

ONLINE CAMPAIGN MEASUREMENT

Analyse this! Web Analytics for marketers

Gone are the days of guessing what is actually driving revenue. Human-friendly web-analytics tools work best with commonsense - AND you don't have to be a mathematician or statistician to use these potent tools.



This chapter introduces Web Analytics. You may find the text smaller and the content more dense because this is a very important additive to your online marketing journey. Happily it's easier than it sounds. No Stats 101 needed.

We'll be looking at onsite analytics (your homebase site/blog that you have direct access to) and beyond, offsite into the Social Web, email and campaigns (even how to track them offline).

Reference your glossary (at chapter's end) if you encounter terms that need more explanation.

It's a growing field so there are phrases that will be new, and skills to be learned but it's an exciting (sometimes addictive) realm that offers marketers **PROOF** and **fast feedback to tie their efforts into the bottom line.**

YOUR PAYOFF FOR THIS CHAPTER

it's worth wrangling with analytics because you'll

- see very quickly what the response to your online efforts are.
- be able to back up your creative efforts with real data! REAL proof at last
- realise that analytics are not just for maths nerds. You take back the power!

GEAR UP:

for practical use of this knowledge you'll want.

- all you needed in previous chapters + curiosity
- a site or blog with administrator access to edit your php files
- a Google or Yahoo! account to set up free analytics tools

MYTHBUSTING

There is a myth that better algorithms or better access to data delivers better web intelligence. The truth lies with smarter people, not technology itself making the difference.

To extract value from the avalanche of clickstream data, someone who understands your business, and make the data relate intelligently to it - rather than a data-capturer - will make a staggering difference.

"If you have a budget of \$100 to make smarter decisions on the web, invest \$10 in tools + vendor contracts and invest \$90 in people (big human

brains inside or outside the company to do analysis and the process of producing insights)." << the famed (*web-analytics realm.*) Avinash Kaushik 10/90 rule

Free tools like Google or Yahoo! Analytics beat out most premium offerings in skilled hands. Remember, armed with only a spoon, a ninja can kill.

PREMIUM Analytics TOOLS ≠ **BEST Business INTELLIGENCE**



FUNDAMENTALS



TECHNICAL FOCUS

WHAT is Web Analytics?

The measurement, collection, analysis of Internet data. To track non-subjective activity related a web-presence & to optimize user experience.

Used as a tool for market research, it can be secret weapon to check on your competition or to know your users better and deliver more relevant content/services. Best of all, it's a superstition-busting powertool to gather EVIDENCE for ROI (return on investment).

How does it work?

ONSITE. Tracking: There are two main technology approaches for collecting web analytics data:

log file analysis and **page tagging**.

LOG FILE ANALYSIS: The original way of tracking online activity. Log file analysis software reads records, called log files, which record all clicks that take place on a web-server (*ref. your Internet chapter*). It was discovered that this data, when interpreted, could come in handy to see how people interacted with the site.

The Advantages: the web server already produces logfiles, so the raw data is already available, and you own it. Pages load faster without the tracking code calling to an external server as they do with page tagging.

PAGE TAGGING: The newer method of tracking developed out of the frustration that logfile analysis lost out on caching (saved for efficiency by the browser). A small invisible

ipx by ipx image is embedded into the page with JavaScript, which passes along info about the visitor and the page. Cookies are registered to help sift out humans from spiders and bots, and tell us about a visitor's interaction with the site over time.

The Advantages: You don't have to have a tame geek in the basement, manning the servers. Page tagging services are available as services on the Web. Most of them are FREE, like Google Analytics. Page tagging has become a standard in web analytics.

FLASH: One of the most common challenges in analytics has been tracking Flash content. Google has introduced codes that you can grab to specially track Flash beyond Google Analytics normal reach, though flash sites still aren't best suited to analytics.

MOBILE: it is possible to track users browsing your site via their phones. The process is similar to logfile capture but it will also collect useful things like device (model, manufacturer, screen resolution, smartphone etc.), mobile network operator, user language.

THE WARNING: Accuracy issues plague both kinds of analysis methods. For log-files it's caching for page tagging it's cookies & Java and ad.blockers.

All this means is that **complete accuracy cannot be guaranteed** with either method. Even so, it's more accountable than any traditional medium out there.

OFFSITE. Social Web & beyond: Monitoring software (overt or covert) was built when the Web was static and page-based. With the dawning of Web2.0's rich media like Ajax, video and Flash, monitoring comes in from RSS, keywords, tagging codes and more depending on the specific channel. Google Analytics can be configured to follow most of your online activity, but there are specialised tools that deliver cleaner signals in the noise.

