When It Comes to Attribution, Customers Count

WRITTEN BY
Neil Hoyne

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THE **RUNDOWN**

It's often difficult for marketers to move beyond the trappings of the last click when choosing an attribution model. It's tempting to measure everything with simple cost-based metrics. But building this type of attribution model—one that just tells marketers what each interaction is worth—is likely too simple an approach.

By resorting to a myopic view, businesses miss key opportunities to connect with consumers. Instead of dwelling on clicks in isolation, it's time we took a customer-centric approach to attribution, examining all of the touchpoints in the customer journey.

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Exactly how much is that "just-converted" customer in Kenosha worth to a business? Pose the question to any online business—whether it's selling boots, educating students or asking for sign-ups for a new music service—and you'll likely get a different response from each company you ask. That's because the ways marketers define a customer are quite varied.

It's tempting for marketers to measure the value of a customer on the basis of conversion. After all, that last click means money in the bank. That click is trackable. But building an attribution model around data that simply tells marketers what an interaction is worth is likely too simple an approach. By resorting to a myopic view, businesses miss key opportunities to connect with consumers.

And most consumers don't just magically decide to buy what brands are selling after one simple interaction. Quite often, a conversion comes only after a relationship has developed between consumer and brand. While brands understand that this relationship is vital to their marketing strategies, it's been difficult for them to put this knowledge into practice.

Enter attribution

To get a better handle on how customers convert and the value attached to those conversions, brands and marketers (as well as their analysts) turn to attribution models. In other words, sophisticated math is applied to customer data, and companies look to those results to glean the "true" contribution of their marketing investments.

But these models—specifically, those that look at individual conversions—often underwhelm. For one, they're incomplete. They don't take into account the entire customer journey. They might ignore things like online interactions that span multiple devices and offline influences such as television, word-of-mouth and the consumer's previous experiences with the company. It becomes difficult to say whether the most influential interactions in the purchase funnel were even captured. For example, if an attribution model included a conversion path that consisted of a single click, is it likely that the customer really interacted with the brand only once before converting? Probably not.

Most models also tend to be narrow because it's difficult to collect the correct data. And even the data that is collected tends to be along the lines of "click" or "no click." It's much harder to get to the nature of the interaction, the quality of the creative or the depth of the customer's interaction. And because many of the outputs are correlational

at best, they offer no guarantee that any incremental marketing spend will be effective at bringing in more dollars.

This isn't to say that attribution models will never offer a significant contribution to the data-driven marketer. On the contrary, I believe they will. In order for this to happen, though, the models need to be viewed in context—as one of the many tools that can help marketers better understand customer behavior.

Shifting from conversions to customers

When it comes to attribution, the emphasis has been on atomizing and tracking data about conversions rather than on thinking holistically about customers. The shift from conversion to customer-centric marketing means a change in thinking. And it begins with getting to know the customer. Brands need to understand who their customers are, how many they have and how those customers' value changes over time. This kind of data is too compelling and important for brands to avoid, and it's an excellent starting point for determining the longer-term value of a brand's marketing activities.

Every interaction that a customer (or potential customer) has with a brand represents a valuable step in the relationship it's forging. But these opportunities can be lost if the focus is solely on conversion. By integrating information about customers directly into a web analytics platform, a brand can begin to create context. What channels brought the customer to the brand? Was it a video view? When did the customer create an account or make a purchase? How did the customer make a purchase? How long did it take to win the customer over? It's also important to track negative interactions, such as when a customer cancels an account, to try to stave off any potential problems.

There are countless factors that contribute to engagement—the creative, the message itself and the user experience, among others—and every interaction is different and should be treated as such.

Let's be clear: There is no one-size-fits-all solution to attribution. Listening to and learning from consumers can help a brand find or fine-tune its voice. Information gathered can then be used to create a meaningful experience for each customer. By assigning value to all parts of the purchase funnel—from research to last click and beyond—a brand can endeavor to serve the right ad or experience at the right time to all of its customers. When marketers begin to move away from conversion-centric thinking, they begin to understand the tremendous opportunities that lies ahead.

KEY TAKEAWAYS FOR MARKETERS

- Attribution models should not be viewed as the end-all decision maker for marketers but as a piece of the puzzle when analyzing data.

- By assigning value to all of the touchpoints along the purchase funnel (rather than relying on last click), a brand is better equipped to serve the right ad to the right person at the right time.

- When it comes to developing an attribution strategy, marketers and their customers are best served by taking a holistic approach.

- The shift from conversion to customer-centric marketing means a change in thinking for brands, and it starts with getting to know their customers.

Neil Hoyne
Global Program Manager, Attribution, Google