



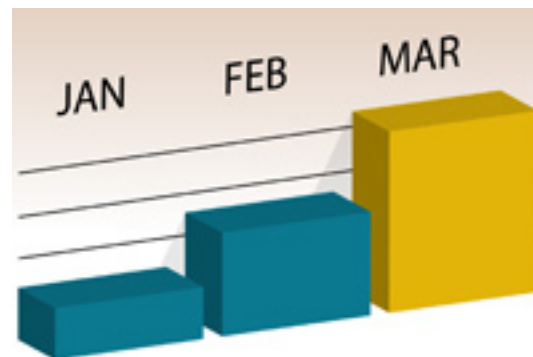
# Building Web Success: Optimizing Online Conversions

## Part Three: Conversion Rate Optimization

*This is part three of a three-part series exploring necessary steps to optimize your site for online conversions.*

In part one of this series, we discussed the importance of setting specific goals for every website and enabling proper tracking to measure and report on web traffic and goal conversions. Part two looked at tagging your goals and measuring your conversion rates.

Completing our discussions with Liam Delahunty of Online Sales, a UK-based company specializing in online conversion optimization, we will now look at how to optimize your site's conversion rate.



### Conversion Rate Optimization

The reason to understand and measure your conversion rate is to improve it. If you know that it takes 100 site visits to make a sale, by reducing this to 90 visits per sale, your business becomes more profitable.

The first step in optimizing a website is to establish a baseline of normal performance (see part one of this series). The baseline of normal performance in this case, is an average conversion rate over a set period of time. With the site's conversion rate baseline set, you can see more clearly the effect of each change you make in optimization.

### Small Changes

Delahunty points out that large, sweeping change in a site's conversion rate is not required to improve profitability. Instead, Delahunty states that a one-to-two percent improvement every month could yield significant increases in profits over time. He offers the following example:

"A business making 100 sales per month online now would make an extra 27 sales per month at the end of two years just by improving the conversion rate by 1 percent each month. Please note, that's not moving from a conversion rate of say 3% to 4%, to 5% and so on, but moving from a conversion rate from 3% to 3.03%, 3.06% etc. When the conversion rate jumps dramatically by 10, 15, 20 percent or more, the results for your business are astounding."

So how does a small business website improve its conversion rates? Delahunty states it's through testing.

### Test, and Test Again

"Testing the results of minor changes in text and graphics enables you to refine your messaging," states Delahunty. "In most cases, using A/B tests (split tests) or multivariate tests will allow you to quickly see what works best, and why. Finding the message and page layouts that have the best conversion rate will definitely improve your online returns."

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As the conversion rate improves, it is important to realize that paid traffic (PPC advertising) also becomes more cost effective. Delahunty offers: "Consider that as you get more sales from the same amount of traffic, you can invest the additional profits back into paid traffic to maximize your efforts. As you continue to test on increased traffic, you will quickly gain insights about your site and visitors - which again, will help in improving the conversion rate. It is an ongoing process."

Some examples of tests your site might use for optimization:

- If a site goal is collecting newsletter subscriptions, offer a free benefit for signing up (tested against no offer) or test using different special offers to see which one has a higher conversion rate.
- If a site goal is to get a specific demographic to call in for product information, create specific and prominent messaging and imagery tailored to them. You might then test different locations on the page to display this messaging, or test different versions of the message itself.
- If your site goal is to increase sales, try testing the effects of minor price changes, discounts or other special offers.
- Test different price points and various bundled product combinations.
- The headline is often key to making the sale. Test various headlines in a multivariate test.

Delahunty warns to not overlook some of the basics. He says to:

- Use the language your visitors use to describe your products or services and not your internal "curse of knowledge" vocabulary.
- Make sure there is a specific call to action for every action you want a visitor to perform.
- Provide specific content on the page for each of the four main personality types that will visit your site:
  1. Spontaneous
  2. Methodical
  3. Competitive
  4. Humanistic

(see: <http://www.grokdotcom.com/topics/copywritinghype2.htm> for details on these personality types and how they apply to web visitors.)

### Don't Try Everything at Once

When you are working on optimizing your conversion rate, Delahunty suggests that you do not change too many things at one time. "If you change many things at once, it can be impossible to get statistically valid results without enormous amounts of visitors." Instead, he suggests making changes that can be isolated and measured against your site's conversion baseline.

"Each small change should be measured, recorded and evaluated," says Delahunty. "When you find something that helps, adopt it and integrate it into your site. If something does not work, note it, log it, and remove it. As more of these tests yield positive results to be implemented, you will see your site's conversion rate rise."

He continues, "Do try bigger changes, too. While there will be a winner established in a test of two similar headlines, testing larger, more dramatic changes will yield results much more quickly. Don't be afraid to see the conversion rate drop, you can learn as much from a decrease in the rate about your visitors as you can from an increase. Just ensure that each change and its results are analyzed and acted upon."

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For more information:

On multivariate testing: [http://en.wikipedia.org/wiki/Multivariate\\_testing](http://en.wikipedia.org/wiki/Multivariate_testing)

On A/B testing: <http://adsense.blogspot.com/2006/08/abcs-of-ab-testing.html>

On Google Analytics: <http://www.google.com/analytics/>

On WebTrends: <http://www.webtrends.com/>

On Omniture: <http://www.omniture.com/>

On ClickTracks/Lyris: <http://www.lyris.com/solutions/lyris-hq/web-analytics/>

On Crazy Egg: <http://www.crazyegg.com>

On Click Tale: <http://www.clicktale.com/>

On 103Bees: <http://103bees.com/>

On Analog: <http://www.analog.cx/>

On Awstats: <http://awstats.sourceforge.net/>

On Webalizer: <http://www.mrunix.net/webalizer/>

On Liam Delahunty: <http://www.onlinesales.co.uk/>

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