Marketing Vocab Cheat Sheet

Data Analytics for Marketing - March 2020

Bounce/Bounce Rate

- "A **bounce** is a single-page session on your site. In Analytics, a bounce is calculated specifically as a session that triggers only a single request to the Analytics server, such as when a user opens a single page on your site and then exits without triggering any other requests to the Analytics server during that session."
- "**Bounce rate** is single-page sessions divided by all sessions, or the percentage of all sessions on your site in which users viewed only a single page and triggered only a single request to the Analytics server."

Churn

- "**Customer Churn** occurs when customers or subscribers stop doing business with a company or service. Also known as customer attrition, customer churn is a critical metric because it is much less expensive to retain existing customers than it is to acquire new customers"

Conversion/Conversion Rate

- "A **conversion** can refer to any desired action that you want the user to take. This can include anything from a click on a button to making a purchase and becoming a customer. Websites and apps often have multiple conversion goals, and each will have its own conversion rate."
- "The **conversion rate** is the number of conversions divided by the total number of visitors. For example, if an ecommerce site receives 200 visitors in a month and has 50 sales, the conversion rate would be 50 divided by 200, or 25%."

Cost Per Acquisition (CPA)

- "**Cost Per Acquisition**, or 'CPA,' is a marketing metric that measures the aggregate cost to acquire one paying customer on a campaign or channel level."
- "Financial metric used to directly measure the revenue impact of marketing campaigns."

Cost Per Click (CPC)

- **"Cost Per Click** (CPC) refers to the actual price you pay for each click in your pay-per-click (PPC) marketing campaigns."

Customer Lifetime Value (CLV) / Lifetime Value (LTV)

- "**Customer lifetime value** (CLV), sometimes referred to as **lifetime value** (LTV), is the profit margin a company expects to earn over the entirety of their business relationship with the average customer."
- "The customer lifetime value must account for customer acquisition costs (CAC), ongoing sales and marketing expenses, operating expenses, and, of course, the cost required to manufacture the product and services the company is selling."

Pay-Per-Click (PPC)

- **"PPC** stands for *pay-per-click*, a model of internet marketing in which advertisers pay a fee each time one of their ads is clicked. Essentially, it's a way of buying visits to your site, rather than attempting to 'earn' those visits organically."
- "Search engine advertising is one of the most popular forms of PPC. It allows advertisers to bid for ad placement in a search engine's sponsored links when someone searches on a keyword that is related to their business offering. For example, if we bid on the keyword 'PPC software,' our ad might show up in the very top spot on the Google results page."

Impressions

- "**Impressions** are when an advertisement or any other form of digital media renders on a user's screen. Impressions are not action-based and are merely defined by a user potentially seeing the advertisement, making CPM campaigns ideal for businesses intent on spreading brand awareness."

Key Performance Indicators (KPIs)

- "**Key Performance Indicators** (KPIs) are the critical (key) indicators of progress toward an intended result. KPIs provides a focus for strategic and operational improvement, create an analytical basis for decision making and help focus attention on what matters most. As Peter Drucker famously said, "What gets measured gets done.""
- "Managing with the use of KPIs includes setting **targets** (the desired level of performance) and tracking progress against that target. Managing with KPIs often means working to improve leading indicators that will later drive lagging benefits. **Leading indicators** are

precursors of future success; **lagging indicators** show how successful the organization was at achieving results in the past. "

Lead Generation

- "**Leads** can consist of the names and addresses (or e-mail addresses) of individuals, corporations, institutions or agencies. Lists of leads can be gathered or filtered from targeted databases such as telephone and Internet directories."
- "**Lead generation** is the use of a computer program, a database, the Internet, or a specialized service to obtain or receive information for the purpose of expanding the scope of a business, increasing sales revenues, looking for a job or for new clients or conducting specialized research."

Return on Investment (ROI)

- **Return on Investment** (ROI) is a way of measuring the return that a company makes against what said company spends on marketing.
- **Simple ROI Calculation:**
  - (Sales Growth - Marketing Cost) / Marketing Cost = ROI