

Metrics

Professor
School
Digital Analytics and Monitoring



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“The importance of choosing proper metrics”

Metrics (have different meanings for people)

- Km or Miles
- Kg or Ounces
- Cm or Inches

Marathon? How should it be measured?

- A professional wants to finish the marathon in less than 2 hours.
- An amateur wants to run and finish the 42 km.



“The importance of choosing proper metrics”

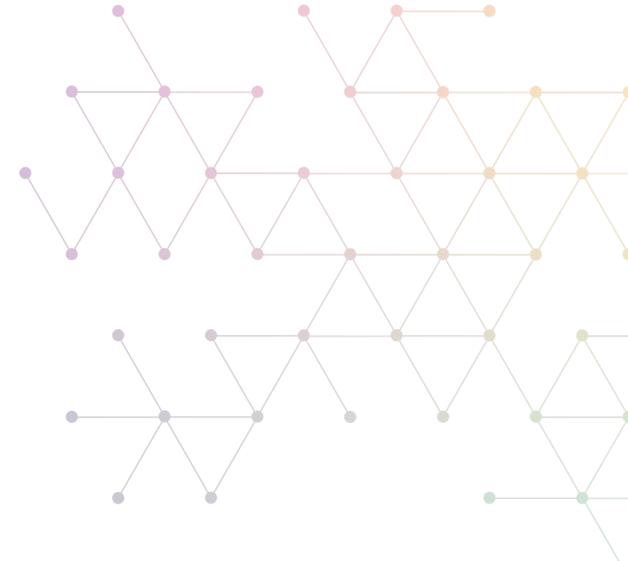
The wrong choice of metric for the two runners causes unintended consequences



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Learning Objectives

- Determine what metrics should be used
- Categorize metrics into groups of websites



Topics

- Defining Your Measurement Strategy
- Key goal performance measures
- Metrics That Matter

“Not everything that can be counted counts, and not everything that counts can be counted.”

Albert Einstein



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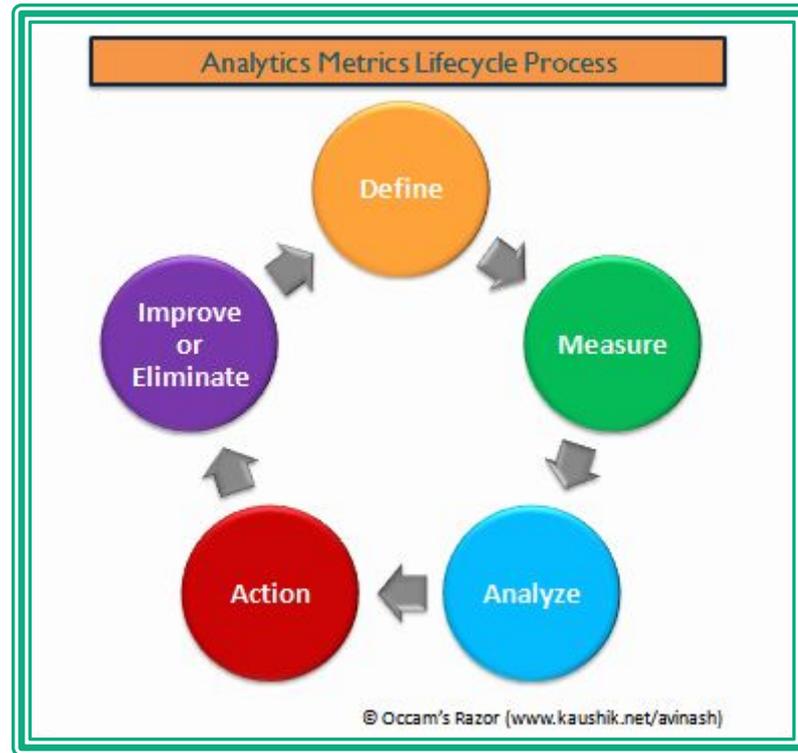


Topic 1

Measuring Defining Your Measurement Strategy

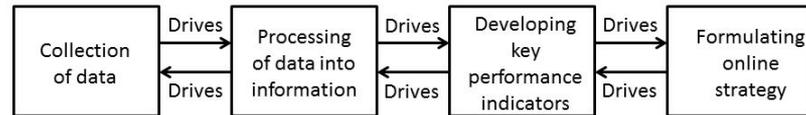


Measuring - Defining a Measurement Strategy



Measuring - Defining a Measurement Strategy

Basic Steps of Web Analytics Process



Typically,
counts.

