



Building an attribution framework to meet your business needs

It was Einstein who said that “If you can't explain it simply, you don't understand it well enough”, but we doubt he had many conversations about marketing attribution. But in an attempt to prove him right, this is the first in a four part series aimed at explaining tracking customer attribution simply.

In the many (many) conversations we've had with clients and prospects on the subject of attribution there are a few things that tend to lead to confusion:

1. What we mean by attribution
2. Varying approaches and missing data
3. Perception that there is just true answer

Let's go back to basics.

Why do customers buy?

There are many factors as to why and when someone will buy something. Sometimes it's because it solves a problem; other times because it is a desirable product - they just want it. Your marketing objectives, and therefore approach will vary, your attribution approach and method will also vary. Let us explore a few examples...

Fashionable brands tend to want to raise awareness and a desire for their product. In these cases there's a focus on building an Adstock effect; i.e. build brand awareness and the customers will come.

These brands normally do well in broadcast channels and high-end magazines. Traditionally the effectiveness of these marketing campaigns has been tracked over time with econometrics. It is still the case for some £1bn+ sports brands we have worked with, however, with the right digital tracking marketers can also measure complex mixtures of channels incorporating market research metrics like brand awareness.

Brands of specialist or niche products need their marketing to educate their audience. For them it is important to build a range of accessible content. A considered purchase from their buyers may take multiple touchpoints.

In a digital age, however, the touchpoints are usually easier to track and evaluate so that the brand can build up a stronger relationship with a consumer. For example, a specialist lamp provider recently reviewed its incoming customer service calls and worked out that they were losing £100 per phone call as the messaging and process was wrong. They obviously then set about addressing this.

For some products timing is critical. For example, we worked with a bag shipping company that would transport the golf clubs from your home to your holiday hotel. They needed their core audience to be aware of their product prior to booking flights (so they didn't book their clubs on the flight), and to be at forefront of the customer's mind when making the actual order (so consumers didn't use a competitor). This required a multiple engagement process to build up engagement with the brand – not just the product. This was done largely via sponsorship.

Satisfying specific needs - there are also cases, where someone has that specific need and just needs to find the product. A good example could be furniture, where someone will browse photos of book shelves (and yes there are other types of furniture) and will buy fairly instantly based on looks alone. In these cases, shared platforms like Amazon or Google Shopping are often more key.





Measuring your campaigns and customer journey

For those of you evaluating “standard” or off the shelf attribution tracking products, ask yourself how can a solution that services all of these client types yield a consistent and true result?

In most cases there are limitations to each solution. This is a core reason why we (Fusion) developed a customisable solution, rather than a fixed product.

With a wide variety of marketing channels out there, marketers will most likely be using a mixture, so (going back to the core issue) if a customer has received a mixture of marketing channels, did they buy because:

- The last channel drove them to make the purchase?
- The first channel made them aware they wanted the product, the last one just helped them get there?
- It was a result of the mixture of communications (or a sub set of them)?
- An external factor or they just wanted the item?

This is where we start our journey with marketing effectiveness evaluation or attribution tracking.

The starting point of attribution is understanding your objective

In our article – [Why One All Encompassing Attribution Model is Elusive](#) - we described the technical challenges, preventing a single version of the truth. This means that even if marketers were happy with one of the reasons for buying listed above (first or last channel vs mix etc), they cannot easily deploy a consistent approach. For example, if TV drives a purchase it is hard to track that the customer actually saw the advert.

Before you consider any marketing effectiveness approaches you need to be 100% confident in your tracking data and approaches to fill in gaps – otherwise your results are meaningless.

With this in mind our product, [WebFusion](#), was designed specifically to resolve these types of issues, by tracking and consolidating more data. See our [website](#) for more details on this, as this article is directed more to help you consider how to structure your own attribution tracking framework.

Let’s go through some of the questions that your attribution tracking needs to answer:

1. What is your objective, is it to make more money now – or in the longer term?
2. What KPIs do you have to measure this objective?
3. What do you need to know to help achieve the objective:
 - a) How to spread my budget across the year?
 - b) Does a channel provide an incremental uplift?
 - c) What provides the best customer experience?

It is important to differentiate each of these questions, as they often get confused, and this is where people end up go around in circles.

Thinking through the solutions

At the [Direct Commerce Association’s recent Silver Marketing event](#) Fusion Analytics’ MD – Howard Thompson - shared a panel with Nigel Swabey of Scotts of Stow. Nigel discussed his reluctance to continue to invest in some voucher sites as they were actively pushing offers (at the point of sale). This effectively led to unnecessary discounting.

In a channel like vouchers, they are either on or off. This means that firstly marketers should evaluate vouchers as a channel in its own right. The number of orders that should be attributed to vouchers is between:

1. The number of orders where vouchers was the only channel ever used by the customer
2. The total number of orders that included a voucher

It is important to note that all advertising platforms, such as voucher codes, will always report on the larger number. This is the GROSS number of orders that it can match.

To get a truer reflection of the contribution of that channel, marketers would need to compare factors such as conversion rates for similar groups that had the same experience but did not use a voucher. This will tell us the uplift of that channel. Marketers could even include (with the right tracking), the number of people that went to the payment screen – saw the voucher – and then applied the code.

Rethinking the budgeting process for greater marketing effectiveness

Once the channel mix has been decided on, and the team has a way of evaluating each channel, they can then start to look at the overall marketing mix.

Typically the marketing mix modelling is only required to set a top level budget for the season or year. Once the budget is set then it's a case of optimising within each channel and each campaign.

However, setting marketing budgets normally looks at what happened last year. There is sensibly a movement now towards switching to the customer perspective – and there are some great UX agencies out there like <https://wearecrank.com/> who can help optimise the customer journey.

In order to truly adopt this you need to change the way you set your budgets to look at the ideal customer journeys, not base it on the channel performance alone.

The next articles in this series are going to go through these steps in more detail, exploring:

- How to measure the impact of a channel (for a range of channels)
- Setting your marketing budget
- Optimising the customer journey

In the meantime, and for more information about tracking, please see our [website](#), also our [blogs](#) – these contain a lot of information on attribution approaches and technical challenges, well worth a read.

To wrap up, here's a checklist of points to consider when planning an attribution framework to meet your business needs...

- How do consumers engage with your brand? Think of the various touchpoints
- What is the typical customer journey and calls to action you employ?

For each channel you use:

- Do you have a clear objective?
- Can you evaluate the impact of each channel fairly?
- Does the channel depend on another?

What does attribution mean to you:

- Setting the annual marketing budget
- Optimising the customer journey

