

WebTrends
851 SW 6th Ave., Suite 700
Portland, OR 97204
1.503.294.7025
1.503.294.7130 fax

US Toll Free:
1-877-WEBTRENDS
(1-877-932-8736)

WebTrends Sales
1.888.932.8736
sales@webtrends.com

For offices worldwide, visit webtrends.com

Measuring the Key Scenarios on Your Web Site

OVERVIEW

What is the conversion rate on your web site? One percent? Three percent? Don't know? If you don't, you're not alone. Based on feedback from a recent webcast, more than 66 percent of marketing executives surveyed don't know their conversion rates. Yet, the same executives agreed that "converting more visitors" was their most important web site objective.

DEFINING CONVERSION

Your conversion rate is the single most powerful indicator of your ability to persuade your visitors to take the action you want them to take. As a metric, it is defined as the percentage of visitors who accomplish a specific objective (take action) on your site. Think of each of your site objectives as a conversion scenario. A typical scenario consists of a series of steps. At each step your visitors have a choice to either convert to the next step or to abandon your scenario. How well you satisfy their needs and motivate them to take the next step will dictate how well you succeed at converting more visitors into customers.

UNDERSTANDING CONVERSION

As Shrek might philosophically announce to Donkey, "Conversion is like an onion". There are multiple layers within the system, each of which must be addressed for the system to work effectively and efficiently.

Conversion can be measured at many levels in your online efforts. The most obvious level is when your visitor completes a purchase—this is the big picture goal. You have also made a successful conversion when your visitor completes a registration form, downloads a file, subscribes to your newsletter, contacts you as a result of exposure to your web site or an e-mail, or even when your visitor simply clicks through to the next step in your process.

If you consider conversion simply as a function of the end result, you will miss the complete story. Constructing an effective system of conversion requires that you understand the nature of the actions you are motivating.

- Actions are taken only after decisions are made.
- Your visitors' goals are "macro-actions".
- Every macro-action is composed of a series of smaller "micro-actions".

The scenarios on your web site are essentially conversion funnels. To move from step to step, your visitors participate in a series of decisions that result in micro-conversions, and at any point along the way, they may abandon the effort. You want to minimize abandonment by measuring the conversion at each step, at the level of the micro-action.

For example, consider all the discrete steps required for a person to complete the process of downloading a new version of a browser. Persuading the visitor to download the browser is the macro-action, but every single step and click in that process is a micro-action. Because the nature of the medium is participatory and visitors are there voluntarily, at any point along the way, the process can fail to provide the necessary language, reassurance, logic, appropriate location of elements or satisfaction that will keep them motivated and engaged.

"When you understand that every micro-action is an opportunity for you to persuade effectively based on what your visitor needs, you can begin to improve your conversion rate by identifying and eliminating your trouble spots."

*Bryan Eisenberg
Principal and CPO,
Future Now, Inc.*

When you ignore or fail to meet their needs, your visitors will leave. Using a leaky bucket metaphor to visualize your conversion scenario, always keep these questions in mind when you plan and evaluate your web site:

- Has the conversion process clearly mapped the actions your visitors should take?
- How well does the process guide your visitors through each step?
- How many “leaks” are left?
- How many prospects are leaking out through them?

When you understand that every micro-action is an opportunity for you to persuade effectively based on what your visitor needs, you can begin to improve your conversion rate by identifying and eliminating your trouble spots.

CASE STUDIES

One client’s objectives included increasing the number of subscribers to his newsletter. To subscribe, a visitor needed only to supply a first and last name and an e-mail address—not an enormous amount of personal information, but enough to make many people understandably hesitant. We placed the graphic call-to-action in the top right corner of his home page (a particularly effective location), and right below the subscribe button added four words: “We Value Your Privacy!” Immediately, the conversion rate for subscriptions to our client’s newsletter doubled.

Another company, specializing in home exercise equipment, had an extremely high rejection rate for its home page, which was essentially a splash page displaying the categories of equipment the company offered. A high rejection rate correlates with a low site penetration rate—visitors are not moving further in the conversion process. When your home page suffers a high rejection rate, it is an indication you are not meeting even the most basic of your visitors’ needs. We evaluated where the visitors who did click through went and discovered that nearly 80 percent went to one category. By simply getting rid of the splash page and establishing the favored category as the home page, we were able to increase the company’s conversion rates by almost 40 percent.

MEASURING AND IMPROVING YOUR CONVERSION SCENARIOS

How to Calculate Your Conversion Rate - your conversion rate for any scenario or action on your web site is the percentage of total visits that result in the desired action. This is measured by dividing the total desired actions by total visits.

Example: 3,000 total orders; 100,000 visits.

Sales conversion rate = 3% (3,000/100,000)

5-Point Scenario Analysis from WebTrends - WebTrends 5-Point Scenario Analysis is breakthrough conversion analysis that provides the unique ability to view the entire conversion process in an easy-to-understand visual format. Where most solutions only provide the fall-out rate from step to step, WebTrends 5-Point Scenario Analysis provides actionable insight into five critical areas to help you optimize your conversion process, namely:

- Inflow: The pages and programs that are driving visitors into your conversion scenario
- Fallout: Insight that tells you at which step a visitor leaves your conversion scenario
- Abandonment: Of the visitors that fallout, how many left the site completely
- Detours: Insight that identifies the information that led visitors out of your scenario
- Step Jumping: Identify which steps visitors find confusing or skip altogether

With this insight you can go beyond seeing just what is happening with your conversion scenario to a true understanding of why it’s happening. Armed with this actionable insight, you can make decisions to improve your conversion rates.

ABOUT THE AUTHOR

Bryan Eisenberg: Bryan Eisenberg is one of the principals and CPO (Chief Persuasion Officer) of Future Now, Inc., Bryan has been helping companies realize that to maximize results it is essential to incorporate expert persuasion techniques into web site design, e-mail marketing, development and implementation.

He is the author of a best-selling book on conversion, "Call To Action", and the publisher of Future Now's award-winning newsletter "GrokDotCom", is the author of the weekly ClickZ column "ROI Marketing", and has been a featured speaker at numerous e-business events. The application of his vision and processes has helped Future Now clients increase their conversion rates not just by percents but by multiples. Bryan is also an instructor at Roy H. William's Wizard Academy and a co-author of Persuasive Online Copywriting and The Marketer's Common Sense Guide to E-Metrics.

ABOUT WEBTRENDS

Thousands of web-smart organizations worldwide, including more than half of the Fortune and Global 500, rely on WebTrends to improve their web site conversions and optimize their marketing performance for maximum return on investment. As the worldwide market leader for web analytics, WebTrends has become the trusted standard not only for award-winning technology, but also for a full range of consulting services and unmatched industry expertise. By delivering accurate and actionable metrics through both on-demand and software options, WebTrends ensures that its customers are positioned for both immediate and long-term success with a solution that can adapt to ever-changing business and technical requirements.

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