# What is Lead Attribution?

The success of any business depends on the ability to attract leads and convert them into loyal customers. In an increasingly competitive digital market, generating leads remains a challenge. Without a clear understanding of what's driving your lead generation efforts, you risk wasting valuable resources on the wrong strategies. You also stand to lose out on valuable insights that could guide how you attract, convert and retain customers. Additionally, if your conversion path isn't up to standard, you'll struggle to attract leads and close valuable sales.

What you need are clear, actionable insights into the channels and strategies that generate quality leads for your business. And this is where lead attribution comes in. Let's explore what lead attribution is and how exactly you can use it to maximise your lead generation efforts.

# What Is Lead Attribution?

Lead attribution is the process of assigning credit to marketing channels in order to determine which channels are most effective at attracting leads. While leads don't automatically turn into paying customers, an increase in quality leads, coupled with the right lead nurturing strategies, can certainly boost sales.

# Why Is Lead Attribution Important?

Did you know that lead attribution can increase marketing efficiency by up to 30%? But that's not all; lead attribution is also important for your business for the following reasons:

## Allocating resources

Generating leads plays a major role in driving conversions, sales, and revenue. However, lead generation is resource intensive, so it's important to track which strategies are working and which ones aren't. This allows you to allocate your resources optimally.

## Increasing ROI

Lead attribution can give you detailed information about the revenue generated from leads. With this valuable information, you can identify and implement the strategies that are most likely to increase sales and boost your return on investment (ROI).

## Improving marketing strategies

Using lead attribution, you can identify which types of content perform best and gain a clearer picture of which channels generate the most leads. When you know what your most effective channels and content strategies are, you can dig deeper into why they work and adjust your marketing strategies accordingly.

## Enhancing user experience

Lead attribution helps you identify which aspects of your website attract or deter visitors. With this information, you can create a better customer experience for your audience. Not only does this increase engagement, but it also improves your SEO rankings and boosts conversion rates.

## Optimising your conversion path

Through lead attribution, you can identify the ‘heroes’ and key drop-off points in your conversion path. With a better understanding of how potential customers behave, you can tweak your conversion path to positively influence conversions.

### Justifying marketing costs

Implementing a lead attribution strategy allows you to attribute leads and revenue to certain marketing activities. When you can connect marketing activity to revenue, you can feel confident about allocating resources to your lead-generation efforts and other aspects of your digital marketing strategy.

### Understanding your ideal customers

Using lead attribution, you'll identify which channels attract your ideal customers. You can also figure out what types of content they respond best to. These powerful insights put you in a better position to personalise your efforts, boost conversions, and strengthen your ties with this valuable segment.

### Improving your products and services

Lead attribution gives you an in-depth understanding of how customers interact with your products or services. This reveals what your customers value and armed with this information, improving your products and services becomes a lot easier.

## Types Of Lead Attribution

Lead attribution models allow you to assign credit to the touchpoints on a potential customer's journey to becoming a lead. These models can be single or multi-touch. Essentially, single-touch models are simple and focus on identifying the one touchpoint that leads to a conversion. Multi-touch models are more sophisticated and factor in the relative influence of multiple touchpoints. Let's explore these attribution models in more detail below.

1. Single-touch models

Single-touch models attribute 100% of the credit to a single touchpoint. As they don’t give you a complete picture of the entire buying process, this makes them better suited to shorter customer journeys. Single-touch models include:

- First touch attribution
- Last touch attribution

### First touch attribution

A first-touch attribution model credits the first interaction a potential customer has with your business, making it a great way to identify how leads find you. With better insight into what type of efforts generate initial awareness, you can ramp them up to maximise lead generation. Since this model doesn't take the rest of the customer journey into account, it may be difficult to determine what exactly leads to conversions after initial contact.

### Last touch attribution

In a last-touch attribution model, only the last interaction before a conversion is credited. So, it’s helpful for pinpointing which channels and last-stage strategies result in conversions. As last-touch attribution only provides bottom-of-the-funnel insights, you still won’t have access to a complete picture of the entire buyer journey.

## 2. Multi-touch models

Compared to single-touch models, multi-touch models are more comprehensive. These models consider the entire conversion path, making them better suited to longer, more complex customer journeys. Multi-touch attribution models include:

- Linear attribution
- Time decay attribution

- U-shaped attribution
- W-shaped attribution
- Z-shaped attribution
- Custom attribution
- Data-driven attribution

## Linear attribution

The linear attribution model gives equal credit to each touchpoint in the customer journey. This model is relatively simple to implement because it doesn’t give different scores to your touchpoints. The major drawback is that it fails to account for touchpoint differences and doesn't identify which touchpoints have the most impact.

## Time-decay

With the time decay model, more recent touchpoints are given more credit than older ones. This model reveals the activities that directly influence a conversion, making it a great way to determine the efficiency of your bottom-of-the-funnel marketing activities. However, it doesn't give a lot of credit to top-of-the-funnel marketing efforts, which are pretty important too.

