LESSON 2:
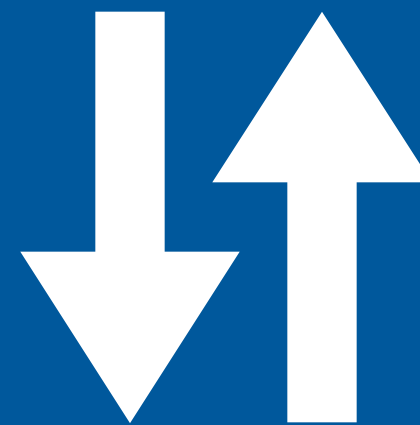# "The Basics of Web Analytics"

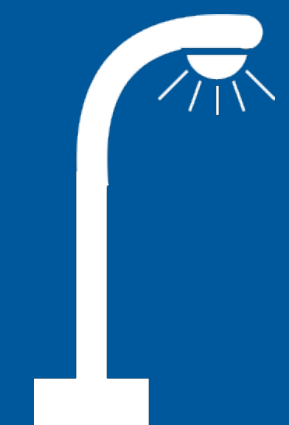Many sources of digital data are accessible today

Digital data is grabbed using cookies and tags

Data availability, value are negatively correlated

Organizational size determines data importance

Data must be used responsibly during analysis

"Web analytics is the assessment of a variety of data … to help create a generalized understanding of the visitor experience online."

Eric Peterson,
"Web Analytics Demystified" (2004)

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Eric Peterson,
"Web Analytics Demystified" (2004)