Basically,
data
collection

Examples:

- Time stamp
- Referral URL
- Query terms

Typically,
ratios.

Data
becomes
metrics.

Examples:

- Time on page
- Bounce rate
- Unique visitors

Counts and
ratios infused
with business
strategy.

Examples:

- Conversion rate
- Average order value
- Task completion rate

Online goals,
objectives, or
standards for
organization.

Examples:

- Save money
- Make money
- Marketshare



Measuring - Defining a Measurement Strategy

Describe the phases of web analytics process

Planning and strategy

- Setting goals and objectives for web analytics efforts, as well as determining which metrics and data points are most important to track.

Data collection

- Setting up web analytics tools and tracking codes on the website or app to collect data on user behavior and interactions.

Data processing and analysis

- Cleaning and organizing the collected data and using tools and techniques to analyze and interpret it.

Reporting

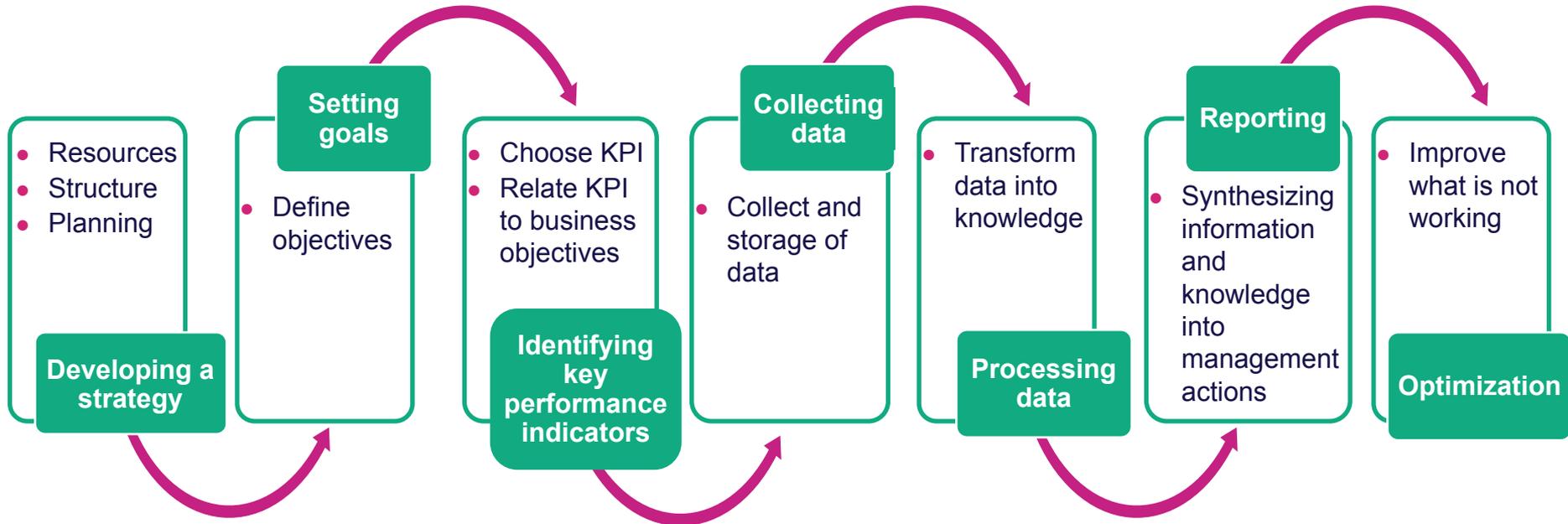
- Creating and sharing reports that summarize and visualize the findings from the data analysis phase.

Action and optimization

- Using the insights gained from the data analysis to make improvements to your website or app, and to inform future planning and strategy.



