

WEBSITE ANALYSIS

OVERVIEW

Key Analysis Areas

- Web Traffic
- Web Visitors
- Web Navigation
- eCommerce

Customers in this

Area Include:

- BBC Worldwide
- Caja Duero
- La Caixa
- LendingTree.com
- Lexmark International
- Nygård International
- Rogers Media
- SoldiOnline
- Telefónica
- USAA
- Vizzavi

Companies study Website visitor activity to understand customer and prospective buyer interests, improve Website design and navigation, and increase the profitability of the online sales process. By tracking and analyzing Web traffic patterns, site navigation, page views and transactions, online marketers can design more compelling Websites and give visitors better incentive to buy and return. With the low switching costs present on the World Wide Web, companies know that a visitor's experience must offer enough value to induce repeat visits. Companies rigorous in their analytical approach to online merchandising and/or sales are realizing lower marketing costs, higher online revenue and improved customer loyalty.

BUSINESS CHALLENGES SOLVED WITH BUSINESS INTELLIGENCE

Investigate online visitor behavior trends to optimize Website design. Website design must be optimized to induce specific visitor actions, for example, completing checkout once items have been added to a shopping cart. BI allows paths of interest to be defined and tracked, related pages to be grouped into a single defined interest area, and customer data to be combined with Web traffic data to better understand the behavior of particular visitor segments.

Combine offline and online customer detail to uncover marketing opportunities. Combining Web log information with customer information from other corporate systems provides marketers a unique opportunity to connect customers to page views, allowing offers to include items specifically known to have been viewed by the customer. Business intelligence not only enables this identification process, but automatically creates and delivers targeted offers through the Web, email and wireless devices.

Understand marketing campaign effectiveness through tracking of online results. Marketing campaigns with Web-based calls-to-action can be effectively tracked near-real-time through Web data analysis. Email, Website, and other banner ad campaigns tagged with campaign identifiers can be tracked from click-through to response to closed sale. Understanding the relative effectiveness of list targets, creative design, and offer content allows marketers to optimize their marketing spend.

Provide real-time alerting of Web traffic performance indicators and anomalies. Website managers must be notified immediately when a Website goes down. Other traffic pattern and transaction changes can indicate navigation problems, merchandising errors and personalization errors. BI provides statistical measures of traffic, conversions and page views relative to average for a defined time period and automatically alerts managers of anomalies based on predefined thresholds.

MicroStrategy's unique ability to handle the growing volumes of Web data and combine it with data from across the enterprise have won the business of many of the world's most prestigious online companies, including Yahoo! and eBay. The following pages review some of the most common areas of Web data analysis and the benefits BI offers when applied to Web log data.

CUSTOMER VIGNETTES: IMPLEMENTING BI FOR WEBSITE ANALYSIS

> CAJA DUERO

Deploying Enterprise- Wide, Web-based Applications

Caja Duero, a leading Spanish financial services institution, is relying on the MicroStrategy platform to better understand its online customer behavior and identify opportunities to proactively cross-sell new products and services on-line. As a result of having insight into online customer trends, Caja Duero is able to market its broad product and service portfolio based on quantifiable market demand and customer needs.

Beyond analyzing Web traffic data, Caja Duero has deployed MicroStrategy across the enterprise for numerous business intelligence and customer relationship management (CRM) applications. MicroStrategy is enabling Caja Duero to more effectively manage the bank's key lines of business, strengthen customer relationships and easily distribute personalized information to its employees via Web and wireless devices.

"MicroStrategy is an open, flexible and scalable platform that is simple to deploy and maintain, and offers intuitive query and reporting via the Web. We are using MicroStrategy to improve information flow to all of our branch locations via the Internet."

Jaime Egido, Director of Data Warehousing at Caja Duero

> TV GUIDE

Using Customer Web Data to Create Targeted Campaigns

TV Guide, a leading global technology and media company focused on consumer entertainment, is using MicroStrategy's platform to gain a more detailed view of customers by analyzing information gathered from the Web, Web traffic logs and offline information from their subscriber database. By developing a complete understanding of customer profiles and preferences, including on-line behavior, TV Guide is executing up to thirty highly personalized, one-to-one electronic marketing campaigns a week.