Web analytics challenges remain real

Managing and integrating data — **54%**

Ensuring data quality — **50%**

Staffing and management commitment — **42%**

Communicating and interpreting results — **38%**

Web analytics data come from a variety of sources

- Web traffic data reports

- Web server performance data reports

- Web transactional data reports

- Usability studies

- User-submitted information and related sources

Web transaction data monitors digital behaviors
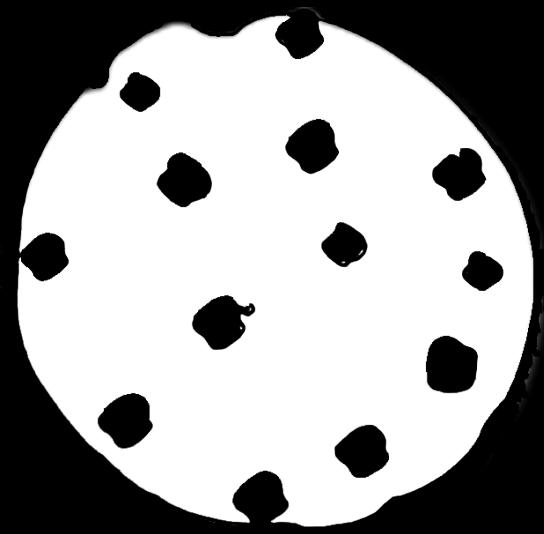
