

Making eCommerce work

Jack Lang

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
- 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
- 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 Trialers = 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
http://acorn.caci.co.uk/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