

SIX “MUST KNOW” E-COMMERCE METRICS

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Web Analytics can be an amazing technology, but also a highly under-utilized one. Complex deployments and integrations frequently leave business users and marketers befuddled. Without dedicated staff to analyze metrics, web analytics packages more often than not collect dust. This brief is focused on outlining the 6 most important web metrics to monitor within your eCommerce business and what to look for as it relates to your website's performance. By focusing on these six metrics on a weekly basis your business can be more proactive to improving the effectiveness of your eCommerce performance.

1. Bounce rate

First on our list is the most important metric you will encounter: bounce rate.

Think of bounce rate as a first impression. The definition of bounce rate is the percentage of users that leave your website after only viewing the initial page that was presented.

Bounce rate is so vital because it provides details into how you initially message your value proposition to the customer or prospect. It provides a cue to also help you identify performance issues with your site that may be causing the inflation the metric. Imagery, promotions, calls to action, typography and site performance that correlates to speed all affect bounce rate either negatively or positively.

Bounce rates vary by industry, but eCommerce businesses should focus on getting the metric below 30%. Especially important within paid search campaigns, bounce rate will provide valuable cues into which product assortments and promotions at the category and sub-category levels of your taxonomy are doing well. This knowledge can be leveraged across the business in other categories and implemented via multi-variate testing deployments.

2. Email Capture Ratio

The next metric you want to track is your email capture ratio. As an online business, you probably sell some type of tangible product or service in which you monitor orders or completed information forms. Most businesses monitor their standard conversion rate, but few businesses frequently monitor their email capture rate and take a proactive approach to increasing.

With eCommerce conversion rates yet to eclipse an average of 3%, 97% of users who come to your store are leaving without buying something.

Just because they are leaving however does not mean they are not interested in communicating on some level with your business. By gaining an initial step of trust through the capture of an email address, you are not only increasing the size of your house list for future marketing but you are also building a relationship with your customer and can win their business by providing them solutions at a later date.

Strive for a 7-10% email capture rate and place the sign up tool prominent in the header. Too many businesses bury their sign up tool and do not leverage rich applications that can use browser technologies such as ajax to expand a capture field over standard text in an overlay fashion.

3. Number of visits via non-branded organic keywords

Make sure you look at number of monthly non-branded organic search keywords. When monitoring SEO performance, you need to first strip out the branded terms that correlate with your business. That's traffic that you would have received without effective SEO. Then look to the number of remaining keywords that were utilized to make up the balance of the remaining natural search visits.

Why is this important? Because SEO is driven from the long tail. Sure, core SEO terms are nice but you need to capture the 4 and 5 word queries that make up the majority of Google queries each day.

Long tail placements are achieved through proper site architecture and quality targeted content. Simply put, the more terms that people are using to find you, the better your site is doing in content development. Aim for a 5% to 10% increase each month within non-branded search keywords as you structure your SEO campaigns and content development.

4. Shopping Cart to Checkout "Step 1" Progression Rate

Our next metric directly correlates to the transactional process. Make sure you monitor your direct progression percentage from the shopping cart to checkout step 1. See how many of your users are bailing for price shopping reasons and/or they see a promo code box on your site and they are going hunting for one on Google.

This type of behavior dramatically impacts your conversion rate and overall profits and steps should be taken to measure and reduce.

Consider adding the promo box at the end of the transaction for non-affiliate sessions in order to reduce leakage. Use a cookie from an affiliate or potentially a URL to trigger two versions of the cart page. By incorporating checkout abandonment tools that re-market via email, and aggressive banners both internally and externally to try and re-capture the lost transaction, eCommerce businesses can pull prospects back in the sales funnel.

5. Browser and Resolution Percentages

Dont forget about looking at Browser/Resolution percentages (types and sizes) when scaling your eCommerce business.

Lets face it, when you sell online you are in the "looks professional...is professional" world and goo design can make even the smallest retailer seem large. If your build your site and it breaks in Safari (Mac's browser), or the navigation breaks on Firefox 3.5 on a PC, you essentially shoot yourself in the foot.

Look at the varied browsers and resolutions that are being used to view your web-site. Conduct full cross-browser testing, on varied platforms, to fully notice any potential usability problems that arrive.

6. Average number of cross/up sells added per visit

If you are an eCommerce business, you already know that intelligent merchandising is a crucial key to success. A primary metric to help you understand performance within online merchandising.

This datapoint associates to your cross sell tools that integrate at the product and the cart level and measures the average number of cross-sells added to the cart per visit. The number will provide details into the effectiveness of your product recommendations and if the recommended products are actively engaging and persuading customers.

It is tough to provide a benchmark statistic for this metric since products can vary so greatly in terms of pricepoint. But look at your historical performance and consider automating this component through algorithmic third party solutions.

In conclusion, web analytics is a complicated tool only when you let it be. When mining your data, consider the business need and goal before running your reports. Doing so will help you leverage your analytics in ways you never considered and help drive incremental ROI online.

If you have any questions about eCommerce optimization and how to maximize your online opportunity please contact us at info@trinityinsight.com.



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