Measuring - Defining a Measurement Strategy



Measuring - Defining a Measurement Strategy

Stage	Steps	Example for a small online store
Developing a strategy	Resources; Structure; Planning	One data analyst; Reports to Digital Marketing Manager; Reports weekly to the manager
Setting goals	Define objectives	Increase sales and profit; retain customers
Identifying key performance indicators	Choose KPI; Relate KPI to business objectives	Sales growth; Sales by Customer; New customers; Lost customers; CPA
Collecting data	Collect and storage of data	Move data from Analytics to Excel or Analytics Software
Processing data	Transform data into knowledge	Perform Analysis about KPI
Reporting	Synthesizing information and knowledge into management actions	Weekly report
Optimization	Improve what is not working	Checkout process has a 90% bounce rate; Sales by Customer are decreasing



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Assessment Activity

For the next list, choose an organization and its website:

- Online store.
- Online brand presence.
- Information repository (e.g., news)

Define the measurement strategy for each organization



Topic 2

Measuring Key goal performance measures



Measuring - Key goal performance measures

Key Performance Indicators (KPIs) are the crucial (key) quantifiable indicators of improvement toward an envisioned result. They provide a focal point for strategic and operational improvement, producing an analytical foundation for decision making and directing attention on what matters.

Measuring - Key goal performance measures

Best metrics: small, medium large business			
	Acquisition	Behaviour	Outcomes
S	Cost per acquisition	Bounce rate	Macro Conversion Rate
		CK Abandonment rate	
M	Click-through rate	Page depth	Micro Conversion Rate
		Loyalty	Per visit Goal Value
L		Events per visit	Days to Conversion
	% of new visits		% Assisted Conversions

<https://www.kaushik.net/avinash/best-web-metrics-digital-companies/>

Measuring - Key goal performance measures

KPIs for an online store

- **Revenue:** This metric tracks the total amount of revenue generated by the online store. It can be broken down further by product, region, or other dimensions.
- **Conversion Rate:** This metric measures the percentage of visitors who complete a desired action.
- **Average Order Value (AOV):** This metric calculates the average value of each transaction on the online store.
- **Cart Abandonment Rate:** This metric measures the percentage of visitors who add items to their shopping cart but do not complete the checkout process.
- **Traffic Sources:** This metric tracks where visitors to the online store are coming from, such as organic search, paid search, social media, or referral traffic.
- **Customer Lifetime Value (CLV):** This metric estimates the total value of a customer over the entire course of their relationship with the online store. It can be used to identify high-value customers and to tailor marketing strategies accordingly.
- **Return on investment (ROI):** This is a measure of the profitability of the store's marketing efforts, calculated by dividing the revenue generated by the marketing spend.



Measuring - Key goal performance measures

KPIs for a newspaper website

- **Pageviews:** This metric tracks the total number of pages viewed on the website.
- **Unique Visitors:** This metric measures the number of individual visitors to the website.
- **Time on Page:** This metric measures the average amount of time that visitors spend on each page of the website.
- **Session Duration:** This metric measures the average amount of time users spend on the website during a session.
- **Referral Sources:** This metric tracks where visitors to the website are coming from, such as search engines, social media, or other websites.
- **Engagement Metrics:** These include metrics such as scroll depth, video views, and social shares, which can provide insight into how visitors are interacting with the website's content.
- **Ad Performance:** This metric measures the revenue generated by advertising on the website.
- **Content Performance:** This includes metrics such as top pages, top content, and exit pages, which can help you understand which pages and content are performing well and which may need improvement.



Measuring - Key goal performance measures

KPIs for an online brand presence

- **Sessions:** This metric measures the number of sessions on your website, which represents the total number of times visitors interacted with your website during a specific time period.
- **Users:** This metric measures the number of unique users who visited your website during a specific period.
- **Pageviews:** This metric measures the total number of pages viewed on your website during a specific period.
- **Average Session Duration:** This metric measures the average length of a session on your website during a specific time period.
- **Bounce Rate:** Bounce rate measures the percentage of visitors who leave your website after only viewing one page (Although bounce rate is not a default metric in Google Analytics 4, you can create a custom calculation to measure it).
- **Engagement Rate:** Shows the percentage of engaged sessions (engaged session is a session that lasts longer than 10 seconds, has a conversion event, or has at least 2 pageviews or screen views).
- **Traffic Sources:** This metric measures the sources that drive traffic to your website, such as organic search, paid search, social media, or referrals.



