

# Making eCommerce work

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# Search Engines

- Easily the most important marketing item
- Google
  - Try “Computer Science” – the lab comes on page 2
  - Try “Computer Laboratory” – the lab comes top
    - Poor nomenclature in the marketplace
  - Try “Last Minute Holidays”
    - But note also [www.lastminute-wales](http://www.lastminute-wales)
- Algorithm
  - Page ranking (peer review)
    - Which led to scams (checks IP now)
  - Meta text, URL, page title, headings more important
  - Massively parallel retrieval, rank and search
- Google adword campaigns

# Driving traffic

- Special targets
  - UK Online – Parents and kids
  - WorldPOP – 12 to 16 year old females
    - Actually paid by music industry
- Adverts
  - Click to win a car
- Known URL
  - [www.microsoft.com](http://www.microsoft.com)
- Freshness (even if just the date)
  - Nothing sadder than “last altered June 1999”
- Social networks
  - Facebook, Twitter etc

# Logs and Audit

- Who bought what and when
  - I bought this from you and it's faulty
  - Why have I been charged for this?
- ISPs must keep records for RIP
  - Regulation of Investigatory Powers
- BBCi: The country's most popular destination
  - How do they know?
- Ad costs
  - Separate landing pages
  - Per impression
  - Adwords
  - effectiveness

# Words mean what I want them to

- Hit: Primitive object served by the server
  - Or proxy request (not quite the same)
  - Multiple object to the page
  - Impression: Banner ad served – measured by counter
- Page view: Pages or frames served
- Click: Deliberate action by the user
  - Not refresh or script generated
  - But timeout refreshes are interesting
- Visit: Multiple pages on site
  - trajectory
- Unique User/day
- Exit popups

# Answers depend on the questions

- Audit
  - Advertising returns and effectiveness
  - Confirmation of transaction
- Traffic analysis
  - 80% of the site is wasted
- Confirming user behaviour
  - Still need focus groups to find out why
- Trend analysis

# Data mining

- Lots of data
  - Lots of data: 100 bytes/hit ->Gigabytes/week
  - Multiple sources: e.g help desk, servers, proxy, telephone logs, radius logs etc
- Hits, clicks, page views, visits, trajectories etc
- Answers depend on the questions
- Personalisation and localisation
  - Models of the user
  - Bins and profiles
- Collaborative filtering
  - X liked these so you'll like them too
- Affinity marketing
  - Special offers from our carefully selected partners
- Real-world matching
  - Sainsbury's data mountain

# Communities

- Chat
- Bulletin boards
- Social networking eg Facebook etc
- BBC
- Amazon
- Feedback and people feel good about it
  - But beware false shoppers who are actually competitors



# Typical Behaviour

- 40% chat
  - Maybe overstated because of frequent refreshes
- 10% mail, newsgroups, mail lists (75%)
- 5% help, admin, accounts, home page
- 3% search
- 2% favourites
- Less than 1% purchase (same as mail order)
- Remainder random surfing
  - 40% “specialist content”
  - 30% shopping
- Model (still) as “sad lonely geek” BUT
- Fastest growing demographic is women over 60
  - Genealogy

# Typical behaviour II

- 100,000 impressions
- 1% - 1000 clicks/new visitors
  - About the same as mail shot
  - CPC costs maybe \$0.5 – \$5
- 5% - 50 register/trial
  - Depends how hard registration is.
- 2%- 1 Purchase
- <http://www.google.com/onlinechallenge/>

# Typical funnel

Stat	Actual	% Funnel	% Conversions	
Unique Visitors	84867			
New Unique Visitors	82170	96.82%	96.8%	% Unique Visitor = New
Unique Download Page Visitors	15141	17.84%	18.4%	% New Visitor = Download
New Registrations	4318	5.09%	28.5%	% Download = Registered
New Trial Users	3192	3.76%	73.9%	% Registration = Trial User
New Paying User	94	0.11%	2.9%	% Free Trialer = Paying User
Cancelled Subscriptions	17	0.02%	2.8%	% Total Subscriptions

# Sales funnel

**AIDA model**

**Awareness**

**Interest**

**Desire**

**Action Satisfaction**

**Prospects**

**Contact**

**Demo/Trial**

**Negotiate**

**Close Satisfaction**



**Impression**

**Click through**

**Register**

**Demo**

**Purchase**

**Satisfaction**

# Alphabet soup

CPC	Cost Per Click (what Google charges)
CPA	Cost Per Acquisition aka COCA
ARPU	Average Return per User (in period)
CLV	Customer Lifetime Value

# Apps

- Proliferation of devices
  - iPhone, iPad, Android
  - <http://appinventor.googlelabs.com/about/index.html>
  - Facebook games etc
- Controlled by vendor
  - Limits revenue
- (mostly) Fashion
  - Top 10 list important

# Social Media

- Keep in touch
  - Human face
  - Consistent voice
  - Community
  - Feedback

# Future

- Mobile
- TV
- Clicks and mortar
- Multiple devices
- Adverts are annoying and don't work
  - Pop-up hell
- Content will no longer be free
  - Yahoo paid-for email
  - Daily Telegraph, News group
- Pay for E-mail
  - Penny Black