"Cookies":
Unique identifier stored in browser files that allows the site to recognize a visitor and adapt content; usually has an expiration date and does not include personal information
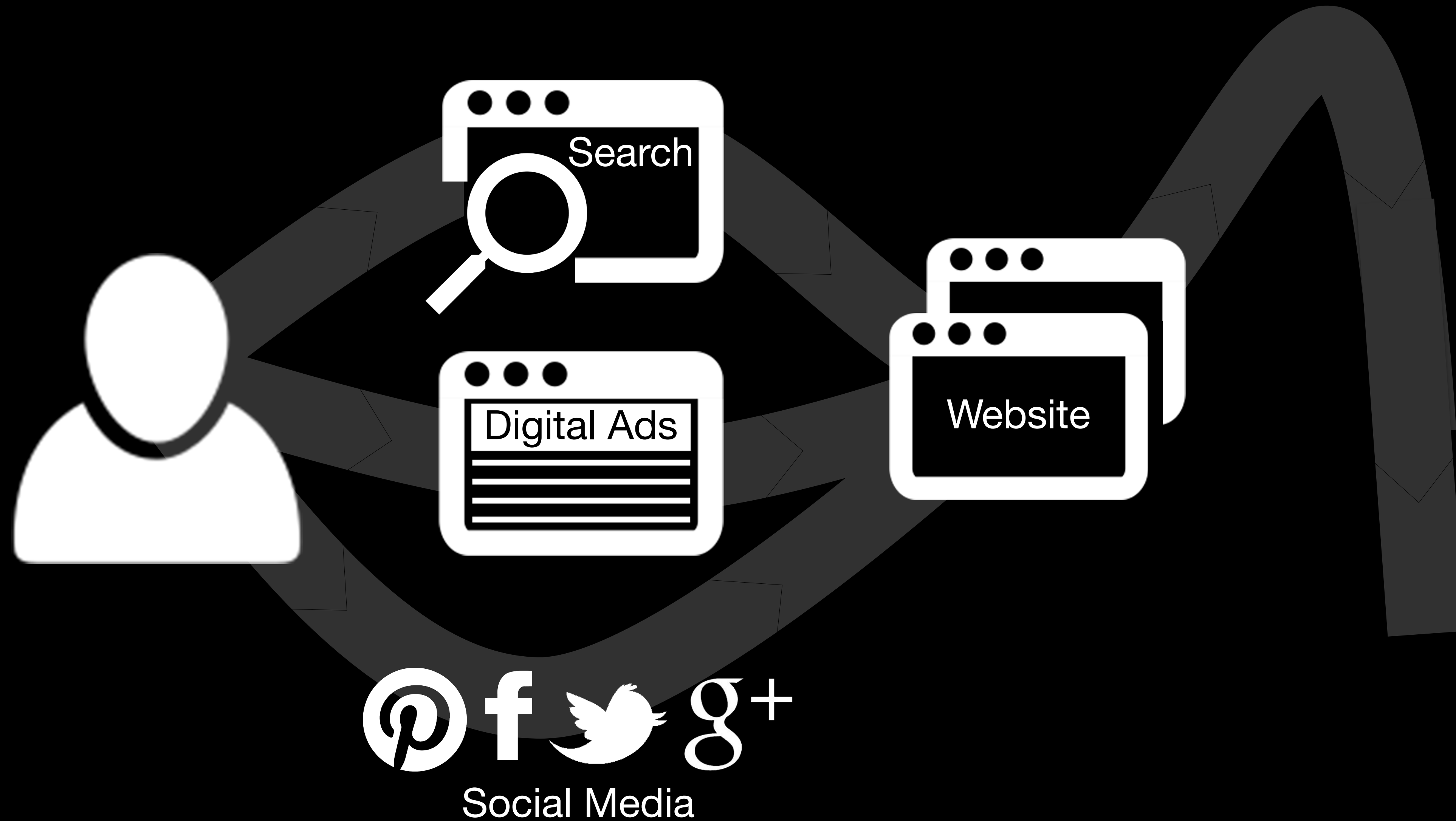
"Tags":
Small set of javascript code that sends a record to the web log; includes page, user, and action information and can be programmed to draw out custom information as well
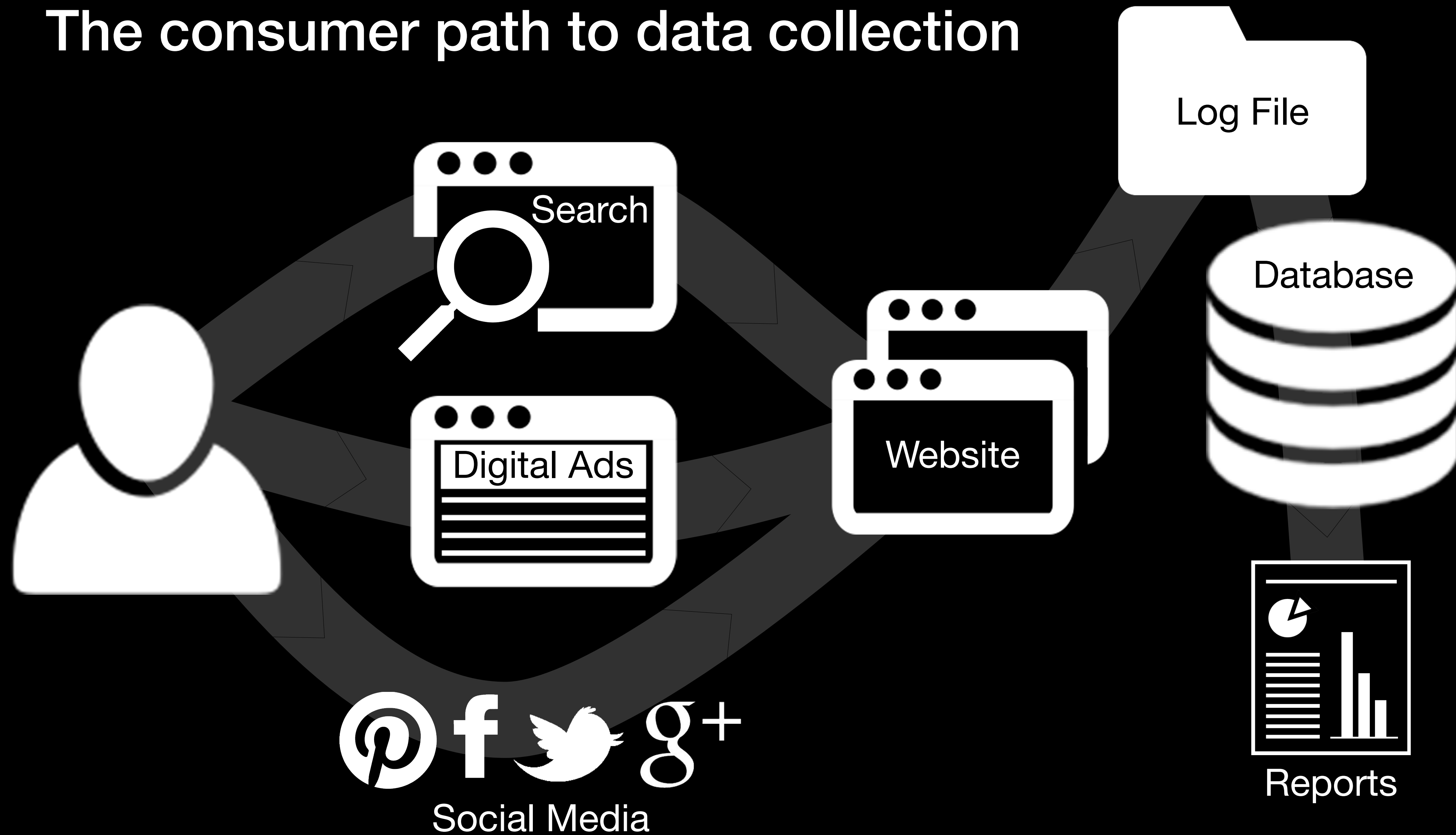
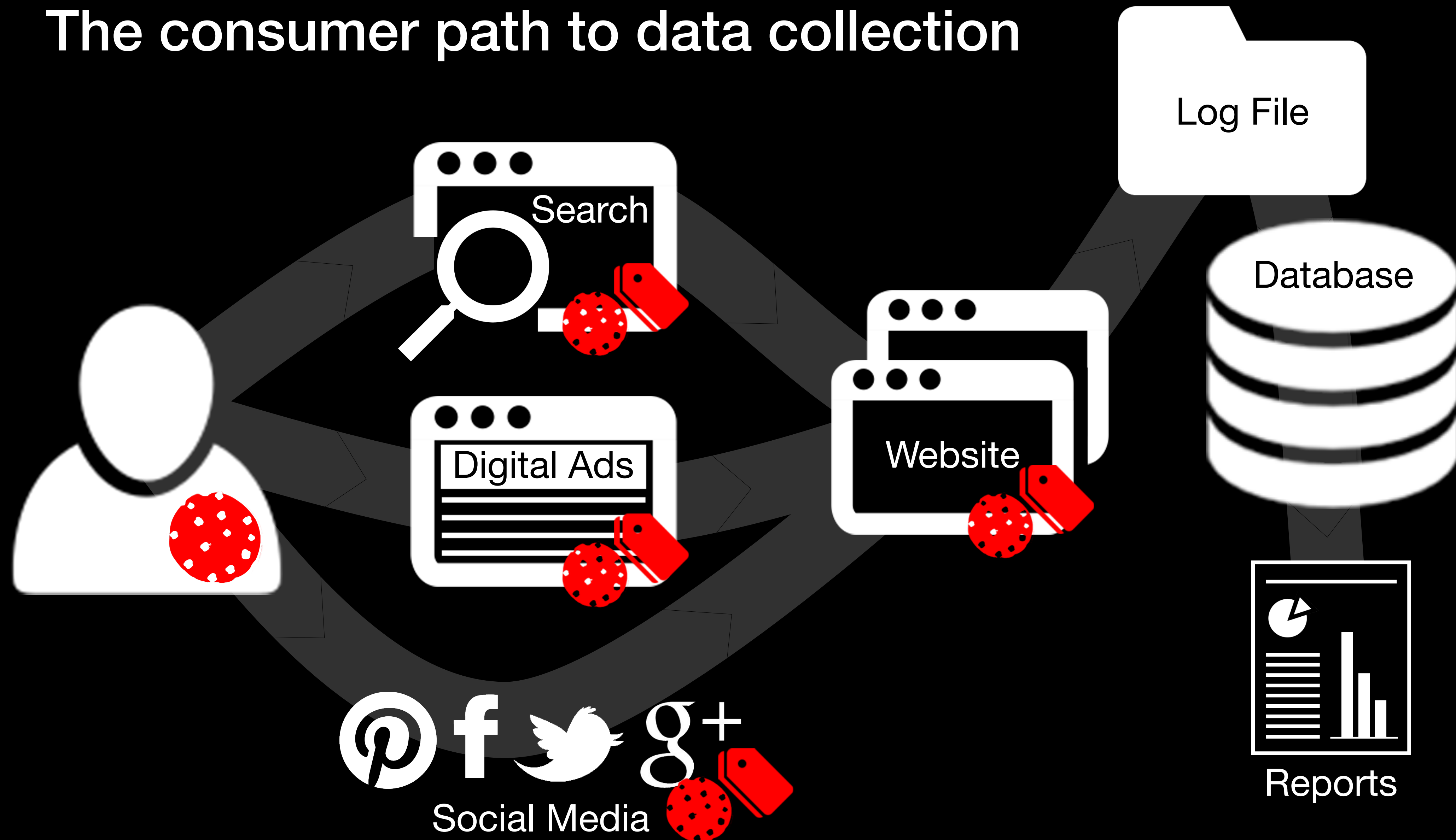The consumer path to data collection