"MicroStrategy provided us with the ease-of-use and deployment that we were looking for, and was a cost-effective solution," said John Moakley, director of database marketing for TV Guide. "We are excited about the reporting functionality and flexibility, and are looking forward to MicroStrategy helping us better understand our customers, and better targeting those that should be."

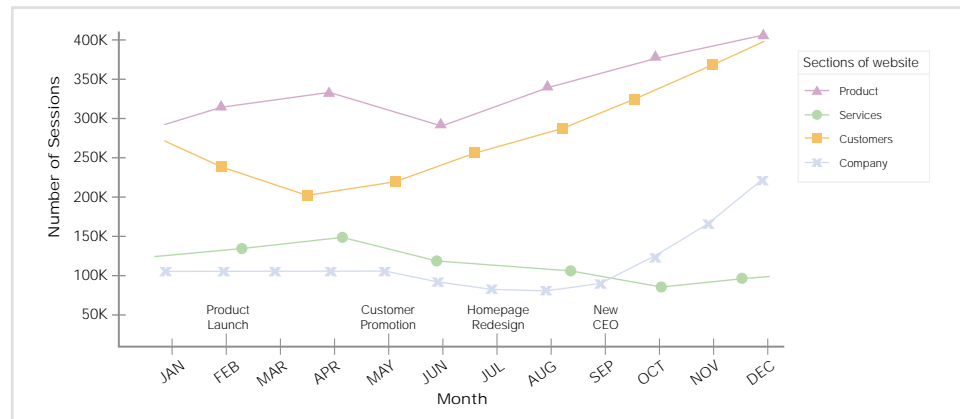
Web Traffic Analysis

The analysis of Web traffic metrics such as page views, visitor count, visit duration and click-throughs provide the most basic understanding of the attractiveness of a corporate Website. Traffic trends are often first reviewed for the Website homepage and then for various major Web subsections, portals and microsites. Time-based traffic comparisons highlight cyclical, seasonal or day-of-the-week visitation variations that can influence when new Web content should be posted. Generally, Web traffic analysis provides a good first order indication of the effectiveness of a company's marketing message since increased market awareness tends to drive additional Web visits. Business intelligence additionally provides an early warning system for Website availability or design problems as it is able to alert Web administrators when traffic is unusually light. Overall, Web traffic analysis provides a better understanding of the level of interest in a company and its offerings, helping marketers tune their messages to increase prospect and customer visitation.

Key Performance Indicators

- Page View Count
- Session Count
- Unique Visitor Count
- Average Session Depth
- Average Session Duration
- Click-through Count
- Page Ranks

Sample Report: Web Traffic Trends by Content Section



This report shows the trend of Website visitors for different sections of a corporate Website, overlaid with some major corporate and marketing events. Marketing managers can determine the impact of specific events on overall market interest, the effectiveness of campaigns on driving behavior, and the impact of Web design on navigation paths. This overall picture leads to detailed visitor analysis of competitor, customer, prospect, and investor segments, conversion to leads, and page stickiness. Proactive alerting of significant out-of-trend session numbers can also notify Web system managers of potential service issues.

COMMON BUSINESS QUESTIONS

- What is the trend in the number of unique visitors across corporate Websites over the past year for a particular visitor segment?
- Are there any unusual, non-seasonal changes or trends that need further investigation?
- What are the peak hours for Web traffic each week day versus the weekend?
- Is there a correlation between changes in Website design and Website visitor activity?
- Which landing page has been the most active over the past year?
- Is there a correlation between Website performance and visitor retention and/or attrition?
- What is the online behavior of the most valuable segment of my offline customers?