## U-shaped attribution

A U-shaped model gives 40% credit to the first and last touchpoints. The remaining 20% is split evenly across the other touchpoints. It gives insight into which initiatives influence awareness and which ones lead to a conversion, but gives little information into everything else that happens in between.

## W-shaped attribution

The W-shaped attribution model splits credit between three main touchpoints: the first, lead creation, and the last. Each of these major touchpoints gets 30% and the remaining minor touchpoints share the last 10% of the credit. As it counts most of the touchpoints that lead to a conversion, this model gives you a fairly detailed picture of your marketing campaigns. But, there’s a possibility that more emphasis may be placed on the channels that generate leads and not conversions.

## Z-shaped attribution

The Z-shaped attribution model splits credit between four touchpoints: the first, lead creation, opportunity creation, and the last. Each of these major touchpoints gets 22.5% of the credit, and the remaining 10% is split equally among the rest. All touchpoints in the customer journey are taken into account in this model - not just conversion events. Therefore, it provides the most complete picture of the customer journey.

## Custom attribution

With custom attribution, you develop an advanced model tailored to your business's needs. Because you have the freedom to determine which touchpoints have the most impact and create your own credit system, this approach can give you a more personalised view of your conversion path. Creating, maintaining, and using a custom model is not only challenging, but it is also very resource intensive. It is also worth noting that any custom model will have an inherent bias towards what you believe should be given the most credit — regardless of whether it is the best approach for your business or not.

## Data-driven attribution

This model uses historical data to assign credit. With the help of algorithms, it predicts which channels have the greatest impact on conversions. As it identifies which channels are actually driving the most conversions, you can focus your efforts there. This is a complex solution that targets historical data and, for the model to be effective, it must be linked to an analytics platform that can generate the right insights.

# How To Use Lead Attribution To Level Up Your Efforts

Now, let’s explore how to use lead attribution to level up your lead generation efforts.

## 1. Determine your goals

Getting started with lead attribution will require you to determine your goals. First, you'll need to determine how you define success. Do you want to know what types of content attract users? Or would you like to pinpoint what directly leads to conversions? If you’re having difficulty setting tangible marketing goals, start with the marketing performance indicators that are closely linked to your business objectives. Thereafter, you'll need to figure out what you want to track and where you want to track this data from.

## 2. Use lead attribution tools

There are plenty of lead attribution solutions, such as Ruler Analytics, Adinton, Adjust, HubSpot, Dreamdata and even Google Analytics, that can help you get started with lead attribution. In a nutshell, attribution tools:

- Eliminate the need for manual tracking and enable more accurate modelling
- Collect data on customer touchpoints across mobile and desktop
- Track customer journeys
- Build either multi-touch or single-touch models based on the data available
- Offer seamless integration with your CRM, ad platforms, SEO tools, and email providers
- Aggregate data from different platforms and generate meaningful visualizations or reports

The right attribution tool will allow you to test out different attribution models, integrate different platforms, and use important marketing metrics to track your progress. When choosing the right attribution solution for your business, consider whether it will work

well with the other tools and platforms that you use. You should also ensure that the tool is capable of keeping up with your business's changing needs.

## 3. Choose the right model

There isn't a one size fits all approach to lead attribution. Hence, different businesses require different attribution models. To help you make the best decision for your business, try any of these approaches:

### A customer journey approach

With this approach, selecting the right model depends on how many touchpoints you have before a conversion, and the way these touchpoints are distributed across your conversion path. For example, if your customers engage only a few times before converting, a simple, single-touch model may be appropriate. If you have a complex, multi-channel strategy, a multi-touch model might be best.

### A multi-model approach

A multi-model approach involves using multiple attribution models to get a comprehensive view of your marketing performance. It is advisable to test various attribution models to fully understand their advantages and disadvantages. Furthermore, analysing the effectiveness of different models can help you figure out what works best for your business.

### A needs-based approach

This approach aims to leverage marketing strengths while filling in data gaps. Therefore, model selection should be in response to your needs and goals. Through careful consideration of your current strengths and weaknesses, you can select the right model or models to help maximise your lead attribution strategy. For example, if you're

generating leads but having a hard time converting them, a last-touch model may help you identify which strategies and channels are letting you down.

Consider the following questions to help you determine the right attribution model for your business:

- What are your biggest lead generation concerns?
- What's going right and what's going wrong with your funnels or conversion path?
- What content strategies have resulted in the most leads?
- Which channels contribute to the most leads and sales?

## 4. Analyze the data and optimize your strategies

As the valuable insights about your lead generation efforts start to come in, use this information to optimise how you attract, convert and retain leads. The key is to continuously analyse this data and use it to 1) inform strategic decision-making and 2) facilitate efficient resource allocation.

## 5. Refine your approach

No model is perfect, and iteration is a crucial part of the process. So, try out different attribution models, integrate different platforms, and refine your metrics. Remember, keeping up with consumer needs and staying ahead of the competition will require you to keep improving your lead attribution strategy.

# Final Thoughts

Lead attribution excels at providing you with actionable insights about your leads, channels and strategies. This gives you the power to make sound, impactful marketing decisions. Ultimately, a strategic advantage of this nature can increase profitability and stimulate long-term business growth.