

INTRODUCTION TO WEB ANALYTICS FOR E-COMMERCE: HOW TO TRACK ACTIVITY TO OPTIMIZE YOUR WEB SITE

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Introduction

Not long ago, who was visiting web sites and why was essentially a mystery. Web masters put counters on web pages to track how many times people “hit” the page—that is, visited, downloaded a file, or some other activity—but that was the extent of the insight. True web analytics capabilities were limited to large corporations that could afford to spend thousands of dollars per month on software to track and report on web activity.

Today, there is a wide range of web metrics measuring and tracking applications available, making analytics one of the most talked about topics both online and off. Although some of these tools are still expensive, a number of analytics programs available now are completely free—and just as effective.

Since analytics tools are easier to use and more affordable than ever before, more web-based businesses are now tracking activity at their web sites. No matter how many visitors come to your site, you can use analytics to gain insight into what your users like—and don’t like—about your web pages so you can improve their experience while increasing traffic.

Analytics can be a powerful tool, so now is a great time to learn more about web metrics. Use this guide to understand the basics of what web analytics are and why they’re important, what metrics you should track, and how you can use this information to optimize your site and encourage customers to visit often and buy more.

What Are Web Analytics and Why Do They Matter?

If you’re new to the web analytics game, the term may sound a bit intimidating at first, but even non-tech savvy users will find that the concept is fairly straightforward. Simply put, web analytics involves measuring, collecting, analyzing, and reporting web site traffic and behavior with the end goal of optimizing the success of your site.

Whether you’re looking to boost e-commerce sales, generate more leads, or enhance brand awareness, analytics data can be used to learn a wealth of information about your business and your customers. This type of information includes how customers find your site and what they do when they get there. Not only that, but analytics can help you figure out how much time they spend on your site and can give you clues that point to why they leave. When you put it all together, taking a close look at your web analytics can help you attract more visitors to your site—and turn more of those visitors into paying customers.

Picking Your Analytics Tools

With so many different web analytics applications now available, evaluating all of your options may seem like a daunting task. However, knowing how various analytics programs work can help you narrow the field and pick the ones that are right for you.

All analytics tools work by collecting raw data about your visitors and organizing it in a way that’s easier to view and understand. Some programs, called log analyzers, use server logs (data files collected by web servers) to provide information about visitors. Then there are other

Cookies: An Essential Ingredient in Web Tracking

Have you ever wondered how certain web sites remember your name or other details every time you revisit the site? It’s thanks to cookies, a standard web technology that can track individual web visitors.

Cookies have gotten a bad reputation on the Internet because they have been exploited by spyware. However, the vast majority of cookies are harmless. These small snippets of code enable a lot of activity on the web. Cookies also feed data to many analytics programs. As long as your privacy policy clearly states that you use cookies and outlines how collected data will be used, most users won’t mind if an analytics program uses a cookie to anonymously track their visit.

programs, called analytics applications, which use bits of code installed on a web site to gather information about web activity and generate reports. Generally, log analyzers are considered more technical and the raw information they provide may be hard to understand, especially for people who are unfamiliar with web metrics. In this case, it's probably a better idea to stick with an analytics program.

Free vs. Paid Tools

To pay for your analytics tool or not to pay? That is the question, and the answer will depend on a few factors. Free programs like Google Analytics and Yahoo! Web Analytics are robust, easy to use, and absolutely free of charge. For these reasons, free tools are ideal for small businesses and people who are just starting to learn about analytics; you can experiment with tracking and reporting at no cost. That probably explains why a snapshot taken in December 2010 revealed that over 50 percent of the top 10,000 web sites in the world use Google Analytics, a free program.¹

If you feel you've got a solid grasp of analytics and have some money to invest in a more feature-rich solution, you may want to try a paid program like Adobe SiteCatalyst (formerly Omniture), WebTrends, ClickTrends, or CoreMetrics. For programs like these, you will either pay a monthly fee or a fee based on usage. These paid services often provide more in-depth tracking and reporting which can be customized to provide the information that you are most interested in.

Metrics that You Should Track

No matter which web analytics tool you use, you're going to be presented with a robust array of metrics. From page views and unique visitors, to referrers and average time on site, there are endless amounts of data to sift through. While you could keep a close eye on every single metric on your web site, there's really no reason to—especially since you'd probably run out of time for sleeping, eating, and other basic life activities. Focusing on the following key metrics will tell you almost everything you need to know.