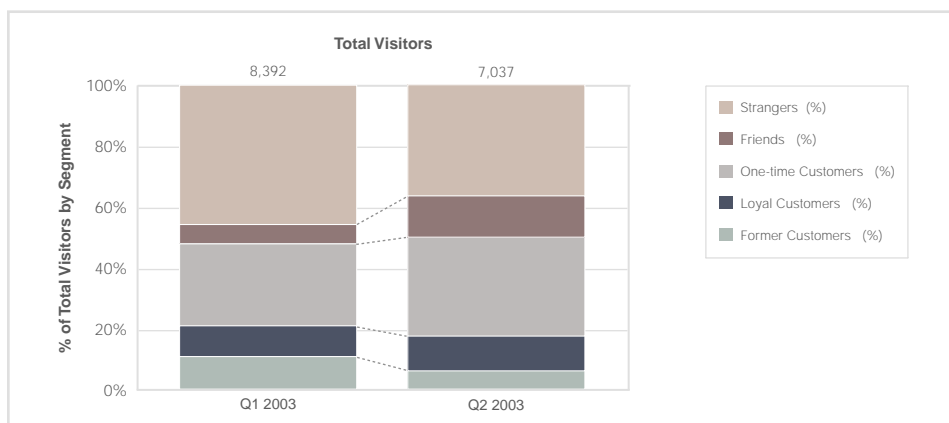
Web Visitor Analysis

In order to better understand the needs of prospects and customers, companies often profile individual Web visitors and analyze their visitation patterns. This visitor analysis and segmentation is used to drive marketing campaigns, such as targeted cross-sell or up-sell campaigns, as well as Website design optimization. Accurate visitor profiling requires a combination of input variables, from length of stay to page views to paths, combined with customer characteristics and transactional history from the Website and other customer touchpoints. "Stickiness" is a common term used to characterize the attractiveness of a site, section or page, and is measured by the average number of page views, session duration and page depth. In addition, Web visitors identifiable through login or cookies may be tied to customer data from other systems to create personalized campaigns by customer segment or by individual customer. Business intelligence applied to Web visitor analysis is being used to feed campaign management systems for these highly personalized and automated campaigns.

Key Performance Indicators

Page Views
 Traffic Counts
 Visitors
 Frequency
 Click-throughs
 Stickiness
 Conversions
 Referrals
 Banner
 Keyword

Sample Report: Web Visitor Breakdown by Segment



In the above example, even though the number of total visitors to this corporate Website has decreased from Q1 to Q2, the number of repeat visitors, termed "friends," is increasing. This segment, now familiar with the corporate message, may be ready for a purchase solicitation. The fact that visits by "strangers," or new visitors, are decreasing suggests prospecting tactics are becoming less effective.

COMMON BUSINESS QUESTIONS

- What is the success rate in converting "visitors" to "repeat visitors" to "customers"?
- Which ad banners and other referrals are attracting the most qualified visitors?
- Is my defined target audience actually the majority of visitors I'm attracting?
- How often do my online customers also purchase offline?
- How effectively am I driving my offline customers to transact through my Website?
- What is the demographic profile of visitors who have viewed Product X?
- What products are being viewed by customers who have purchased Product Y?

Web Navigation Analysis

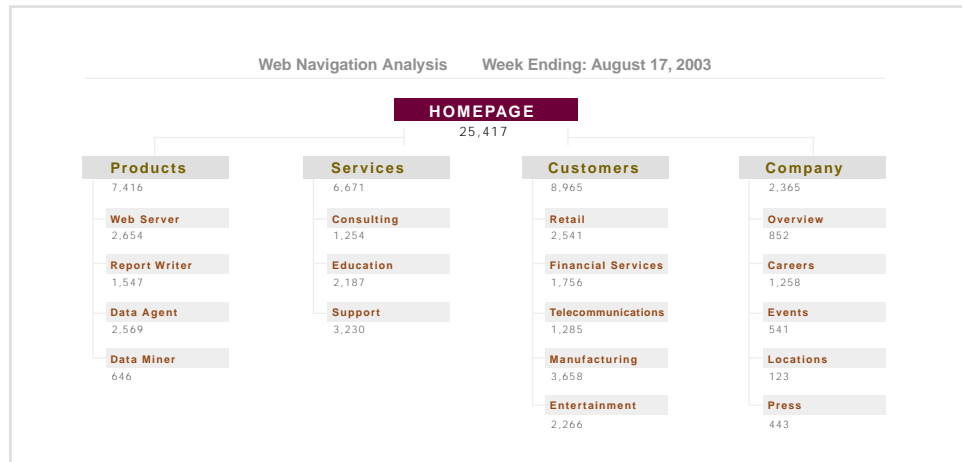
A corporate Website typically consists of many navigation paths and hierarchies stemming from the site's homepage. Whether the primary goal of the Website is information dissemination, lead generation, or actual product purchase, the paths of a Website may be monitored to determine whether Web visitors are taking a desired course of action. Web navigation analysis studies the relative attractiveness of a Website's navigation paths to optimize site navigation structures and to determine customer interest in specific content. Navigation analysis combines individual and aggregate visitor activity, key-word search results, banner ad clicks, purchase transaction activity and page view duration. Optimization of site navigation is having a direct impact on conversion of "lookers to bookers," increasing the number of visitors that either complete a transaction or stay engaged long enough to receive a desired message.

