

MULTICHANNEL

Dealing with the mystery of ecommerce attribution

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Leading Hotels of the World's simplified site

By JOE MCCARTHY

Attribution of digital sales can sometimes seem like a grab-bag process, with critical junctures of the consumer journey totally disregarded, but there are models that can add some sense to the equation, according to a Leading Hotels of the World executive at Luxury Interactive 2014 on Oct. 15.

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The online path to purchase is a holistic journey, and ecommerce marketers should do their best to give credit to all the steps involved, rather than foisting all credit on one or two obvious steps. However maddening this effort may seem at times, it safeguards a brand from shortchanging key areas such as social media.

"To be honest there's really no one size fits all answer," said Debbie Johnsen, director of interactive marketing at [The Leading Hotels of the World](#), New York. "It really depends on what kind of vertical you're in.

"The length of the customer journey and level of complication will usually lead to additional steps," she said.

"Take a look at the different models and see what best works for you and the insights you

can glean from it."

Fairness

During the "Attribution Modeling: Deciphering Which Channel Gets The Sale Credit" session, Ms. Johnsen said that the online consumer journey is becoming increasingly fragmented, and Google, Facebook and other ad hosts provide marketers with an extensive and accurate look at that journey.

Most consumers have multiple devices that are not always synchronized, on which they conduct different steps of the research process.

How do you weigh the action of a consumer reading hotel reviews on social media while standing in line for coffee against her search on TripAdvisor for that same property at a later date while on her laptop?



Leading Hotels of the World fans celebrating the brand's 85th anniversary

How much did reading those reviews on Facebook impact her journey? And how much weight can marketers give to a mobile action versus a desktop action? Can different levels of concentration and intent be gauged? How far back in the purchase path do marketers have to go?

These questions, and many more, baffle marketers as they try to attribute sales to certain functions in order to better tailor their efforts and allocate funds in the future.

A typical consumer path for a travel purchase might look like: social, email, paid search, organic search, display, referral, direct.

For retail it might look like: display, social, email, referral, paid search, organic, direct.

These patterns are always changing, and pinning down the crucial moment is hard.



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The Leading Hotels of the World showcasing organic offers

Ms. Johnsen suggested that marketers test a few reliable attribution models while determining what works for them.

The last interaction model gives all the credit to the last step, and the first interaction model gives all the credit to the first step, two models that tend to favor expedience over accuracy. However, the first and last steps are undeniable important.

The linear model, on the other hand, gives equal credit to every step of the journey.

Positioned based attribution involves giving 40 percent to both the first and last interaction and splitting the final 20 percent among the remaining steps.

Finally, the time decay model gives credit to the touchpoints closest in time to the final sale. So, although a consumer may have first searched for a property a few weeks back, it will likely be dismissed if multiple steps occurred in the days leading up to a sale.

Of all the models, Ms. Johnsen recommended starting with the time decay model, which attempts to partially address the mystery of what ultimately triggered a sale, while staying practical by giving most credit to the clinchers.

More variables

Over the last several years, we have seen mobile marketing emerge and rise in complexity and offerings to advertisers, according to BJ Hatcher. The mobile space is dedicated to delivering optimal consumer experiences that keep a consumer engaged with brands while they are on the go.

Proving the efficacy of programs based on both devices – lack of cookies – and consumers who jump across platforms to complete transactions has always been challenging. Only in the last year have some serious nerds stepped into the game and started to provide great resources for marketers to effectively measure mobile campaigns ([see story](#)).

Transparency of the digital journey has also changed in-store calculations.

Not long ago retailers were afraid that showrooming would gut in-store profits, but now the implications of the trend seem to have reversed, according to a report by L2 and RichRelevance.

Unlike “showrooming” where consumers let in-store prices duke it out with discounted online prices, “Webrooming” occurs when consumers research online before shopping in-store. However, many retailers are failing to provide consumers with the resources they need to make Webrooming a seamless affair, and are losing sales in the process ([see story](#)).

"So many different flavors and variations of this depending on who the customer is," Ms. Johnsen said.

Final Take

Joe McCarthy, staff writer on Luxury Daily, New York

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