First Interaction

## What it is

First interaction attribution models give 100% of the credit for a conversion to the first interaction a customer has with your brand.

These models help you answer the question: “Where are my customers coming from?”

## Pros

First interaction models are easy to set up and maintain. Since weighting is only given to one touchpoint – the first one - no calculations around weighting or distribution need to be made. If you’re unable to gather a lot of information about what your customers are doing throughout their journey, this model can be helpful.

First touch models are also helpful in campaigns that are heavily focused on generating demand or awareness. When you want to understand where your most valuable customers are coming from, or what channels generate the most new customers, first interaction attribution is the way to go. It’s helpful if you’re a newer brand, or if you’re launching a new product or a major change.

Although first interaction models only focus on one touchpoint, if your business has a short sales cycle or few customer touchpoints, the risks of first interaction won’t matter as much to you.

## Cons

First interaction is criticized for overvaluing top-of-the-funnel tactics and omitting interactions that happen later in the process. Most customers interact with a business more than once throughout their decision making journey, and first touch ignores any later interactions that occur. Those later interactions often have a much greater impact on the choices a customer ultimately makes. If you’re focused on driving conversions, first interaction modeling won’t tell the whole story.

Overall, first interaction can make it hard for marketers to demonstrate the value of the totality of their marketing efforts. This model isn’t that widely used, especially not by B2B businesses with longer sales cycles and multitouch campaigns.

Last Interaction

## What it is

Last interaction attribution models give 100% of the credit for a conversion to the last touchpoint a customer had with a brand, immediately before making a purchase.

This model answers the question: “What drove my customers to convert?”

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## Pros

If you’re laser-focused on driving sales and conversions, a last interaction attribution model is right for you. This model highlights the channels that most directly lead to sales and revenue, which are pretty important metrics for most businesses! Once you know which of your marketing efforts are really bringing in the money, you can double down on those efforts and hopefully bring in even more money.

Because last interaction models only give credit to one channel, they’re relatively simple to use. If your business has a short, straightforward customer decision journey, last interaction is a good model, because there’s probably not much else that affected the sale.

The simplicity of last interaction models also makes them easy to set up and track, especially if you’re new to attribution modeling. For this reason, it’s one of the more popular attribution models and the default model in Google Analytics.

## Cons

Last interaction models ignore anything that led up to the moment of conversion. Even if a customer received emails, clicked on Facebook ads, and searched for your brand, those actions are ignored for whatever channel caused them to finally convert.

Last interaction models can fail to give an accurate picture of how all the elements of your marketing campaigns work together to drive customers to conversion. For businesses with longer sales cycles and many touchpoints in their customer journeys, last interaction modeling isn’t the best way to demonstrate ROI.

Last Non-Direct Interaction

## What it is

Last non-direct attribution models give credit to a customer’s last interaction before a conversion that wasn’t direct traffic.

Imagine that someone clicks on your social ad on Thursday, but doesn’t convert. Then, on Friday, they type in your website’s URL and make a purchase. In a last non-direct model, the social ad gets the credit for this conversion.

## Pros

Last non-direct models account for all of your marketing efforts that lead up to a sale, as long as they weren’t direct traffic. The logic here is that direct traffic is often the result of a customer interacting with several of your marketing channels during their decision journey, and then visiting your website to make a sale.

If you’re more interested in how your marketing campaigns work together, not just how many people know your brand’s URL, last non-direct is a good model for you. If you’re getting tons of traffic to your website, you want to know what actually drove all that traffic. Businesses with a longer sales cycle and many interactions leading up to a conversion could benefit from how last non-direct models look slightly further back in the conversion process.

## Cons

When last non-direct interaction models take credit away from direct traffic, they can mistakenly increase the importance of other traffic sources. There may not actually be a correlation between the last thing a customer clicked on and their visit to your site, or there could be a long delay between the two interactions. The data from last non-direct models can be hard to interpret or use unless you’re very focused on what’s driving traffic to your site.

Position-Based

## What it is

Position-based attribution models, sometimes called U-shaped models, give the most credit to the first and last interactions that lead to a conversion.

Typically, credit is distributed as 40% to the first and last interaction, with the remaining 20% distributed evenly across the middle interactions.

## Pros

Position-based models combine the best of first and last interaction models by addressing two important questions at once: “Where did my customers come from?” and “What made them purchase?” The first and last touchpoints that a customer has with a business are some of the most important in the decision making journey, and a position-based model takes both into account equally. It can help you know where to optimize to drive both awareness and conversions.

Position-based attribution models are also easy to customize by applying different weighting to the middle touchpoints; for example, touchpoints closer to the final one can get slightly more credit. They’re flexible and can be adapted to meet the unique goals of a given campaign or business model.

## Cons

Depending on the campaign or the business model, the first and last customer interactions might not be equally important, or as important as the weight they’re given. And if you don’t customize a position-based model, you may be giving undue credit to certain touchpoints in the middle, or weighting them equally when you shouldn’t.

Position-based models aren’t best for campaigns that nurture leads over a long period of time. In this model, the nurturing touchpoints in the middle will be getting less credit than they might deserve.

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Time Decay

## What it is

A time decay model assigns some credit to each point in the customer decision journey, while giving more credit to interactions as they get later in the process.

## Pros

In a time decay model, no interaction gets left behind. And the touchpoints that happen later in the decision journey - that theoretically have a greater impact on the customer’s purchase decision - get more weight.

Unlike last interaction attribution models that also give credit to the touchpoint closer to conversion, time decay models take into account the entire journey that led up to that decision. They’re a good starting point if you haven’t used an attribution model before and want to get a sense of how each touchpoint affects conversions.

Time decay models can be useful in a variety of situations. Promotional, time-sensitive campaigns are a good fit because the model correctly devalues earlier touchpoints that didn’t directly lead to a conversion. Time decay models are also a good option if your business is bringing in lots of leads but seeing a low conversion rate; you can focus on what channels are actually leading to conversions. Finally, long, B2B sales cycles can use a time decay model to understand how each customer interaction affected a conversion.

## Cons

The way that touchpoints are valued can be arbitrary. It might undervalue important early touchpoints, or overvalue less important later ones. What if a customer signed up for a free trial early in the process, but read a blog right before they converted? The blog would get more credit than it probably should have.

Linear

## What it is

The linear attribution model gives equal credit to every touchpoint a customer has leading up to the conversion. A journey with 4 touchpoints would give 25% credit to each; a journey with 10 would give 10% to each.

## Pros

The linear model solves the most difficult question in attribution modeling - how much credit should each touchpoint get? - in the simplest way possible - make them all equal! Compared to other models, linear ones are easy to set up and use. There’s no debate around which touchpoints get credit, or how much. Everything is equal! Because of its simplicity, linear attribution is a good control group against which to compare other, more complex models.

Linear attribution is helpful in understanding the full story behind what touchpoints are affecting your conversions. Interactions in the middle of the funnel can be just as impactful as the first or last ones, and this model takes that into account. If you have a long sales cycle with many customer touchpoints, this is a good model to capture the role that all your channels played in a sale. Insights from a linear model can help you optimize over the whole customer journey, not just for one or two touchpoints.

## Cons

Long story short - not all touchpoints are created equal. As a marketer, you know, intuitively, that some customer interactions are more impactful than others. Linear attribution may give undue credit to minor interactions, like a “like” on social media, and undervalue more important interactions, like requesting more information.