TRIPLING CONVERSION RATES AND CRUSHING YOUR COMPETITION.

Three Online Marketing Case Studies that Mean Business

by Justin Talerico
CEO, ion interactive

ion

Preface

According to eMarketer, 39% of marketers are NOT satisfied with their conversion rates. When I first read that, my immediate thought was *how can that be?* How can nearly two-thirds of marketers be *satisfied* with their conversion rates?

The Fireclick index at about the same time as the eMarketer article showed keyword & email conversion rates of 4.00% and 3.10% respectively. So a small leap of faith tells me that most marketers believe that it's okay for 96%+ of their campaign traffic to abandon.

The only explanation for this being 'okay' is that it's normal. The thinking must be that if the average is 4% and I'm in that neighborhood, then status quo is good enough. It's normal.

It may be average, but it's not normal. There are many marketers today that have successfully re-calibrated their notion of what's normal. For them, normal is now 12% instead of 4%. Their cost-per-acquisition is dramatically lower than their competition's and they're winning more customers.

But who are these companies that are redefining normal? How do they do it?

I wanted to write this paper because marketers should want and demand more of their online efforts. I've seen the competitive advantages taken. I've seen the momentum change. I've seen the online budgets expand and I've seen the champions get promoted.

More than anything else, what's required to shift expectations is a change in attitude. The new attitude appreciates the potential and the payoff of a new normal that's far beyond average. And it accepts nothing less than monumental improvement. It pushes aside the perceived barriers to success and asserts that the status quo is broken.

Instead of examining a single case study, I've tried to weave a few of these marketing leaders together into a story. What they have in common is that they made significant positive business impact to their organizations in a very short time. They truly changed the game — not only for themselves, but also for their competitors.

More than anything else, what's required to shift expectations is a change in attitude.

:ion

Better clicks. More business.

When the right people click, they convert. And they buy. And they stay. When you're transparent about who you are, you get the same in return. When both the marketer and the user are honest, everyone finds success. It's like matchmaking.

That transparency makes it much easier to see where your best customers and prospects come from. When you can see that clearly, you can also see where they don't come from. Then it becomes easy to shift your spend to the best sources. It's much harder to confidently make that call without trustworthy data beyond click-through-rate.

Using post-click performance and behaviors to impact the streams of clicks that feed your marketing machine represents a strategic overhaul. It means that a sizable piece of your marketing emphasis moves from ads to pages. It means treating pages like extensions of ads. It can't be the web content team that makes this happen. It has to be the advertising or marketing team.

Extend the ad through the pages that follow. Learn more about users. Use that learning to optimize your spend. Here are a couple of examples of this strategy.

![Bronto]

More intelligence. Less spend.

Bronto Software focused their pay-per-click (PPC) spend by using post-click metrics to determine where the right people were coming from. A click was not a click. A click became a person with intent. Understanding that intent lead to a 65% reduction in paid-search spend resulting in a net increase in the number of leads and the quality of those leads.

Bronto's post-click emphasis informed their media spend. How did they get at user intent? By asking. They attached meaning to the decisions that users made in highly specialized landing experiences. For Bronto it wasn't about behavioral targeting or inference, it was about the explicit choices users made in navigation- and distraction-free environments. These campaign-specific pages were nimble extensions of their marketing messages — made possible by Bronto's decision to have them live outside of their website infrastructure. Only there could they exercise the message and offer agility they needed.

Specific options were put in front of users in the form of targeted landing experiences called conversion paths. Within two quarters of adopting this strategy, Bronto had multiplied their conversion rate from 2% to over 18%. They did it with 159 conversion paths on 80 specific sources of traffic. Over 800 campaign-specific pages drove this unprecedented change.

Today, Bronto Software is nearly two years into this online marketing strategy. They are running 728 landing experiences on 406 sources of traffic with a lifetime average conversion rate of just under 22% across both PPC and email marketing. That's over 3,600

> Bronto Software is running 728 landing experiences on 406 sources of traffic with a lifetime average conversion rate of just under 22% across both PPC and email marketing.

ion

agile web pages delivering remarkable value.