TIMELINE

Your timing is everything.

Kickoff Audit

get everyone important and useful current data in to see where you're at NOW and what you want to achieve.

Begin the 4 step

with BRAIN BEFORE TOOL

1. OUTCOMES

define goals where your online activities have real economic impact on the business or brand.

Work out your KPI strategies (*see next page for more*) - your goal metrics with a limited timeframe to succeed.

Set up Google Analytics

2. MEASURE

Once you have data coming in, try these

4 great places to begin reporting:

Bounce Rate how many people came and left in 1 click

Keywords Report what words are driving people to your site

Top Landing Pages which pages are your top entry points

Referring Sites which sites deliver you the most people

3. MONITOR

Start tracking your online reputation. Set up alerts, RSS, try specialist social media listening tools. All-in-one Online Reputation services can monitor & report on these for you too.

4. ACT

take the feedback and USE it, tweak you offerings, test user experience onsite. Set up a campaign with Analytics: onsite, offsite, email, realworld - tag it and track it. Try it!

[DON'T FORGET]

Keep a timeline of what you're doing - campaigns, demo, conferences, new FB Page - so if metrics jump or dive, you'll recall what factors were in play.

L - I - S - T - E - N & win with web analytics

L Listen. What your customers care about, do they share problems? Where are they?

I Intent. What measurable business outcomes do you need from your online effort?

S Set up listening-posts. Install analytics, tracking and reporting tools.

T Test your assumptions. Do A/B experiments to improve experiences & results

E Essentials. Track *only* what increases profit. reduces cost. Increases satisfaction.

N Never assume you know what your customers want. Let the data tell its story.



MAKING IT USEFUL

Where to begin. DIY

There is a great array of tools, free and premium to gather and make sense of your online data for you. The first and best place to begin is **Google Analytics (GA)**. Best known for on-site work, but it's also handy for off-site; configure it to watch your social media, video, podcast downloads, track campaigns (with the URL Builder that specially tags your links) and even offline if you create a special easy-to-remember URL for radio/tv/print that has been pre-set with your tags to click tracking into gear when its used.

To begin stay with one on-site clickstream tool, and experiment with user-experience tools like those that do surveys or heat mapping and you'll find that for your off-site or social media tracking you'll probably use a few other specialized listening posts (*see your STATS bar for some*). **There is always a free tool to use** (and in this space free doesn't mean inferior!) and you can work your way into enterprise size offerings as you develop an ease with this, **do NOT rely on the tools to supply the intelligence, the best they can deliver is beautifully packaged data**, you need to slice, tweak and sculpt it to do what's best for YOUR outcomes.

BRAIN before TOOL

- >> **Why does your website exist?**
- >> **What do you want to accomplish for your business/brand on the web?**
- >> **What are your top 3 priorities that you want to achieve online?**

Analytics can give us marketers the proof that we're responsible for real bottom line brand economics. But only if we're focussing on the right problems to solve. We begin practically by making sure that we answer those questions to

find our outcomes WITH the key stakeholders of the brand. Assume nothing. Find the bottom-line needs before anything - they will be your gems.

4 STEPS: OUTCOME, MEASURE, MONITOR and ACT

Outcome: set GOALS on GA using the answers as direct business outcomes. Make sure they are time-bound **strategies that have clear line-of-sight to those outcomes.**

Your Key Performance Indicators (KPI) are special metrics that help you know how you're doing against those goals. Metrics (the numbers that we can track) are what make the web the most accountable channel on the planet right now. Your KPIs will help you prioritise what you're measuring for, step2 >>

Measure: you could measure big lumpy numbers like unique visitors to your site. But the smart money these days goes with segmenting. **Slice & Dice your way to insight.**

3 super-slices for you to try:

1. **ACQUISITION.** Acquisition refers to anything you do to attract people to your site. Campaigns you run, like pay per click marketing (PPC), email, affiliate deals, banner ads, twitter marketing. Acquisition also includes search engine optimization (SEO) - *which, like PPC we'll get to in a chapter to come*. Basically: **Did they just show up or was it because of something you did. What worked?**

2. **BEHAVIOUR** what are people actually doing when they're on your site?

3. **OUTCOMES** tie in with conversions, where visitors **do something that adds value to you (financial or reputational)**. Those who order (ecommerce) or subscribe or give you a lead. Dig in, follow the click-trail and find out what you did right and do more of what works for this group.

