Increasing Your Online Effectiveness Through Web Analytics

There's a lot riding on the success of your website: you've invested time, effort, and money in creating it, and you rely on it to communicate your business offerings and your brand itself. An understanding of how your online communications are performing is essential to guaranteeing a return on that investment.

The best way to get an accurate report of how well your website is attracting and engaging visitors is through web analytics. In this guide we'll explain a bit about the origins of analytics software, and how to use analytics to improve the effectiveness of your online communications.

WHAT CAN WEB ANALYTICS TELL YOU?

One of the many advantages digital marketing has over traditional media is that every action a customer takes to view information on your website is measurable. Every time someone views a page or clicks a link, a request is sent from their computer to the server that hosts your site, and each of those requests is logged. This information is a goldmine; it can provide valuable insight into customer behavior and the effectiveness of your online marketing campaigns. Analytics is the collection and analysis of that information.

Analytics can provide you with a wealth of information about which aspects of your marketing campaign are working and what aren't by showing you how your potential customers are responding to it online. Analytics can tell you what links people are clicking on, where they're coming from, and how long they're staying on individual pages on your site. You can then use this information to determine what type of messaging is most effective at converting visitors into paying customers.

A BRIEF HISTORY

At the beginning of the website analytics story is the server log file. Every web server has a log file where it records information about who has visited – or rather, which files have been requested for viewing, by whom, and when. When someone visits a website, the log file records information like:

- What time they arrived
- Where they came from (if they came from another site)
- What page they "landed" on
- What images and videos they viewed
- When they left one page to go to another
- What page they were on when they left your site

At one time, website analytics consisted of poring over hundreds or thousands of lines of these server entries, which had more in common with computer languages than English. Thankfully today there are many software solutions that convert this information into more readable charts, graphs and statistics. The first was created by Urchin which, after being purchased by Google, became the Google Analytics tool. Other free solutions include Piwik, Going Up!, and Clicky.

For larger businesses, enterprise-level solutions were developed to provide more features, functionality and reporting flexibility. These solutions, which include Omniture Site Catalyst, Webtrends, and Google Analytics Premium, are capable of tracking numerous marketing campaigns that can span multiple websites.

TWO WAYS SMALL BUSINESSES CAN BENEFIT FROM WEB ANALYTICS

As mentioned earlier, the information provided by website analytics has the potential to help business owners maximize the effectiveness of their website. Here are a couple of examples of how website analytics can help a company make changes for the better.

1. Driving Website Traffic

Together, search engine optimization (SEO) and search engine marketing (SEM) are the most popular strategies for small business owners to drive traffic to their websites. Website analytics solutions are the obvious tool for measuring the effectiveness your SEO efforts, as they can tell you where your traffic is coming from.

While SEO and SEM will likely remain value tactics for driving traffic for the foreseeable future, small business owners now have an increasing number of economical inbound marketing tactics to choose from. These include:

- QR codes
- Links and listings within mobile apps
- Email campaigns
- PDFs of sales material and presentations shared on other sites
- Videos embedded on other sites
- Banner ads

Website analytics can provide solid, real-time information on how effectively each tactic is performing. Using that information, business owners can make better-informed decisions about marketing focus and how much to invest in each marketing channel.

2. Converting Website Traffic

Driving traffic to a site is only the first step in website success. The ultimate goal is convincing a visitor to take action, by purchasing a product or service or by signing up for a newsletter. This event is called a conversion.

Conversions on a website are driven by a call-to-action or CTA. These can take the form of a "Buy Now" button or a newsletter sign-up form. Website analytics solutions are ideally suited to the task of tracking the effectiveness of the calls-to-action on your website.

Many analytics products offer reports such as "landing page," "navigation summary" and "exit pages," a business owner can track the path a visitor took through a site and pinpoint where they decided to leave. These reports can reveal valuable information such as:

- Do visitors to your site take the path you expect, following your calls-to-action? If not, you need to consider how to increase the effectiveness of your CTAs by changing their location, design or messaging.
- Do people exit your site on the main call-to-action page? If visitors exit on a newsletter sign-up page (meaning that they didn't sign up), it's possible that the sign-up form is too long or confusing and needs to be revised.

The information provided by website analytics solutions is essential for tracking and measuring the effectiveness of your CTAs. The insights gained from this information can help business owners increase the conversion potential of their website, and increase the return on their online marketing investments.