- **Visitors:** The number of visitors to your site will give you a general idea of how well you're getting the word out about your business.
- **Page Views:** Looking at page views can tell you what content on your site is the most popular. If you notice that certain pages are very popular with visitors, think about why that might be the case and use that same strategy for pages that may not be drawing as many views.
- **Referring Sites:** Looking at referring sites will give you an excellent snapshot of the type of people who are visiting your site. For example, if you sell kitchen gadgets and you notice that one of your top referring sites is a recipe site, then you know that visitors from that site are in your target audience. Referring sites are also useful in helping you boost traffic, especially for small business owners. Many small businesses partner with business associations to generate more visits. Using an analytics tool, you can see which partnerships are bringing in the most visitors and invest more in those that provide better results.

- **Bounce rate/Exit pages:** A bounce rate measures something different than an exit page, but both can give you important insights into why people are leaving your site. In most analytics programs, a “bounce” is recorded when a person visits and leaves within a second or two, usually before the page is even done loading. Top exit pages show you which pages people visit immediately before they leave. If the page contains a “thank you” message after a customer places an order, a high exit or bounce rate would be expected. However, if your product pages are some of your top exit pages, it may be because your descriptions are unclear, or maybe your prices are too high.
- **Keywords and Phrases:** Keywords and phrases let you know what terms people are using to find your site in search engines like Google and Yahoo. This can give you some idea of how to add different content to appeal to even more customers. For example, if you are a florist and many people find your web site by typing in “flowers for Mother’s Day,” that’s perfect. However, you can also consider adding content to your site about buying flowers for anniversaries that will help your site rank highly when people search for “flowers for anniversaries.”

How to Make an Impact on Key Metrics

Once you’ve started using web analytics, you may find that you’re getting a lot of visitors but not a lot of sales. How can you change that so that more of your visitors actually buy from you? Analytics won’t tell you exactly what to change on your site, but it can give you some big clues into what you can do to improve your site.

If the number of visitors coming to your site is low, you can probably do a better job getting the word out about your business. You can advertise, put together a simple PR campaign, or you can spend some time optimizing your content for search engines (also called SEO, or search engine optimization). This simply means using the same words to describe your company and products that your customers do, making it easier for them to find your site in search engines. Major search engines will also allow you to bid on keywords related to your business. When users search for those particular words, your site will show up in paid listings near the top and on the side of search engine results pages. This is also known as search engine marketing (SEM).

Let’s say you’re noticing a lot of customers bouncing away from your site. That may signal that you have content that’s confusing or boring. Stop and ask yourself if your web site has too much text—or maybe too little. What about the images and graphic elements on your site? Consider whether they are relevant to your business and if they look professional. You may be a big sports fan, but unless you sell sporting equipment or similar products, displaying a flashing logo from your favorite team on your home page probably isn’t a good idea. To reduce your bounce rate, try rewriting the content on your web pages to make it more engaging, or refreshing the design to make it more visually appealing.

If you look at your site analytics and find that people aren’t completing purchases, ask yourself why that might be the case. Do your product pages have pictures? Do they have a detailed product description? If you’re lacking either of these, that could be a reason. If you do feature this content, maybe the images or text are too small, or located too far down the page for visitors to notice. The goal on any business site is to give visitors as much information they need to let them feel like they are making an educated decision.

A/B Testing

Many analytics programs, including Google Analytics, offer A/B testing tools to help you test different web site elements to see which appeal more to customers. In an A/B test, you can see if web page A, with a big product shot, leads to more purchases than web page B, which has no product shot. A/B testing requires a little know-how, but once you get the basic concept down, it can be easy to do and an effective method of optimizing your web site.

A related scenario may be that your customers are adding items to their carts but do not complete the checkout process. Cart abandonment often has something to do with the purchase page, so think about what could be going wrong. Is the buying process too complicated? Are your shipping charges too high? Is it clear which products and how many of them are included in the final total? Do your customers feel nervous about whether it is safe to enter in their credit card information? All of these factors can affect your conversion rate.