Key Performance

Indicators

- Page Views
- Visits
- Visitors
- Click-throughs
- Conversions
- Ranks
- Visit Type
- Banner
- Search Keyword
- Domain

Sample Report: Campaign Effectiveness on Product Views



This report shows the Web page navigation paths for a selected week. A Web marketer or editor can use this information to determine the logic taken by visitors to their Website and the popularity of Web pages. Further analysis can determine the pages that are exited most often, most popular calls to action invoked by page, and referring source to the page.

COMMON BUSINESS QUESTIONS

- How effective are each of my banners at attracting visitors to my Website?
- How are first time visitors using my site versus repeat visitors?
- How can I optimize page sequences for best conversion rates?
- What pages cause visitors to drop out?
- Is my image placement creating enough click-throughs to justify the real-estate use?
- What is the average download size and time of my pages?

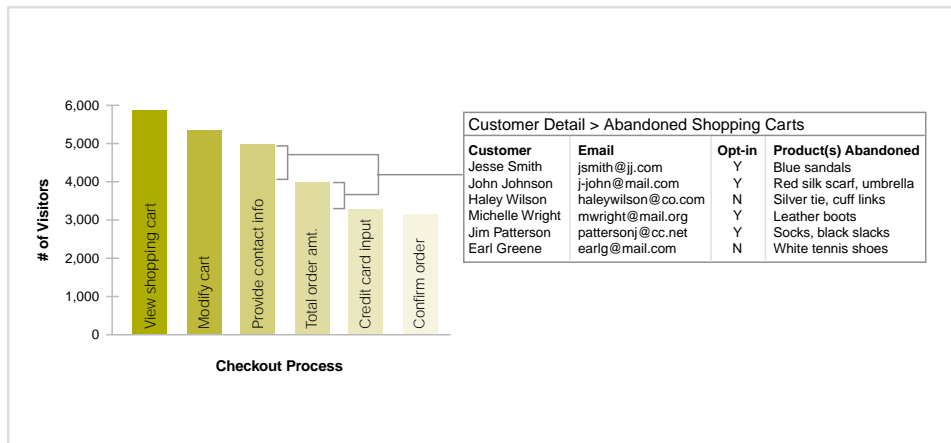
eCommerce Analysis

Website transaction analysis (also commonly referred to as eCommerce analysis) provides insight into the effectiveness of the online sales transaction process. In industry parlance, companies try to convert “lookers to bookers” and use business intelligence to identify points of customer attrition in the online transaction process. Analysis of the abandonment rate of shopping carts is the first step in optimizing the checkout process to convert more sales to closure. “Market-basket” analysis of products being bought together allows marketers to execute targeted follow-up campaigns to customers or present in real-time banners offering products associated with items in a shopper’s cart. Given the low switching costs of Web purchasing, a site must create value for the visitor, provide them relevant, personalized information, and make it easy to move from browsing to buying.

Key Performance Indicators

- Abandonment Rate
- Avg Session time
- # Repeat Visitors
- # New Visitors
- # Unique Visitors
- Avg # of Pages per Session
- Conversion Rate
- Lookers to Bookers

Sample Report: Abandonment During Checkout Process



The following report illustrates the number of people who abandoned the on-line shopping process at various stages. Each stage can be defined by the user to include any number of pages and links in the purchase process. Web marketers can analyze this information to make decisions about Website design based on abandonment rates. A next step would be to develop targeted campaigns (electronic and postal) to individuals who abandoned the buying process, promoting items contained in their shopping carts.

COMMON BUSINESS QUESTIONS

- How many people abandon their shopping cart before check-out?
- What was my gross conversion rate of lookers to bookers?
- Which are my best selling products online?
- Which are my most profitable products sold online?
- Which online products sell well together?
- What percentage of up-sell opportunities closed?
- What percentage of online products were bought as a result of an email promotion or campaign?
- For a visitor viewing a certain item, which items should be merchandized on the page based on past visitor buying behavior?