Bronto's online marketing success is truly game changing. The company enjoys a three-year growth rate of over 284% and was recently named number 1,096 on the Inc. 5000.

CITRIX®

Micro-targeted spend.

Another example of click optimization comes from Citrix Systems. The $1.2 billion enterprise software company adopted a similar strategy to that of Bronto, but they did it while micro-targeting via paid search. They found their needle in a haystack niche of hospital administrators, but they also found that over 70% of the clicks they were paying for were not even in the neighborhood of their target audience.

They too moved to agile pages outside of the confines of their website infrastructure. Beyond the grind of IT and multi-departmental processes, their landing pages flourished. They created these pages without navigation or other distractions and as extensions of the ads that were feeding them traffic.

After a year of splitting the spend between Yahoo and Google, post-click data empirically revealed that Yahoo was far less likely to deliver the target within two weeks of moving to conversion paths. The Yahoo spend was moved to Google and the post-click landing experiences were further optimized. Ultimately, the result of the three-week effort was 2,500% improvement over the original baseline.

This all happened when marketing took ownership of campaign-specific pages. Those pages became tightly integrated with the ads that fed them and the result was game changing for Citrix.

AMERICAN GREETINGS

The long tail of retail.

American Greetings toiled for years with just a few landing pages. This was despite the knowledge that they had highly diverse streams of traffic feeding the $1.7 billion company. Their landing pages were part of the multidisciplinary website team's responsibility. And they just weren't a top priority. But lowering the cost-per-acquisition on their millions of monthly unique visitors was certainly a top priority.

American Greetings had already tested and optimized a few landing pages using multivariate methods. They needed something much more dramatic to move their needle much further. American Greetings' marketing team took ownership of their campaign pages

for paid search and began their effort to redefine what they considered to be 'normal'.

In the first three months of their new strategy, American Greetings deployed over 40 campaign-specific, multipage landing experiences. They tested a wide variety of diverse pages, offers, price points and messaging on over 200 audience segments.

Almost immediately, American Greetings saw an unprecedented 30% increase in conversion rates resulting in a 20% reduction in fully loaded cost-per-acquisition (CPA). Multiply that performance times millions of monthly uniques and you start to see what's at stake.

Within five months of beginning their program, American Greetings had created over 700 unique landing pages being tested across hundreds of sources of traffic. Today they have 989 landing experiences across 489 sources of traffic. That translates to thousands of unique, audience-targeted, campaign-specific pages — all driven by marketing. All driving 'normal' online marketing performance to a whole new level.

American Greetings continues to push higher and higher with conversion goals set 40% higher in 2010 and another 33% higher in 2011. That's anything but status quo.

Seeing the trends.

I hope you're seeing the patterns here. It's pretty exciting stuff. When marketers take control and produce niche, long-tail pages, good things happen. In fact great things happen. Things that are so far beyond the average that everyone should be doing them. And then we'd have a whole new average to exceed.

But there's some between-the-lines learning here that I want to point out too. My motive for giving you a shower of big numbers is partially to show that this strategy is realistic, but also to illustrate a little-known facet of what's going on here: these campaign-specific pages are highly disposable. They have to be. If marketers are married to their landing experiences because of over-investment of time and money, they'll never be willing to kill the poor performers.

All of these successes are built on disposable pages.

The somewhat cavalier sales saying goes 'some will. some won't. so what. move on.' and the same could be said of online marketing funnels. Some will work. Some won't. Kill the ones that don't. In order for that approach to work, you cannot over invest in any one funnel.

I'm in no way advocating unprofessional, ill-branded or half-hearted pages. You need an agile method to deliver nimble, professional pages in minutes — not hours, days, weeks or worse. You have to keep the total cost of a page relatively low and the quality very high.

