Web Analytics

This lesson explains web analytics in details along with its uses. We will also discuss the web analytics process and some factors to keep in mind while monitoring web metrics!

What is Web Analytics?

At this point, your website is fully-functionally running online. But you have no clue that who is visiting your website, how many people visit your website daily or monthly, what they did on your website, how they got here. This could be a very risky situation for the future of your website and can cause serious troubles if you make any future plans without considering these metrics! These metrics are basically termed as "Web Analytics"

Web Analytics are the insights to your website that are tracked, recorded, reported and then analyzed in order to understand and optimize the performance of your website. You need to know if you're doing everything right on your website and figure out what extra steps you need to take in order to grow your business. Web analytics help you gain an insight of such findings.

Some of the most common metrics that can be monitored through any web analytics tools are:

1. Traffic

The number of new and returning visitors to your website. Plus the number of sessions and views of your website also come under traffic.

2. Conversions

Conversion means that a user has successfully signed up on your website and is performing an action that is basically the goal of your website. For example, purchasing something or downloading the content etc. You need to track the conversion rate of your website in order to find out how many users find your website useful and how many users just visit it and then abandon it without doing anything.

3. Session Time

Sessions are maintained for the returning users which are always considered a positive sign. You also need to log how much time the users spend on your website. The longer time they spend, the more their is a chance of conversion! If the user is not spending much time on your website then there is clearly a problem with your website. It is observed that if the website is user friendly and easy to navigate then the user is more likely to stay longer.

4. Bounce Rates

On the other hand, if the users leave the site immediately (bounces) then you need to log this too and find out what web page causes the most bounces!

5. Traffic Sources

Tracking the number of visits to your site is not enough. You also need to analyze how the audience is getting to your website. Through an ad? Through Google or some social media website? You need to determine that which traffic sources users come from the most so you can make better marketing strategies.

Google Analytics is a tool that groups all these visitors into multiple categories based on their traffic source. Here the different terms that Google Analytics uses as categories:

- **Organic**: Traffic that visits by typing a relevant keyword on search engine.

- **Paid Traffic**: Traffic that generates due to ads etc.

- **Email Marketing**: Traffic that visits due to email campaigns.

- **Direct Traffic**: The traffic that enters the URL of your website directly to their browsers.

- **Social Media**: Traffic that visits due your website through social ads or your social media accounts.

- **Referrals**: The traffic that visits due to backlinks

6. ROI

This is the most critical factor of all! ROI means Return over Investment. If you are spending more as an investment than you are actually receiving as profit then it's definitely not a good strategy. By taking into account all of the other metrics you can eventually learn how to get this ROI measure in positive figures.

Steps in Web Analytics Process

The web analytics process follows a simple list of steps in order to gather the data and extract useful insights out of it. Given below are the six steps that we perform in the web analytics process:

Set Goals & Objectives:

You need to set some realistic goals that you want to meet by a certain period of time. The goals are different and unique for each website. For example, for your website, it could be to increase the conversion rate.

Building KPI's

KPI stands the Key Performance Indicators. Web analytics provides a lot of statics but the ones that matter the most to a company and are crucial to meet the goals are named as KPI. They also vary from company to company based on their business goals. For example, in order to increase the conversion rate, you need to examine the factors that make the visitors abandon your website without going any further.

Collecting the Data

Several techniques and tools are used to collect data from a website based on what exactly you want to capture. For example, if you want to capture the number of signups, you can use platforms like Google Analytics etc.

Analyzing the Data

Now that you have collected the data, its time to analyze it and convert it to insights. This is the most important part of the process as all the future decisions are based on the results given in this step.

Testing Alternatives:

Website testing could be performed using an alternate tool or a different approach or on different set of web pages. Testing should be done in segments in order to understand the difference in behaviors and you also need to keep in mind that increase in one metric could make a negative impact on another metric.

Implementation

This step implements the decisions that are made based on the insights gain in step 4. This could be a longterm or a short-term process, based on the kind of implementation you are going for. For example, to increase conversions on your website your team decides to add more options like "Download content", "Learn More" and "Request a Quote", etc. to increase interactivity!

Most popular tools

You can use any tool to measure the statistics but given below are top five tools which are widely used and also provide accurate metrics!

- Google Analytics
- Adobe Analytics
- Mix Panel
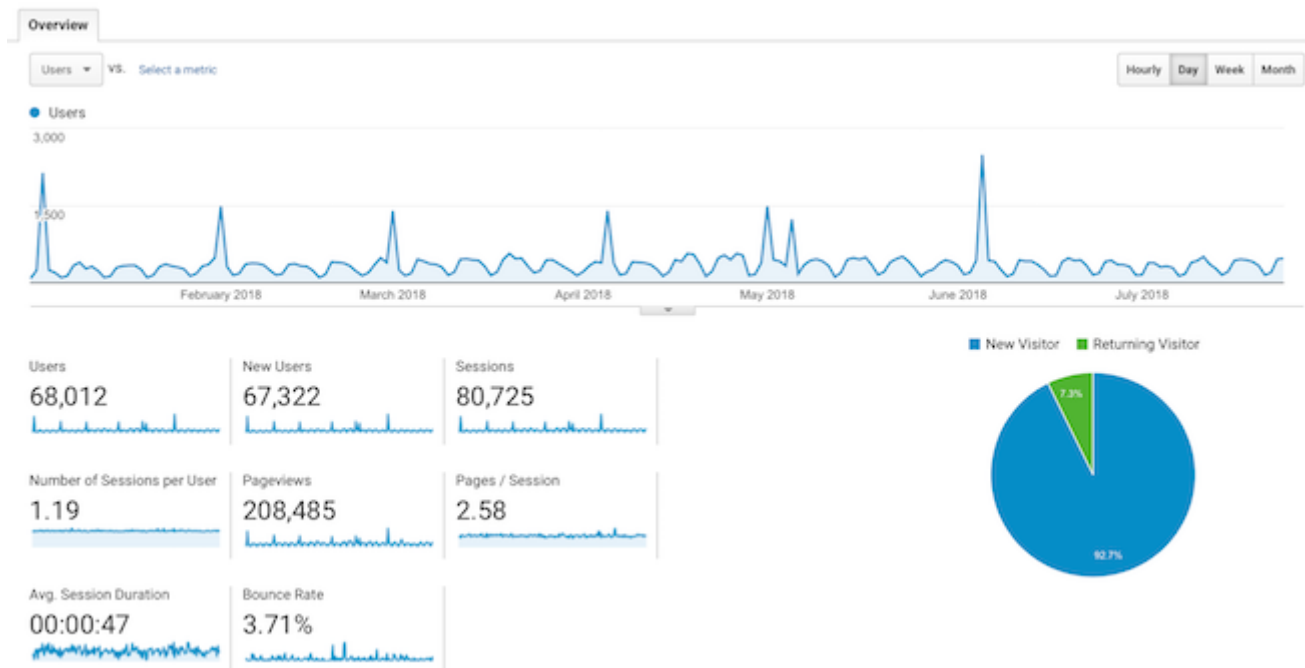
Here's how a Google Analytics Dashboard looks like

In the next chapter, we will look at one of the applications of Web Analytics, i.e., Search Engine Optimization.