Assume nothing, data will tell you if its valuable by conversions.

We used to care almost solely about traffic, but now we're prizing sales/

conversions and loyalty. These are MEASURABLE and manageable.

Monitor: This is where Online Reputation Management comes into its own. The greatest gift monitoring can give you is time to make adjustments and manage expectations before it's too late. Set up alerts not just for what you're doing, what keyword trends are doing for your industry but also for your competition.

Competitive Intelligence: what's really working for them and where are the gaps. You ALWAYS have access to data. For ANY website. And their social media profiles (try some of the tools mentioned in the STATS column with a competitor's details and see).

Act: all this data is wasted effort if you don't change anything from the feedback. Evolve. Act on your hunches.

Experiment: armed with instant feedback test different approaches to get even closer to your goals. **Fail faster** through seeing what works. Design, pricing, delivery models, video, see what feeds back strongest. Use the numbers to back up your ideas by testing them out and getting response. GA offers quick A/B tester for you to begin with.

Like tuning up your body at the beginning of a fitness program, start with an **initial kickoff audit**. Get everyone in, check where you're at, where you want to be, your competitors, keywords, share of conversation, customer experiences ..and answer the Brain before Tool questions to begin.

Follow the 4 Steps and then do an **annual audit**, zoom out to the BIG picture. Look at your timeline and spot what really works, and where ROI is running backward.

Analytics CAN be one of the most **potent strategic tools** leaders of *any* size business can use to gain unstoppable advantage.

PRACTICAL APPLICATION

now you know, give these a go:

- Set up a Google Analytics account to start tracking on- and off-site data.
- Insert the javascript tracking code into your site or blog.
- Use the URL-builder to add tracking your off-site and offline efforts.
- Once data is coming in, find your 5 starter reports (refer to TIMELINE column on page 2).

THE BIG 3 ESSENTIAL IDEAS

(the least you'll need to know)

Idea #1 Switch from applauding Activity to Outcomes. We're moving on from **traffic acquisition** to **conversions** and **loyalty**.

Idea #2 Ask better questions. To get your customer's response to match your online outcomes, you need to ruthlessly interrogate that industrial-size quantity of data to get to simple actionable adaptations. And keep testing your hypotheses.

Idea #3 ROI online is measurable. It's not 100% accurate, but has stronger and more immediate statistical evidence than any traditional channel. By far.

REFERENCE WORKS

& RECOMMENDED RESEARCH LINKS

Fundamentals and Making it Useful

History of Web Analytics. Brice Bottegat. <http://en.bricebottegat.com/definition-history-web-analytics/>
Occam's Razor. Avinash Kausik. <http://kausik.com>
Kickoff audit recommendation from Jeremiah Owyang (web strategy research genius at Forrester.com)

Recommended readings:

Web Analytics 2.0. Avinash Kausik 2010 <http://www.webanalytics20.com/>
Occam's Razor <http://kaushik.net> excellent blog on commonsense analytics
Key Web Metrics <http://www.keywebmetrics.com/2009/10/ultimate-web-analytics-training-guide-from-click-to-close/>
ConversionUniversity: Google's very thorough self-guided tour of GA <http://conversionuniversity.com>

Front page image Brookhavenlab on Flickr <http://www.flickr.com/photos/brookhavenlab/>

L-I-S-T-E-N image Jstar <http://www.flickr.com/photos/jstar/>
both under share-alike Creative Commons license

THE FLIP-SIDE

Analysis Paralysis

Even with a bare minimum of traffic, a website can produce avalanches of data and deeply intriguing charts and reports. And there are almost infinite metrics that can be tracked.

Getting too hung up about scrutinizing the numbers can lead to losing the plot in the minutiae. The **analytics are there to give feedback on decisions you're making** and to take a lot of the **blunt guesswork out of what's working or not with your campaigns**.

The best approach to avoid being pulled into the vortex is to keep what you're tracking to the essentials; as simple and few as possible and be ruthless tying them back to an outcome.

A good analyst will be a **detective with good taste in problems** who can tell the story behind the numbers, in human language.