Increasing Sales with SSL Security

As you've just read, web analytics tools can provide new insight into how your web site is performing and what you can do to optimize those results. Engaging content, clear navigation, and appealing design can all have a positive effect on your site metrics. But it's also important to address an issue that's top of mind for all Internet users—security.

Today's online consumers are better educated about internet safety than ever before, and the majority look for certain signs that a web site is safe. One of the most widely recognized security indicators are Secure Sockets Layer (SSL) certificates, which secure the connection between your web site and your customer's browser. In fact, protecting your web site with an SSL certificate is one of the most effective ways to encourage people to stay on your site and make purchases. So, how exactly does SSL security do that?

SSL certificates from a credible provider like GeoTrust build confidence in your site so visitors will feel safer. When you work with a SSL company—also called a Certificate Authority or CA—you will have to undergo a vetting process to help ensure that your business is legitimate. You will be issued an SSL certificate only after your web site identity has been authenticated. Once you install an SSL certificate on your site, transactions between you and your customers will be encrypted, or scrambled so that criminals can't intercept the information and steal it. You will also benefit from a number of visible trust indicators that appear in the browser.

In most browsers, when a user visits a web page secured with SSL, a small padlock icon will appear in the browser and the URL address heading will change from http:// to https://. Many SSL providers, including GeoTrust, also offer a trust mark that you can display on your site as well. A trust mark is a small image that indicates that your web site has been verified and is secure.



A GeoTrust trust mark looks like this.

A well-placed trust mark can make a significant difference in how confident your site visitors feel about sharing their personal information with you—especially when it comes to financial information such as a credit card number. Research has shown that this confidence translates into an increase of completed transactions.²

The most effective trust marks, like the True Site Seal from GeoTrust, are dynamic. They let visitors click on them to get more information about the company, what kind of SSL certificate the business is using, and when it expires. They also display a timestamp that shows that site's security certificate is up-to-the-minute current.



GeoTrust, Inc. (US) <https://smarticon.geotrust.com/smarticonprofile?>

GeoTrust

Website Profile

Website identity confirmed

Domain: <https://www.fibers.com>
 Name: **fibers.com**
 Address: **1931 H Street
 Sacramento, California 95811
 US**

Telephone:

Site Security Confirmed
 The following GeoTrust SSL certificate has been issued :
 secure communications

Serial Number: **13B735**
 Validity Period: **3-Jul-2010 to 7-Jul-2011**

[SSL certificates](#) from GeoTrust® are the ultimate online security and trust solution delivering both 256-bit encryption and the [True Site™](#) trust mark providing third-party website identity validation.

Sites secured with GeoTrust's [SSL certificates](#) are utilizing the highest level of encryption or security possible. This means you can rest assured that communications (e.g. credit card numbers) between your browser and this site's web servers are private and secure when the SSL session is activated.

[True Site](#) is subject to the [Relying Party Agreement](#).

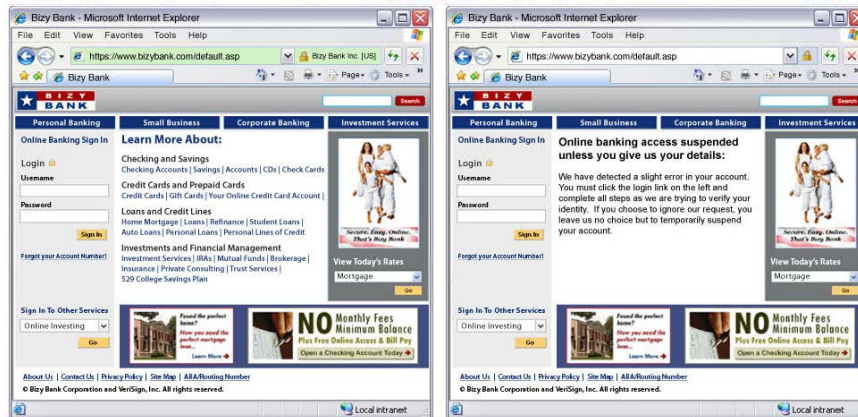
View our [CPS](#) for important information regarding this certificate.

Please visit [GeoTrust](#) for more information about Internet trust services.

Location, Location, Location... Where to Put Your Trust Mark

A trust mark will only do its job if visitors can find it. To get the most out of your trust mark, display the image prominently. Put the seal at the top of your site, above the fold on your home page or next to the "Buy" button. These are optimal locations that are likely to give you excellent results.