The consumer path to data collection

Search

Digital Ads

Website

Social Media

The consumer path to data collection

Log File

Database

Search

Digital Ads

Website

Reports

Social Media

Source: iCrossing

The consumer path to data collection

Search

Digital Ads

Social Media

Website

Log File

Database

Reports

Source: iCrossing

Pyramid model of web data relates value to availability

Uniquely Identified Visitors

Unique Visitors

Visits

Page Views

Hits

Increasing Value of Data

Volume of Available Data

Source: Eric Peterson, "Web Analytics Demystified" (2004)

Pyramid model of web data relates value to availability

Increasing Value of Data

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Volume of Available Data

User-submitted information and related sources

Usability studies

Web transactional data

Web server performance data

Web traffic data

Source: Eric Peterson, "Web Analytics Demystified" (2004)

Best marketing analytics metrics vary by size of business

Small	Medium	Large
‣ Cost per Acquisition ‣ Click-through Rate ‣ Percent of New Visits	‣ Bounce Rate ‣ Page Depth ‣ Loyalty ‣ Events per Visit ‣ Checkout Abandonment Rate	‣ Macro-Conversion Rate ‣ Micro-Conversion Rate ‣ Per Visit Goal Value ‣ Days To Conversion ‣ Percent Assisted Conversions