"There is not enough ROI for figuring out ROI. It is an intellectually bankrupting exercise." -Andrew McAfee, Harvard Business School

STATS & REPORTING CURRENCY

The stats tools that will give you something useful to talk about

CLICKSTREAM

- Google Analytics**
google.com/analytics
- Yahoo! Analytics**
web.analytics.yahoo.com
- Omniture**
- Webtrends**
- Mint**
haveamint.com
- Percent Mobile

USER EXPERIENCE

- CrazyEgg**
- ClickTale**
- 4Q**
- Kiss Insights**

ONLINE REPUTATION

- Brand's Eye**
- Trackur**
- Saidwot**

SOCIAL MEDIA ANALYSIS

- Compete**
- Quantcast**
- Radian6**
- TubeMogul**
tubemogul.com/inplay
- Bit.ly**
- HootSuite**
- Social Mention**
- Twitter Grader**
twitter.grader.com
- Technorati**
- Facebook Insights**
facebook.com/insights/

OTHER RECOMMENDED

- Google Alerts**
- Feedburner**
- PostRank**
- Google Website Optimizer**
google.com/websiteoptimizer
- GA URL Builder!**
- DoubleClick AdPlanner**
google.com/adplanner
- Google Insights- Search**
google.com/insights/search/#

[address supplied only for those less obvious]

The (current) Web Analytics Glossary

Less amusing than your average glossary because standards need to be maintained decided

There are no globally agreed definitions within web analytics as the industry bodies have been trying to agree on definitions that are useful and definitive for some time. Bodies like the IAB (Interactive Advertising Bureau) and the WAA (Web Analytics Association) have wiki documents open to industry input to get a lock down on the accepted definitions, so the terms below are given as the current agreed standard.

Active Time / Engagement Time - Average amount of time that visitors spend actually interacting with content on a web page, based on mouse moves, clicks, hovers and scrolls. Unlike Session Duration and Page View Duration / Time on Page, this metric can accurately measure the length of engagement in the final page view.

Bounce Rate - The percentage of visits where the visitor enters and exits at the same page without visiting any other pages on the site in between.

Click - "refers to a single instance of a user following a hyperlink from one page in a site to another".

A growing community of web site editors use click analytics to analyze their web sites.

Click path - the sequence of hyperlinks one or more website visitors follows on a given site.

First Visit / First Session - A visit from a visitor who has not made any previous visits.

Frequency / Session per Unique - Frequency measures how often visitors come to a website. It is calculated by dividing the total number of sessions (or visits) by the total number of unique visitors. Sometimes it is used to measure the loyalty of your audience.

Hit - A request for a file from the web server. Available only in log analysis. The number of hits received by a website is frequently cited to assert its popularity, but this number is extremely misleading and dramatically over-estimates popularity. A single web-page typically consists of multiple (often dozens) of discrete files, each of which is counted as a hit as the page is downloaded, so the number of hits is really an arbitrary number more reflective of the complexity of individual pages on the website than the website's actual popularity.

Impression - An impression is each time an advertisement loads on a user's screen. Anytime you see a banner, that is an impression.

New Visitor - A visitor that has not made any previous visits. This definition creates a certain amount of confusion (see common confusions below), and is sometimes substituted with analysis of first visits.

Page Depth / Page Views per Session - Page Depth is the average number of page views a visitor consumes before ending their session. It is calculated by dividing total number of page views by total number of sessions and is also called Page Views per Session or PV/Session.

Page view - A request for a file whose type is defined as a page in log analysis. An occurrence of the script being run in

page tagging. In log analysis, a single page view may generate multiple hits as all the resources required to view the page

Page View Duration / Time on Page - Average amount of time that visitors spend on each page of the site. As with Session Duration, this metric is complicated by the fact that analytics programs can not measure the length of the final page view unless they record a page close event.

Repeat Visitor - A visitor that has made at least one previous visit. The period between the last and current visit is called visitor recency and is measured in days.

Session Duration - Average amount of time that visitors spend on the site each time they visit. This metric can be complicated by the fact that analytics programs can not measure the length of the final page view

Singletons - The number of visits where only a single page is viewed. While not a useful metric in and of itself the number of singletons is indicative of various forms of Click fraud as well as being used to calculate bounce rate and in some cases to identify automaton bots).

Site Overlay is a technique in which graphical statistics are shown beside each link on the web page. These statistics represent the percentage of clicks on each link.

Visibility time - The time a single page (or a blog, banner) is viewed.