For e-commerce web sites, using Extended Validation SSL is your best bet to ensure consumer confidence. When people who use high-security browsers visit a site protected by EV SSL, the address bar will turn green and display both the name of the company and the CA. EV SSL requires a more rigorous vetting process, which means only companies who have passed specific identity verification checks are able to trigger the green bar in customers' browsers. Since the green bar is so easy to see, it's the best way to communicate to customers that your web site is secure.



Can you tell which web site uses EV SSL? Even though both web sites look very similar, the green address bar is clearly visible near the top of the image on the left. This means that the site is protected by EV SSL and that it is not a phishing site.

No matter which type of SSL certificate you select, or which trust-building images you choose to display, remember that SSL security is most effective when you work with a reputable provider such as GeoTrust. That way, you can be sure that your online reputation is backed by a company that is well-known and respected for its online security practices.

Conclusion

Though still a relatively new invention, web analytics is becoming an increasingly popular—and effective—web site optimization tactic used by online business owners. By providing deep insight into the who, what, when, why and how of web site traffic and visitor behavior, web analytics tools can help you improve the usability of your site and boost sales.

Ultimately, your main objective is to create a web site where visitors want to browse and buy. One of the most common online issues to overcome is visitor confidence in the security of transacting online. You can optimize your web site for online transactions by using an SSL certificate and posting a security seal from a trusted vendor like GeoTrust. By deploying SSL from a trusted vendor you can eliminate security concerns from your analytics equations, build visitor confidence in your site and ultimately boost your bottom line.

Glossary

A/B Testing: A testing methodology in which two versions of a web page are presented against each other to see which is more popularly received amongst users.

Bounce rate: The percentage of visits to a web site that result in immediate navigation away from the page.

Cookies: Small snippets of code stored on computers by a website, which are used to track visitor behavior and provide more personalized user experiences.

Hit: Hits are a measurement of every file that is loaded on web page, including graphics, sound files, and other types of files.

Log analyzer: A web analytics tool that reviews the contents of log files to provide information on visitors.

Page view: A page view is recorded every time a browser delivers a web page to a user.

Referring site: A web site that's driving traffic to your web page.

Search engine optimization: The process of choosing certain words and phrases related to your content so that your site will rank high in search engine results pages when users search for those particular keywords.

SSL (or Secure Sockets Layer) certificate: Standard web technology used to secure transactions on web sites.

Visitor: A person who lands on your web page; sometimes visitors can also be programs called web spiders or crawlers sent by Google or other search engines to track your site.

SSL Products from GeoTrust

GeoTrust offers a range of reliable low-cost SSL certificates to meet your individual needs:

- **GeoTrust® True BusinessID with EV** — Get the credibility of a well-established SSL provider, the green address bar, and a dynamic trust seal from GeoTrust at an affordable price
- **GeoTrust® True BusinessID** — Get name brand SSL that authenticates your business identity along with a dynamic trust seal at an affordable price
- **GeoTrust® True BusinessID Wildcard** — Protect unlimited subdomains with reliable SSL from a certificate who maintains a reliable, industrial-class data center
- **GeoTrust® QuickSSL® Premium** — Get inexpensive basic SSL encryption from GeoTrust's fast and convenient issuing system
- **GeoTrust® Enterprise SSL** — Purchase SSL certificates in bulk, manage them all through a central, easy-to-use portal and issue them on-demand

Contact Us

www.GeoTrust.com

CORPORATE HEADQUARTERS

GeoTrust, Inc.
350 Ellis Street, Bldg. J
Mountain View, CA 94043-2202, USA
Toll Free +1-866-511-4141
Tel +1-650-426-5010
Fax +1-650-237-8871
enterprisesales@geotrust.com

EMEA SALES OFFICE

GeoTrust, Inc.
8th Floor Aldwych House
71-91 Aldwych
London, WC2B 4HN, United Kingdom
Tel +44.203.0240907
Fax +44.203.0240958
sales@geotrust.co.uk

APAC SALES OFFICE

GeoTrust, Inc.
134 Moray Street
South Melbourne VIC 3205
Australia
sales@geotrustaustralia.com

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