American Greetings saw an unprecedented 30% increase in conversion rates resulting in a 20% reduction in fully loaded cost-per-acquisition (CPA). Multiply that performance times millions of monthly uniques and you start to see what's at stake.

ion

Link stability is not the same as page stability.

The disposability of pages does not lend itself to the web development world. In web dev, pages and their links are preserved. In the online marketing world, links are divorced from pages, so that they can persist even when the pages behind them die. The way to think about it is that you link to a place — what gets displayed in that place changes all the time, but the place itself is stable. It's unlikely that a website content management system is going to make that sort of flexibility easy — if it supports it at all. Your website is about stable pages in stable places. The best online marketing experiences are always in flux.

This is the crux of testing that yields dramatic results. The re-calibration of normal happens when you can easily vary what's shown to users. Why? To find the pages that are most likely to convert them from casual, impulsive clickers into engaged prospects or customers.

American Greetings, Bronto and Citrix are three examples of the redefinition of normal. Their businesses have been transformed by online marketing. In all three cases the transformation happened within weeks or months. They let nothing stand in their way and they were rewarded for their persistence.

What reasons could organizations have NOT to make this change in strategy an imperative? What could be more important than this sort of impact on revenue and income? The reasons I hear most often are trivial.

What **wouldn't** an organization trade to triple its return on advertising or marketing investment? What **wouldn't** it be worth to reduce customer acquisition costs by 20%? Ask the CEO, the CFO or the CMO for the real answers.

To reiterate: According to eMarketer, 39% of marketers are not satisfied with their conversion rates. The Fireclick index at about the same time as the eMarketer article showed keyword & email conversion rates of 4.00% and 3.10% respectively.

A strategy exists that redefines online marketing's value proposition. Normal should be 3x today's 'averages'. It's doable. And doing it changes the game.

> What **wouldn't** an organization trade to triple its return on advertising or marketing investment? What **wouldn't** it be worth to reduce customer acquisition costs by 20%? Ask the CEO, the CFO or the CMO for the real answers.

www.ioninteractive.com

LiveBall optimizes the performance of online campaigns by delivering ideal user experiences. It significantly reduces the resources required to manage long-tail content and optimize conversions.

As a direct result of using LiveBall, customers see significant increases in revenue and profit.

▶ American Greetings reduced its cost-per-acquisition by 20% in three months.

▶ Bronto Software increased its lead-gen conversion rate from 2% to 18% in five months.

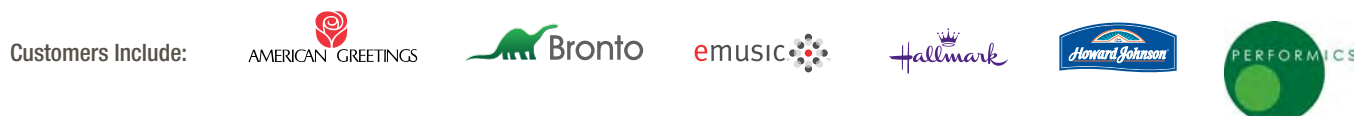▶ Citrix Systems increased its search engine conversion rate from 0.5% to 12% in three weeks.