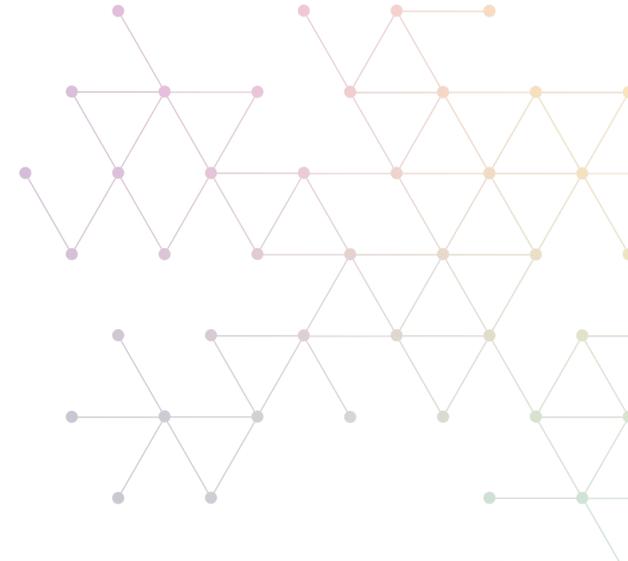
Topic 3

Measuring Metrics That Matter



Measuring - Metrics That Matter

What are the basic metrics that a website analysis tool provides?



Measuring - Metrics That Matter

1. Acquisition
2. Events
3. Conversions
4. Pages
5. Landing pages
6. Retention
7. Customer value



Assessment Activity

Select the following statements that are true:

1. What is web analytics?

1. The process of analyzing data from a website to understand how users interact with it
2. The process of creating and designing a website
3. The process of optimizing a website for search engines

2. Which of the following is NOT a common metric tracked in web analytics?

1. Page views
2. Time on site
3. Age of website visitor

3. What is the purpose of A/B testing in web analytics?

1. To compare the performance of two different versions of a website or web page
2. To track the number of clicks on a particular link or button
3. To measure the effectiveness of a marketing campaign

Consolidation Activity



Consolidation Activity

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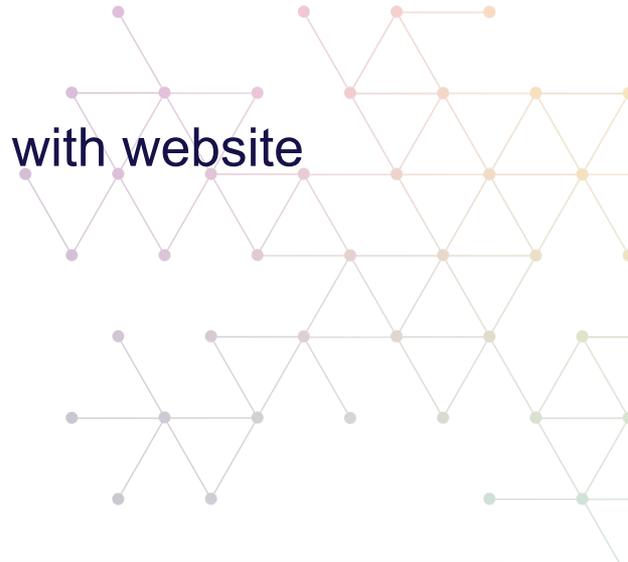
□ **Define the measurement strategy for each organization**

□ **Define the Key Performance Indicators for each organization**



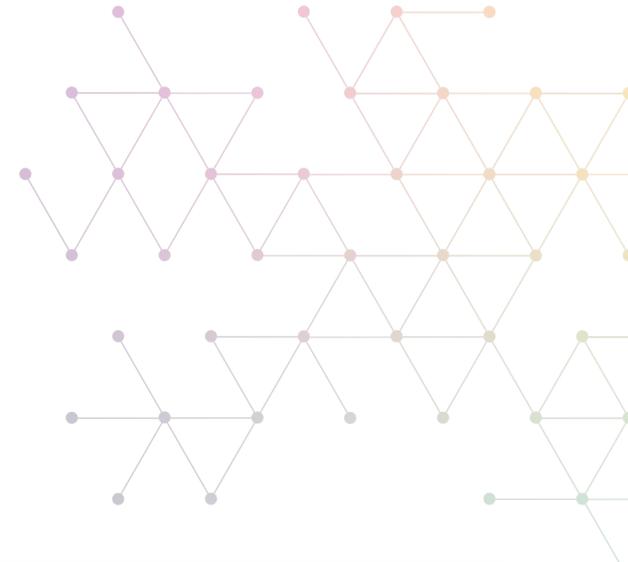
Recap of Learning Objectives

- Now, can you describe the phases of web analytics process?
- Now, can you determine what metrics should be used for a specific website?
- Now, can you list the key metrics associated with website analytics?



Recap of Learning

- What is something you need further clarification on?
- Based on what I learned today, what do I want to learn in the next class?



Questions?



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Next class...

- Understand your audience
- Segmentation and filtering



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