Visit / Session - A visit is defined as a series of page requests from the same uniquely identified client with a time of no more than 30 minutes between each page request. A session is defined as a series of page requests from the same uniquely identified client with a time of no more than 30 minutes and no requests for pages from other domains intervening between page requests. In other words, a session ends when someone goes to another site, or 30 minutes elapse between pageviews, whichever comes first. A visit ends only after a 30 minute time delay. If someone leaves a site, then returns within 30 minutes, this will count as one visit but two sessions. In practise, most systems ignore sessions and many analysts use both terms for visits. Because time between pageviews is critical to the definition of visits and sessions, a single one pageview event does not constitute a visit or a session (it is a "bounce").

Visitor / Unique Visitor / Unique User - The uniquely identified client generating requests on the web server (log analysis) or viewing pages (page tagging) within a defined time period (i.e. day, week or month). A Unique Visitor counts once within the timescale. A visitor can make multiple visits. Identification is made to the visitor's computer, not the person, usually via cookie and/or IP+User Agent. Thus the same person visiting from two different computers will count as two Unique Visitors. Increasingly visitors are uniquely identified by Flash LSO's (Long Storage Objects), which are less susceptible to privacy enforcement.

% Exit - The percentage of users who exit from a page.

----- end official glossary -----

*There are some bits of jargon outside the standard terms that you may encounter.
[These may be subject to less formal commentary]*

Key Performance Indicators (KPI) - measurable objectives of success. One you'll probably have encountered before, but just in case. KPIs are measures by which the performances of organisations, business units, and their division, departments and employees are periodically assessed, but also indicators to tell you how your website is doing.

A/B Testing: A method of advertising testing by which a baseline control sample is compared to a variety of single-variable test samples. This method has been recently adopted from direct marketing within the interactive space to test tactics such as banner ads, emails and landing pages.

Clickstream (alt. to click path) is the recording of what a computer user clicks on while Web browsing or using another software application. As the user clicks anywhere in the webpage or application, the action is logged on a client or inside the Web server, as well as possibly the Web browser, routers, or ad servers

Cookie: A text file that transmits information to a data collection facility via a 1x1 pixel GIF image request and includes a tracking ID that is used to identify returning visitors. Contrary to some industry speculation, cookies can not be used for malicious use such as privacy tapping.

Dashboard: Nothing to do with your car. A web analytics dashboard provides all of your critical metrics in one place to help you understand the health or performance of your business.

Entry Page: The first viewed page on a visitor's path through a site.

Exit Page: The last page viewed on a visitor's path through a site.

First Party Cookie: first-party cookies are regarded as the most reliable method to measure visitor activity. Whereas a third-party cookie is usually set by an analytics vendor, a first-party cookie is set in-house.

Latency: The average number of days between visits for a given visitor during a reporting period.

LTV: Long-Term Value or Life-Time Value. Life-Time Value is a metric used to describe the value a specific customer has over the life of their relationship with you. Requires deep analytics.

Marketing Performance Management (MPM): Marketing Performance Management drives stronger customer relationships and higher lifetime value, based on a framework of established goals, consistent metrics, constant optimization across the entire marketing organization and across every customer touch point.

Non-referrals: Visitors who arrive at a site by typing a domain into an address bar, using a bookmark, or clicking on an emailed URL.

Online Reputation Management (ORM): The act of monitoring, addressing or mitigating undesirable search engine results or mentions in online media for a company or product. Techniques include generating new content and creating posts on existing content.

Path: A path is the click pattern or journey a visitor uses as they traverse through your site. Same as clickpath.

PIE Persistent Identification Element is a type of tag that is attached a user's browser, providing a unique ID for that visi-

tor. A PIE is not unlike a cookie. Though that kind of thinking will never assure your progress as a pastry chef.

Rear-View Mirror Metrics: Metrics that measure what has occurred. For example campaign response metrics are such metrics that tell you how a campaign performed.

Recency: The number of days since a visitor's most recent visit during a reporting period.

Referrals: The location that visitors come from, particularly the sites, search engines or directories.

Session: A session is a record of one visitor browsing through a site.

Spider: An automated software program that gathers pages from the Internet. Fail for entomology, but thankfully the Web that interests you rarely requires interaction with eight-legged crawlers.

Third-party cookie: Hosted web analytics services track visitor behavior by inserting a small piece of tracking code onto each page of a site. Because the cookie is served by an analytics vendor rather than your own site, the cookie is considered third-party.

Zero-page Visit: A visit that included no page views. This is possible if a visit consisted of at least one request for a non-page file (such as a graphic) but no actual page files.

*“Not Everything that Matters
is Measurable and Not
Everything that is Measurable
Matters” - Albert Einstein*