Web analytics can help you make sense of your website traffic by telling you what content visitors are most interested in. But if you're just getting started on the subject, you may need some help making sense of the language of web analytics itself. It has its own language which can seem quite technical and unintelligible to the newcomer.

WEB ANALYTICS DEFINED

Let's start off with a definition of web analytics itself. Web analytics is the study, or analysis, of visitor activity on a website – where they came from, what pages they looked at, and how long they stayed. It provides valuable information for anyone who is involved in online marketing, such as what links and information interest people the most, and which campaign messages are most effective.

The following glossary will help you understand the most common web analytics and online

Marketing Terms

ANALYTICS TERMS

Average Time On Page :
The average of the time spent on a page by all visitors. This is an indication of user engagement on a page.

Average Time On Site:
The average of the time spent by all visitors to your site. This is an indication of user engagement on a site.

Bounce Rate:
The percentage of visitors who left your site after visiting only one page. This is an indication of site appeal – a high bounce rate means visitors are leaving your site without clicking any links or viewing any additional pages.

Conversion:
A desired action taken on a website, such as a subscription or purchase.

Conversion Rate:
The percentage of visitors who act on your marketing message. See also conversion. This is an indication of the effectiveness of your campaign overall.

Direct Traffic:
Number of visitors who arrived to a site directly by typing in your web address (or from a bookmark). This is a reflection of the overall branding of your site, and the familiarity of your URL.

Exit Rate:
The percentage of visitors who leave a site over a specified period. A high exit rate may suggest that your content is not relevant to visitors, among other things.

New Visitors:
Number of first-time visits to your site. This can be an indication of the effectiveness of in-market campaigns, depending on the proportions of direct, referral and search traffic.

Page Views:
The number of times a page was viewed during the specified period. Each view of the page is counted, even if the same person comes back to the page several times. See also visits.

Referral Traffic:
Number of visitors who arrived from another site. This can be considered as a measure of the relevance or authority of your content, as other sites are referring their visitors to you.

Returning Visitors:
Number of visits from people who have already visited your site at least once. This number is relevant to objectives like retaining blog readership and supporting ad revenue.

Search Traffic:
Number of visitors who arrived from a search engine site such as Google. This is an indicator of the effectiveness of your search engine optimization (SEO).

Unique Page Views:
The number of times a page was viewed by a new visitor – return visits are not counted. See also unique visits.

Unique Visits:
The number of unique individuals who viewed a site – if someone who has viewed a page previously returns to it later, the second visit does not count as a unique visit.

Visits:
The number of times a site was viewed during the specified period.

EMAIL METRICS

Clicks:
Clicks on offer links or buttons within an email. This can be an indication of the effectiveness of your CTAs and campaign messaging in general.

Delivery Rate:
The number of successfully delivered emails (not bounced) divided by the number of emails sent.

Email sent:
The number of emails sent in a campaign.

Email bounced:
The number of emails returned because the address couldn't be reached. A high bounce rate may indicate that your email list is old and needs to be updated.

Email opened :
The number of emails opened, and assumed read, in a campaign. This is a reflection of a number of things, including relevance and subject line effectiveness.

Email unsubscribed:
The number of recipients who unsubscribe from an email list. Unsubscribe requests are an indication that your message or offers are not relevant to the recipient.

Open Rate :
The number of emails opened divided by the number of successfully delivered emails. See delivery rate, email opened.

Response Rate:
The number of clicks divided by the number of emails opened. This is a reflection of the effectiveness of your email content and the relevance of your message or offer.

DIGITAL ADVERTISING METRICS

Click Through Rate (CTR):
Number of clicks divided by the number of Impressions.

Cost per Click (CPC):
The cost each time an ad is clicked. The lower your CPC, the more cost-effective your campaign is.

Cost Per Impression (CPM):
The cost of an ad per 1000 impressions.

Impressions:
The number of times an ad is viewed.

Web analytics is an important aspect of any modern marketing strategy. Pitney Bowes has a number of cost-effective, easy-to-use solutions that can help small businesses attract new customers, and communicate more efficiently with their existing customers.

To learn more about Small Business Marketing Solutions from Pitney Bowes, visit **www.pb.com/small-business/** or call **1 877-822-0996** to speak to one of our product specialists.