Key marketing analytics metrics used to track **acquisition**

Cost Per Acquisition: The cost associated with acquiring a new customer

Click-Through Rate: The average number of click-throughs per hundred ad impressions, expressed as a percentage

Percent New Visits: Percent of total visits by people who are visiting your site for the first time

Key marketing analytics metrics used to track **behavior**

Bounce Rate: Percent of visits in which the person left your site from the entrance page without interacting with the page

Page Depth: Number of pages viewed in a session

Loyalty: Number of visits over a specific period of time

Events / Visit: Average number of pre-defined actions completed during a session

Checkout Abandonment Rate: Percent of filled carts that are abandoned without completing the purchase process

Key marketing analytics metrics used to track **outcomes**

Macro Conversion Rate: Simply number of sales divided by the number of visitor sessions

Micro Conversion Rate: Number of predefined goals achieved divided by the number of visitor sessions

Per Visit Goal Value: Cumulative predefined value of goals achieved divided by the number of visitor sessions

Days to Conversion: Average time between purchases made by a consumer

Percent Assisted Conversions: Conversions with more than one ad / media / marketing touch prior to converting

Best Web Analytics metrics vary by size of business

Small	Medium	Large
▸ Cost per Acquisition	▸ Bounce Rate	▸ Macro-Conversion Rate
▸ Click-through Rate	▸ Page Depth	▸ Micro-Conversion Rate
▸ Percent of New Visits	▸ Loyalty	▸ Per Visit Goal Value
	▸ Events per Visit	▸ Days To Conversion
	▸ Checkout Abandonment Rate	▸ Percent Assisted Conversions

"Some studies, in the words of one critic, 'use statistics as a drunk uses a street lamp, for support rather than illumination.'"

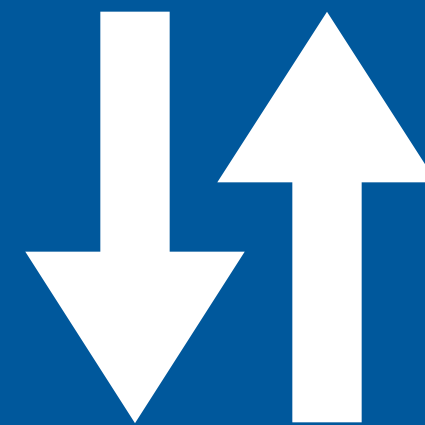Edward Tufte, "Data Analysis For Politics And Policy" (1974)

LESSON 2:
"The Basics of Web Analytics"

| Many sources of digital data are accessible today | Digital data is grabbed using cookies and tags | Data availability, value are negatively correlated | Organizational size determines data importance | Data must be used responsibly during analysis |

Supplemental reading for this lesson

- **Overview of the digital data collection system:**
  Peterson, Chapter 2 "Overview of Web Analytics"

- **Web metrics definitions:**
  Peterson, Chapter 3 "Different Web Traffic Data Sources" and
  Chapter 4 "Web Analytics Terminology"

- **Browsing in privacy mode? Super Cookies can track you
  anyway:**
  http://arstechnica.com/security/2015/01/browsing-in-privacy-
  mode-super-cookies-can-track-you-anyway/

- **Best metrics for businesses:**
  http://www.kaushik.net/avinash/best-web-metrics-kpis-small-
  medium-large-business/

References

1. Aberdeen Group. 2013. "Web analytics challenges remain real." Retrieved from http://www.aberdeen.com/

2. Eric Peterson. 2014. "Web Analytics Demystified." Retrieved from http://www.webanalyticsdemystified.com/

3. iCrossing. Retrieved from http://www.icrossing.com/

4. Avinash Kaushik. 2011. "Best Web Metrics / KPIs for a Small, Medium or Large Sized Business." Retrieved from http://www.kaushik.net/avinash/best-web-metrics-kpis-small-medium-large-business/