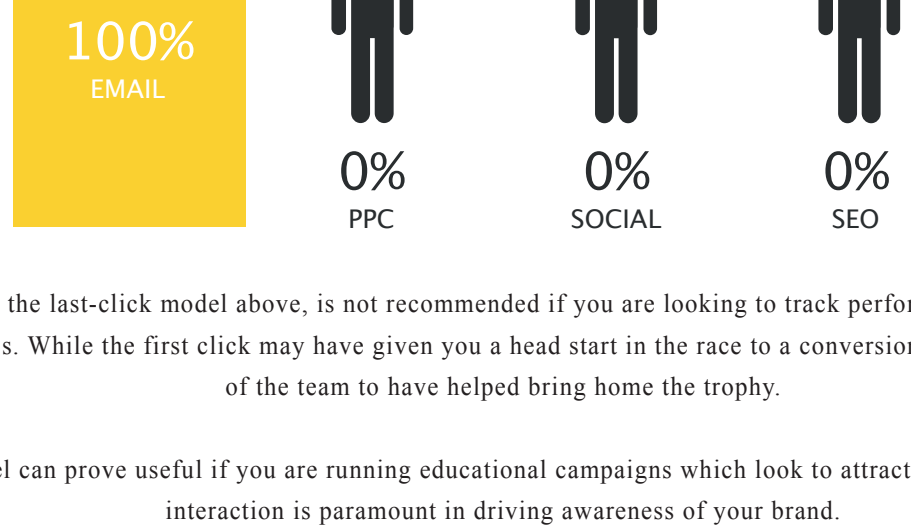
Here are some of the more common models:

Last Interaction



This model is only useful when your advertising is focused on attracting people at the moment of purchase, or if there is little to no consideration time involved in the consumer path to conversion.

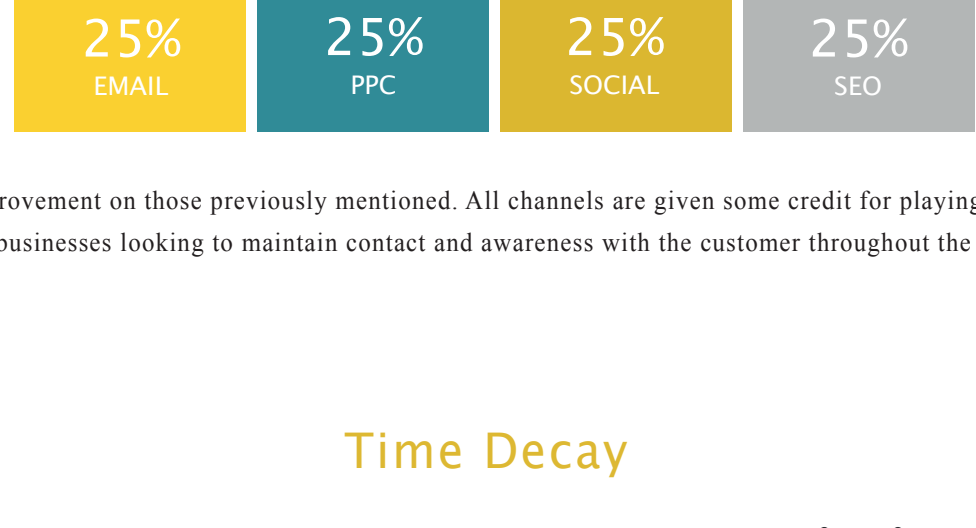
First Interaction



This model, like the last-click model above, is not recommended if you are looking to track performance across all of your marketing activities. While the first click may have given you a head start in the race to a conversion, it is not the only member of the team to have helped bring home the trophy.

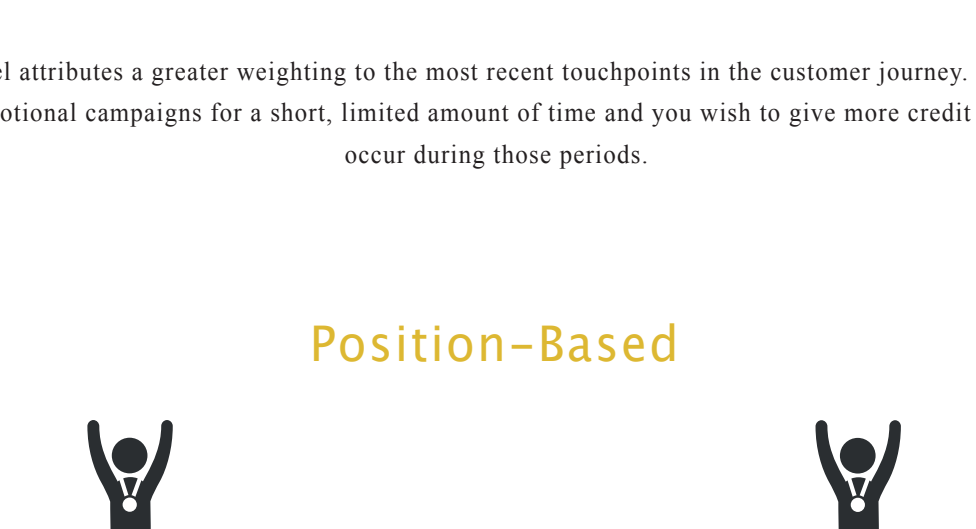
However, this model can prove useful if you are running educational campaigns which look to attract new customers and the first interaction is paramount in driving awareness of your brand.

Linear



This model is an improvement on those previously mentioned. All channels are given some credit for playing their part. This model is useful for businesses looking to maintain contact and awareness with the customer throughout the booking cycle.

Time Decay



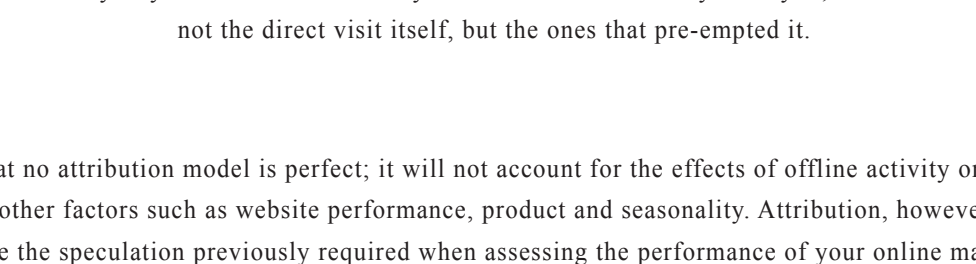
The time decay model attributes a greater weighting to the most recent touchpoints in the customer journey. This model is useful if you run regular promotional campaigns for a short, limited amount of time and you wish to give more credit to the interactions that occur during those periods.

Position-Based



This model is recommended when you wish to give more credit to the first touchpoint that introduced the customer to the brand and the final one that resulted in a sale, without discounting those in the middle.

Non-Direct Click



In many cases, businesses prefer not to include 'direct' traffic to a website as a marketing channel. The rationale behind this is that a consumer who comes directly to your website has already made the decision to buy from you, so what has driven that purchase is not the direct visit itself, but the ones that pre-empted it.

Please remember that no attribution model is perfect; it will not account for the effects of offline activity on online, cross device traffic and many other factors such as website performance, product and seasonality. Attribution, however will help at least eliminate some of the speculation previously required when assessing the performance of your online marketing efforts.