How To Maximize The ROI From Your Web Site

A White Paper From Net Applications

TRACKING YOUR CAMPAIGNS WITH HITSLINK ENTERPRISE

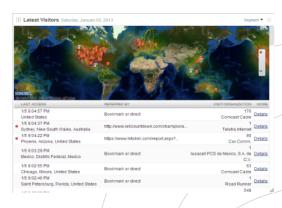
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Converting Visitors Into Customers

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Introduction

Today's companies look for a quantifiable return from their web site investment. Whether your site is a content site, commerce site, portal or community, converting web site traffic into positive cash flow is paramount.

This white paper discusses the various objectives organizations have for their web sites and the techniques for measuring results and calculating a return on the web site investment.

What Is The Value Of A Visitor?

For some organizations it is straightforward to understand the value of a visitor. For example, a pure commerce site can easily track and measure order value on a web site. By analyzing referral sources, marketing campaigns, keyword programs and other techniques, an online marketer can segment their site visitors and compare the average cost of driving traffic to the average revenue derived from the program.

Other organizations may use their site for lead generation purposes. Visitors may respond to a variety of marketing campaigns such as email newsletters or informational offers including web seminar invitations, white papers, research reports, requests for contacts, location look ups and more. Organizations that promote online, but don't necessarily "sell" online need to take the next step and determine lead conversion rates for their customers.

As with a commercial site, they too will need to segment their incoming leads. Based on the rate to convert a visitor to a lead and a lead to a paid customer (aka, the funnel effect), organizations can again segment by campaign and assign a relative cost and value to each visitor. Portal vendors, information sites, not for profits and online communities either assign predetermined value to a site visit or budget the cost of servicing a site visit as a customer service cost.

A summary of items to consider for tracking are as follows:

- Shopping Cart Transaction
- Download Or Trial
- White Paper Request
- Seminar Or Webinar Registration
- Contact Us Form
- Support Request
- Visit/To A Specific "Jump"/Page

Regardless if there is money being spent on driving traffic, then online marketers need to track the results. Below is a summary of the types of marketing campaigns that can drive web site visitors:

- Pay-per-click keyword programs (e.g. Yahoo, Adwords)
- Banner Ads
- E-mail Marketing
- Direct Mail
- Affiliate Networks

Challenges in Comparing Results

With so many types of campaigns and so many results to track it could be complicated to compare results. For example, each pay-per-click engine may have their own conversion tracker, ad networks have another, marketing automation and e-mail marketing software have yet another tracking mechanism to calculate results. What's more, many of these solutions require specialized and hosted jump pages in order to track results.

Coming up with a consistent and unified view of your marketing campaigns is a key factor in providing the ability to compare ROI from a variety of marketing campaigns. This can be achieved by using a Live Stats analysis tool product such as **HitsLink™ Enterprise**.

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How HitsLink Track Results

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fig.1

On The Fly Campaigns

HitsLink Enterprise can add a tracking campaign on the fly. What this means is you have the ability to add a campaign ID from a referral source and know that all results from that campaign will be grouped for detailed and summary reporting. For example, you may have several ad groups within your Google Adwords account. You may wish to create a separate campaign identify for each ad group so you can track and compare the results. By simply adding the campaign ID on the end of the referring URL, HitsLink Enterprise will automatically begin tracking results for each campaign.

An example of referring URL's tracked uniquely is shown below:

http://www.yoursite.com?source=google1 and/or http://www.yoursite.com?source=google2

Where the "?" indicates a parameter, "source" is the parameter name for a campaign and "google1" and "google2" are the campaign identifiers.

Additionally, you can track e-mail marketing campaigns, overture keyword campaigns and any other referral link where you control the referral URL. More examples are below:

> http://www.yoursite.com?source=referral1 and/or http://www.yoursite.com?source=email1

Other Referral Sources

In some cases you may not have control over a parameter on the referring URL. For example, you may have a partner or affiliate that displays a link to your site or your pay-per-click network does not allow parameters on the end of your destination URL. **HitsLink Enterprise** allows you to add a referral source and give it a campaign description for reporting purposes (see figure 1). All activity from a specific referral source will be tracked as a separate campaign. The results are tracked instantly.

User Defined Events

Because there are so many types of results companies want to achieve (e.g., seminar registration vs. online sale vs. newsletter opt-in etc.), **HitsLink Enterprise** let's you add an unlimited number of user defined events (UDE) to track. In addition to the site tracking script that is inserted to each page, a specialized event tag can be added to your result confirmation page.

For example, for tracking orders a unique script is added to the order confirmation page that tracks the number of orders, quantity, and amount. A separate script is used for each UDE (e.g. download vs. opt-in page). Because <code>HitsLink</code> <code>Enterprise</code> creates a multidimensional analysis of your campaign activity you can use one common order confirmation page for all of your campaigns. The results are tracked instantly.

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Using HitsLink Results To Optimize Your ROI

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Now that you have all the site activity tracked for all of your online marketing initiatives, you can now analyze your results to see which campaigns perform the best.

Pay-Per-Click Keyword Campaigns

Check to see which keywords drive results not just traffic. Analyze which keywords actually generate orders, trials, downloads, information requests not just visitors or hits. Increase bids on words that predictably drive results over time. Lower or eliminate your bids on those that just drive traffic.

Compare Your Campaign Sources Across Different Media

Compare the results of one campaign type against another (e.g. e-mail marketing vs. banner ads). Again, don't just compare traffic but look to see which campaign type provides a better result based on cost.

Determine The Return On Your Investment From Your Campaigns

Use **HitsLink Enterprise** to track your conversion rates. See how many visitors place orders, take trials, request information etc. Review your funnel to see how many of the leads generated actually convert to customers. Calculate your lifetime value of a new customer (consider cross-sell, up-sell, subscription, renewal, word of mouth and other referral revenue). By taking the data from **HitsLink Enterprise** and entering in the following formula you can determine the return on investment from your online marketing activities:

- Campaign Costs = (Cost per Click) x (Campaign Visitors)
- Where Campaign Results = (Lifetime Value of Customers) x (Campaign Conversion) e.g., \$X = Total Revenue of Customers x % of Campaign Visitors Converting
- And Return on Investment = Campaign Results/Campaign Cost

By using the information from **HitsLink** and these simple formulas you can now determine which campaigns are winners and which campaigns are not. (Note: This is an example; there may be other factors you need to consider to tailor this formula to meet your business goals and objectives.)

Summary

Online marketing is no longer a guessing game where you wonder if your efforts are driving traffic or results. You can now show your organization the real value of your web site and your marketing campaigns in real-time with HitsLink Enterprise Web site Statistics and Keyword Analytics.

About Net Applications

Since 1999, Net Applications has been a leading source of website analytics for webmasters and eMarketers. Headquartered in Aliso Viejo, California, and with operations in California, Nevada and Michigan, Net Applications distributes its services through over 6,000 partners and affiliates worldwide. For more information, email us at: support@netapplications.com or visit our web site at: www.netapplications.com.

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