Optimizing the gap between ads and results

LiveBall optimizes the gap between online ads — search, email, mobile, social, display — and results. It creates the first impressions a brand makes on users. By determining a user's intent and then focusing on it, LiveBall significantly increases user satisfaction. That satisfaction translates into more engagement, more leads and more revenue.
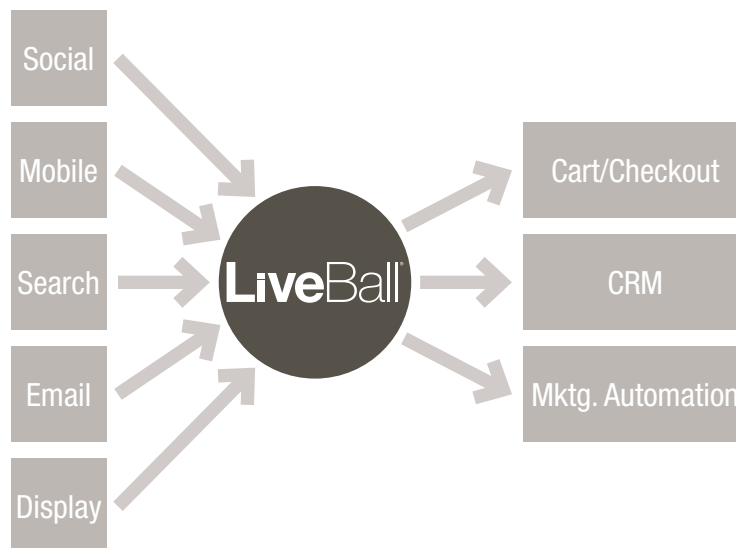
Putting marketing in control

LiveBall is technology for marketers. It's a whole new class of easy-to-use software that saves resources, increases agility and improves results. It's IT independent — putting marketing in control of campaigns from beginning to end. LiveBall is cloud based — making it quick to launch and maintenance free. To use it, marketers log-in with a web browser. And for all the enterprise features of the platform, training takes less than two hours. It's low overhead and high impact.

Customers Include: AMERICAN GREETINGS · Bronto · emusic · Hallmark · Howard Johnson · PERFORMICS

LiveBall® The most complete conversion optimization platform.

LiveBall gives marketers the power & freedom to execute.

For marketers. By marketers.
Just point, click and change it. Change what? Everything — forms, text, images, Flash, links, brands, page layouts, SEO controls — you name it. All IT free.

Testing without code or IT
Test it all. LiveBall brings sophisticated testing into the 'no-code zone'. Launch A/B or MVT in three easy clicks.

Industry-leading forms
LiveBall includes an agile, flexible, sophisticated no-code forms engine. Make pain-free, world-class forms all by yourself.

Unparalleled SEO features
Nine ground-breaking features that make LiveBall the most search-friendly landing page platform.

Clear, actionable reporting
Effortlessly get meaningful, real-time reports as HTML, PDF or Excel XLS and automatically send them to colleagues.

Mobile optimization
Every user deserves an ideal experience. LiveBall keeps that promise by optimizing for the latest mobile devices.

Flexible, branded templates
'Template' is no longer a dirty word — not even in the most creative circles. LiveBall includes a proven set of flexible templates, custom-branded for you.

Flexible conditional logic
Design your own if/then statements for advanced logic — trigger actions from 31 different conditions — code-free.

Asset management
LiveBall centralizes images, Flash, fulfillment, forms, email responders, tags and templates, so it's easy to reuse them.

Seamless data sharing
Export to Salesforce.com, post to a form, send email, a delimited or vCard file — LiveBall gets your data where you need it.

Flexible open integration
LiveBall customers mix and match components in their own loosely coupled architecture to attain best-of-breed status in each key sales & marketing area.

LiveBall usability
LiveBall gets out of your way — saving you time & resources at every step. Even the training is short and simple.

LiveBall is cloud-based and IT free.

Cloud-based software is reliable, easy to buy and easy to live with. With LiveBall, you simply order your solution, we provision it and get you started, you just log in and use it. You pay based only on the number of unique visitors you send to the platform.

Content management — make all the pages you want
Testing — three clicks for powerful A/B testing
Reporting — real-time analytics at your fingertips
Hosting — go live in minutes
Support — high-touch service from nice people
Users — everyone in your company can use it
Quick start — everything you need to get started fast

Unlimited seats — everyone can use LiveBall
Unlimited pages — create and launch all the pages you want
Unlimited visits — multiple visits from a unique count as one
Unlimited testing — run all of the code-free tests you want
Unlimited support — via phone & email — for one user

Customers Include: