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BENCHMARK REPORT

2011 Landing Page Optimization

New research and insights on maximizing the ROI of your website traffic

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Landing Page Optimization Benchmark Report

New research and insights on maximizing the ROI of your website traffic

Author
Boris Grinkot, Associate Director of Product Development

Contributors
Sergio Balegno, Director of Research
Daniel Burstein, Director of Editorial Content
Robert Kemper, Director of Sciences
David Kirkpatrick, Reporter
Todd Lebo, Senior Director of Content & Business Development
Phillip Porter, Data Analyst
Adam Sutton, Senior Reporter

Production Editor
Brad Bortone, Associate Editor

2011 Landing Page Optimization Benchmark Report

US $447 / ISBN: 978-1-936390-15-1

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EXECUTIVE SUMMARY

NEW RESEARCH AND INSIGHTS ON MAXIMIZING THE ROI OF YOUR WEBSITE TRAFFIC

Since the initial printing of the *Landing Page Handbook* by MarketingSherpa in 2002, landing page optimization (LPO) has steadily gained momentum as an opportunity for marketers to improve the performance – not only of their Web pages, but also of related marketing activities that drive traffic, from search and email to social media.

Growing sophistication and decreased average cost of measurement (Web and transactional analytics) tools, availability of primary research from LPO thought leaders and emerging testing expertise, have increasingly allowed marketers to justify their investment into LPO. Triple-digit conversion rate improvements are still not uncommon, even a decade after optimization practices were first systematically applied by marketers to their landing pages. As in other areas of marketing, demonstrating ROI has been the overriding concern, yet LPO-savvy marketers have consistently met this challenge, numbers in hand.

Benchmark Report

MarketingSherpa Benchmark Reports provide marketing executives and practitioners the comprehensive research data and insights needed to compare an organization's practices and performance against industry benchmarks, and guide strategic decisions and tactical planning.

With this report, we examine the new LPO landscape to analyze how marketers' utilization and organizational integration of landing page optimization and testing have evolved.

The collective wisdom of more than 2,000 marketers

A total of 2,673 marketers participated in this extensive survey on landing page optimization and testing. The result is an unprecedented view into the practices, preferences, failures and successes of your peers – assembled to help you learn, plan, and understand your organization's relative stance compared to your competitors and marketers in general.

Highlights of this year's study

- Challenges faced by LPO with respect to expertise gaps, and operational and political issues
- Effectiveness of optimizing specific pages, and relative gains for pages that were tested
- How organizations are allocating LPO budgets and how these allocations are changing
- Staffing related to LPO and the popularity of functions performed by employees vs. consultants
- Usage, effectiveness and difficulty of common LPO tactics and specific page elements
- Usage and effectiveness of landing pages with respect to specific types of inbound traffic
- Metrics used to analyze LPO effectiveness and perform testing
- Popularity and availability of agency services in LPO and testing
- Testing methodologies and learning resources

Organized for fast and easy reference

The *2011 Landing Page Optimization Benchmark Report* is a comprehensive reference guide that contains more than 190 charts with analytical commentary, hundreds of topical insights from your peers, several

abridged case studies of real-life optimization projects and more. To help you quickly locate the information most relevant to your organization, data is provided for the following segments:

- Primary website objective: E-commerce, incentivized lead or direct lead generation
- Primary sales channel: B2B, B2C or B2B2C (mixed-channel)
- Representative industry sector

In addition, select data is presented based on particularly relevant respondent segments to provide an especially telling or specialized view on the topic. These segments include:

- Consultancies that perform LPO and testing services
- Companies that perform testing vs. those that do not
- Respondent's organizational role (CMO/executive vs. non-CMO/executive)
- Organization size (fewer than 100, 100-1,000, more than 1,000 employees)

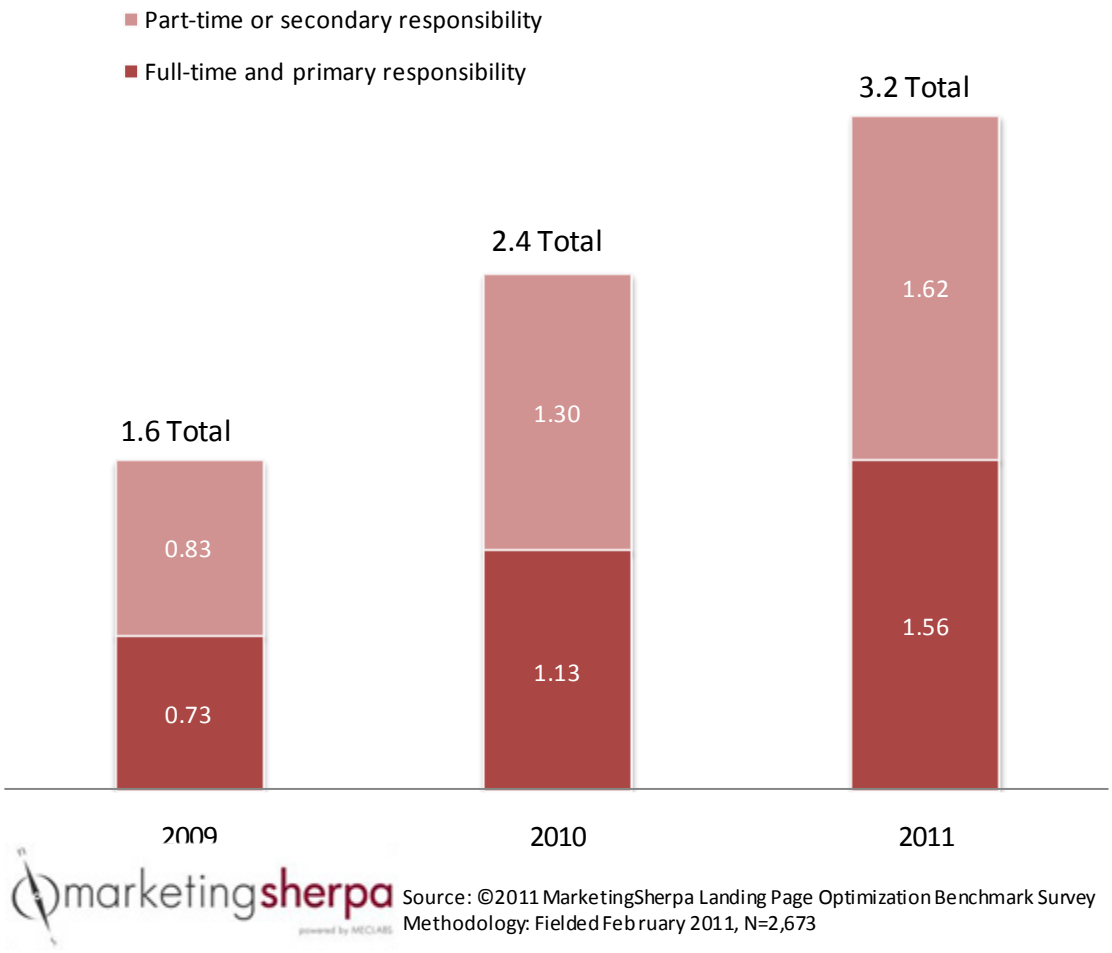
Analytical commentary

Analysis and insights from survey data are provided, where appropriate, to assist the reader in interpreting the data and identifying opportunities with respect to what the reader's peers may be doing (or not doing) in LPO. This commentary is offered to help the reader make both strategic decisions to develop or grow the LPO practice, and tactical choices that deliver maximum return on investment in LPO.

KEY FINDING: STEADY GROWTH OF IN-HOUSE STAFF ASSOCIATED WITH LPO FUNCTIONS

With landing page optimization proving itself as a reliable ROI driver, the number of employees with full- or part-time responsibility focused on optimization and testing has steadily grown since 2009 and projecting into 2011. This trend reflects both the increased awareness and perceived value of LPO.

Chart: Number of in-house employees entrusted with LPO from 2009 to 2011



Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

This chart provides a separate count of employees in full- and part-time categories, meaning that for each company, on average, the total LPO staff size is the sum of the two (the figure at the top of each stack). For example, a company in 2010 had an average of 1.13 employees with full-time LPO responsibilities *plus* 1.30 employees occupied with LPO only part-time for a total of 2.4.

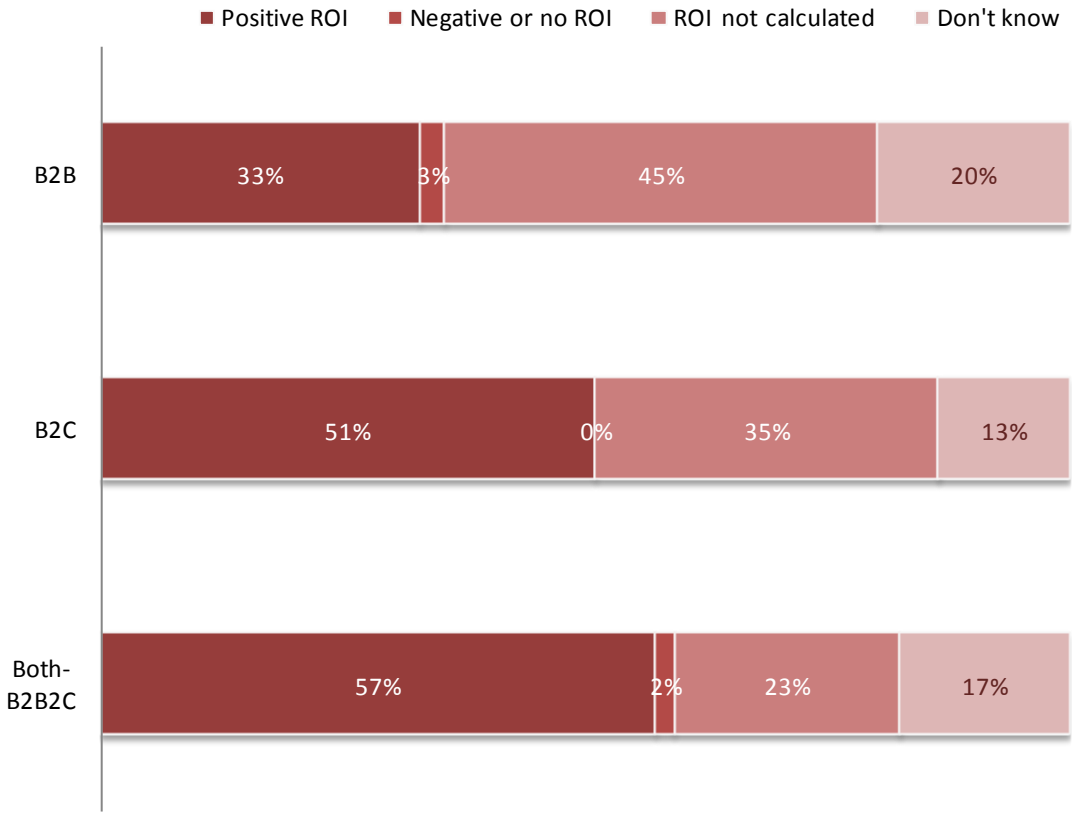
However, it should be noted that companies with zero employees involved in LPO are significantly *under*-represented in this survey, as they are less likely to respond (or provide you with valuable insights) on LPO. Had they been fully represented, these average figures would have been much smaller. This is likely good news for most readers from the comparative perspective: If you have at least one LPO employee by 2011, you are well in the game. If you do not, read on to discover key LPO challenges, best practices and outsourcing opportunities to help you plan your path ahead.

KEY FINDING: ROI OF LPO IS UBIQUITOUSLY POSITIVE, BUT A CHALLENGE TO CALCULATE

Among marketers that took on the challenges of executing LPO programs, almost all reaped the rewards – at least those that were able to calculate them.

The chart below shows that aside from being least likely to demonstrate positive ROI from LPO, B2B marketers are also the ones most challenged to calculate ROI in the first place. This is understandable, as B2B websites tend to receive relatively low traffic. Therefore, B2B marketers are less likely to have sufficient Web analytics data to establish a reliable financial model. As we will show later in this report, B2B marketers are also significantly less likely to test, as compared to B2C marketers.

Chart: Marketing executives and managers demonstrating the ROI of LPO in 2010



Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

Again, there is an inevitable bias in the data. Those achieving positive ROI were more likely to respond to the survey. Given this bias, the proportion of respondents that "could not or did not calculate an ROI" is especially high. This trend indicates that even when calculating ROI is a challenge, marketing managers and executives are nevertheless concerned about LPO, likely as a result of others' published LPO successes.

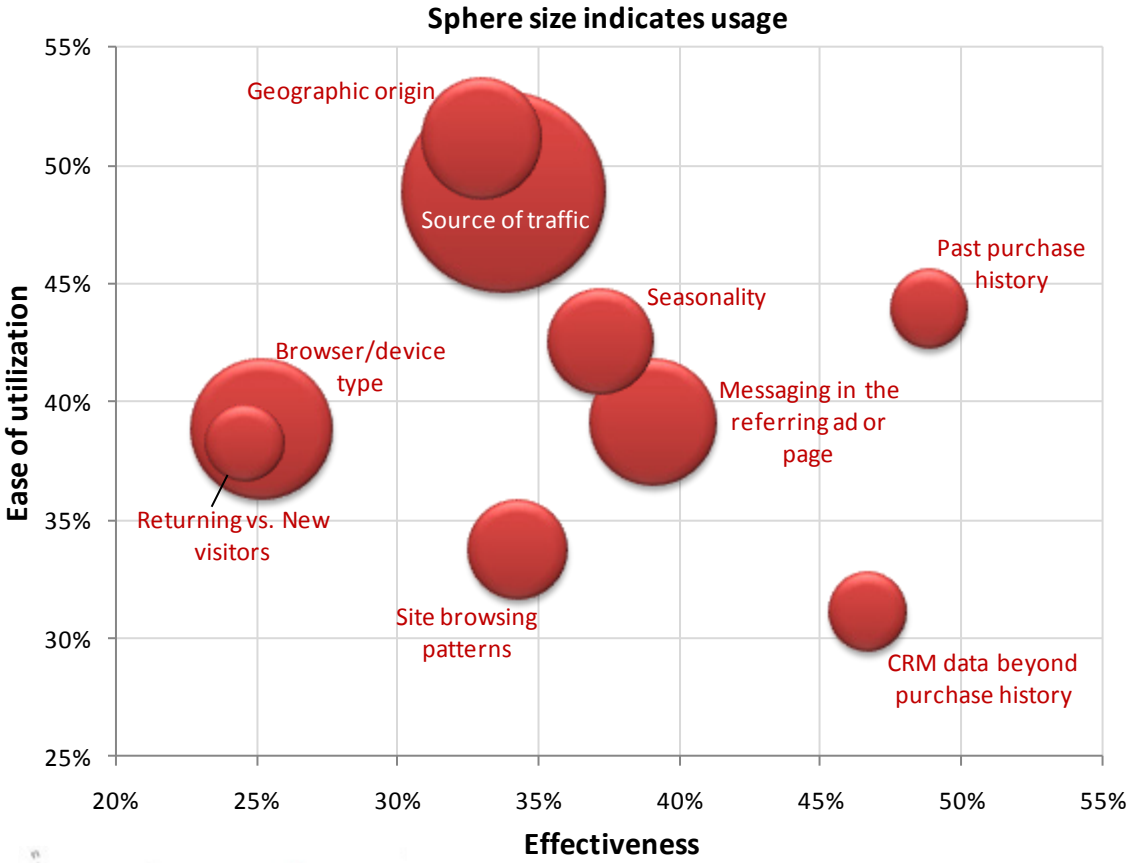
It should be noted that the "don't know" segment is surprisingly large across the board, together with the "ROI not calculated" segment signaling an opportunity for data-driven marketers to capitalize politically on LPO's effectiveness.

KEY FINDING: TRANSACTIONAL DATA IS GOLD FOR SEGMENTATION AND RELEVANCE

"Relevance" has only recently been overshadowed by "engagement" and "influence" as digital marketers' top-of-mind buzz words. For landing page optimization (as for marketing in general), relevance continues to be both critical and elusive. With static and stale websites at the one extreme and CRM-driven custom content at the other, marketers are becoming increasingly sensitive to website traffic diversity. Different visitors have different motivations, want different things and prefer different communication styles.

Teasing out these preference segments from visitor behavior is difficult, but can be highly rewarding. Combined with testing, segmentation allows fine-tuning relevance not only in terms of content, but in terms of how that content is presented. The chart below demonstrates which segmentation tactics have been shown to be most effective.

Chart: Three-dimensional view of top segmentation and relevance tactics



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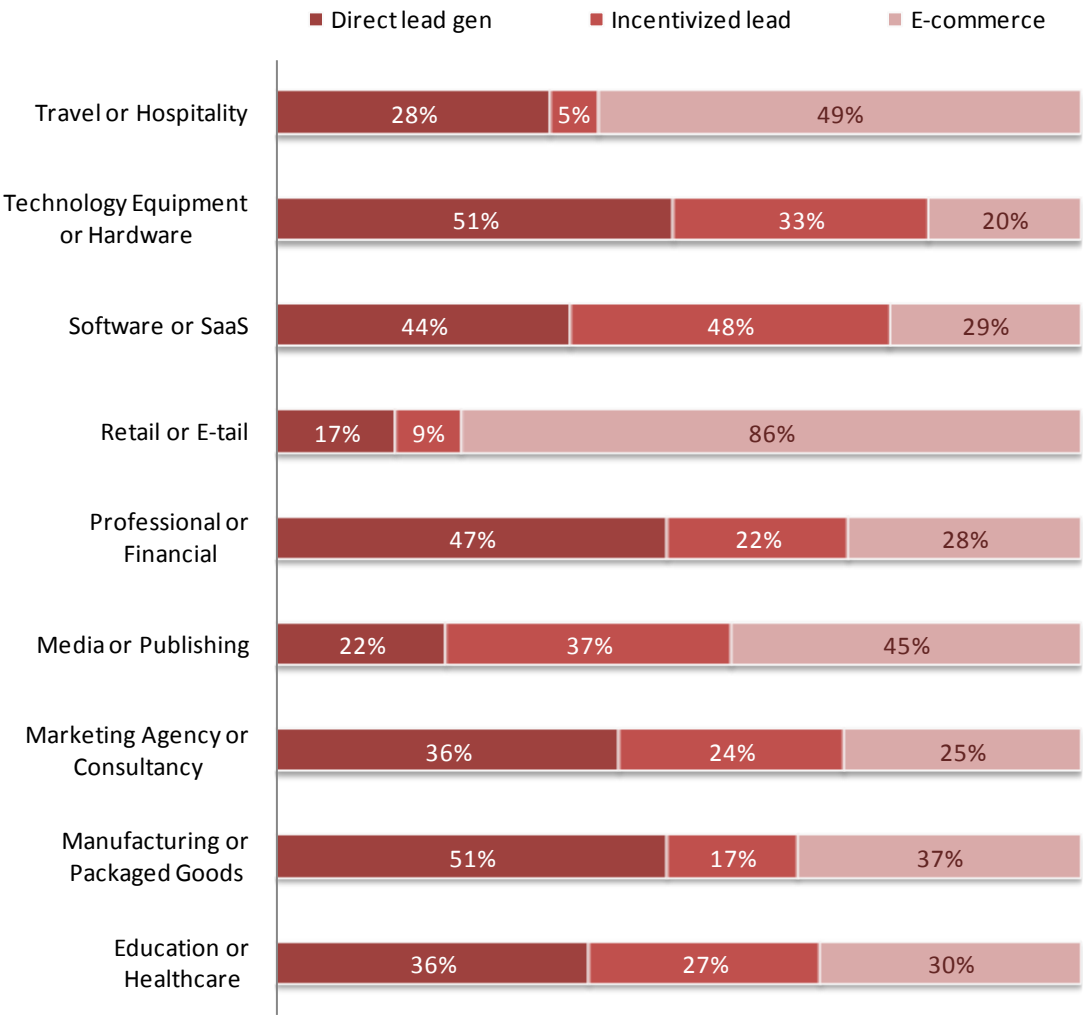
Methodology: Fielded February 2011, N=2,673

Not surprisingly, the most often-utilized segmentation data is also among the least difficult to apply with respect to IT and other resources in optimizing for relevance. Recognizing "returning vs. new" visitors has been surprisingly ineffective, while the more sophisticated ways of recognizing, storing and applying data on past interactions with a site visitor are both the most difficult to orchestrate and provide the greatest return. Notably, the tactic of using the messaging in the referring ad or page can be especially easy to apply when the marketer also controls that messaging, making it a highly efficient way to segment.

KEY FINDING: WEBSITE OBJECTIVES ARE KEY TO DECODING LPO PRACTICES

Without an objective, optimization is simply pushing things around on a page. Optimization cannot occur in a vacuum. A page, a process, a message, etc., is optimized *for* a certain desired outcome. Practices described in this report must be understood in terms of the website objectives. As we can see in the chart below, while some objectives map neatly on our intuitive understanding of certain industries, others are somewhat unexpected.

Chart: Direct lead gen, incentivized lead, and e-commerce objectives in 2010, by industry



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Methodology: Fielded February 2011, N=2,673

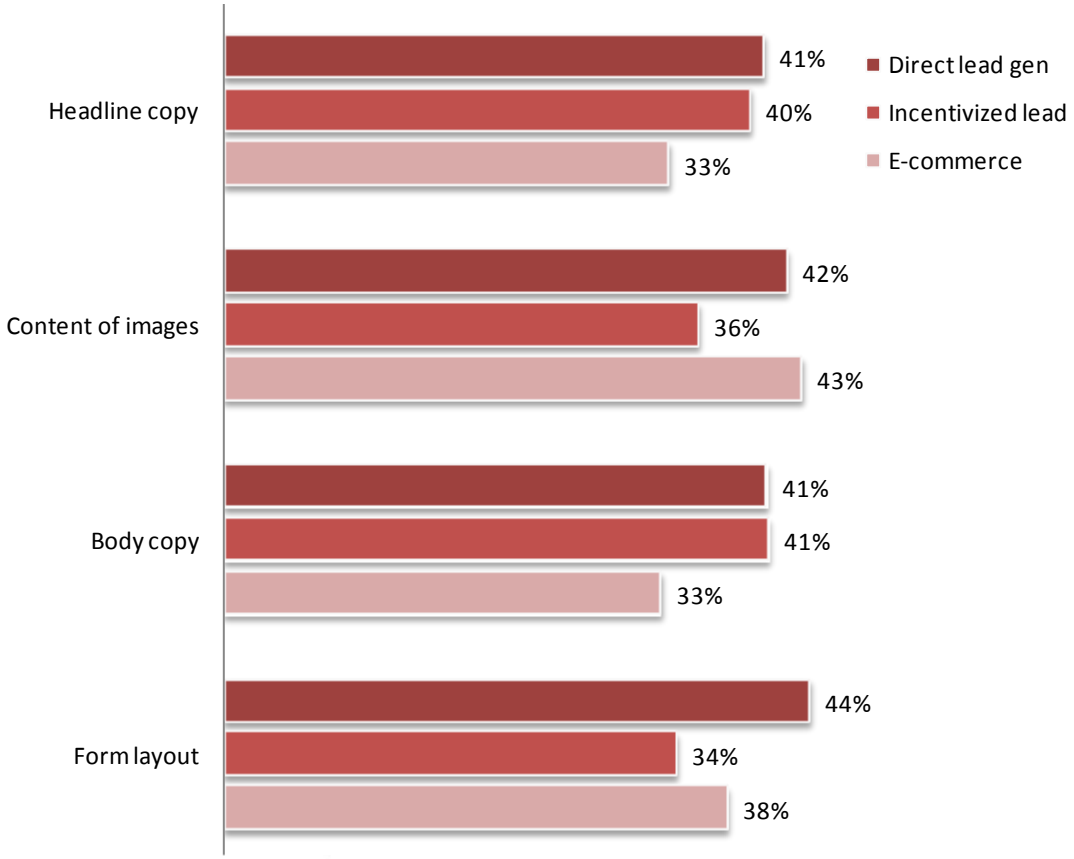
Lead generation is not only a dominant concern across industries, but also has significant presence in retail and e-commerce. Yet, as we will see later in this report, almost 80 percent of marketers do not employ a lead quality score to determine the right balance between lead quality and quantity. Without taking the cost of sales into account, increased online conversion-to-lead may belie a decrease in revenue, not to mention cause some animosity from the sales folks across the hall.

KEY FINDING: HEADLINE AND CALL TO ACTION ARE THE MOST IMPACTFUL PAGE ELEMENTS

Given limited time and resources, simply optimizing or even testing can be an exercise in futility. You can spend several months perfecting a button, but even the most optimal button color may not provide a noticeable improvement in the conversion rate. We asked marketers to report on their experience with 17 of the most commonly tested page elements in terms of impact on website performance.

Below are selected elements ranked most consistently *across* the three website objectives as having "very significant impact" as a percentage of marketers that optimized them. Importantly, this ranking varies very significantly depending on the objective, industry, and sales channel segments, broken out in the full report.

Chart: Top 5 of 17 page elements most consistently having "very significant impact" in 2010



Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

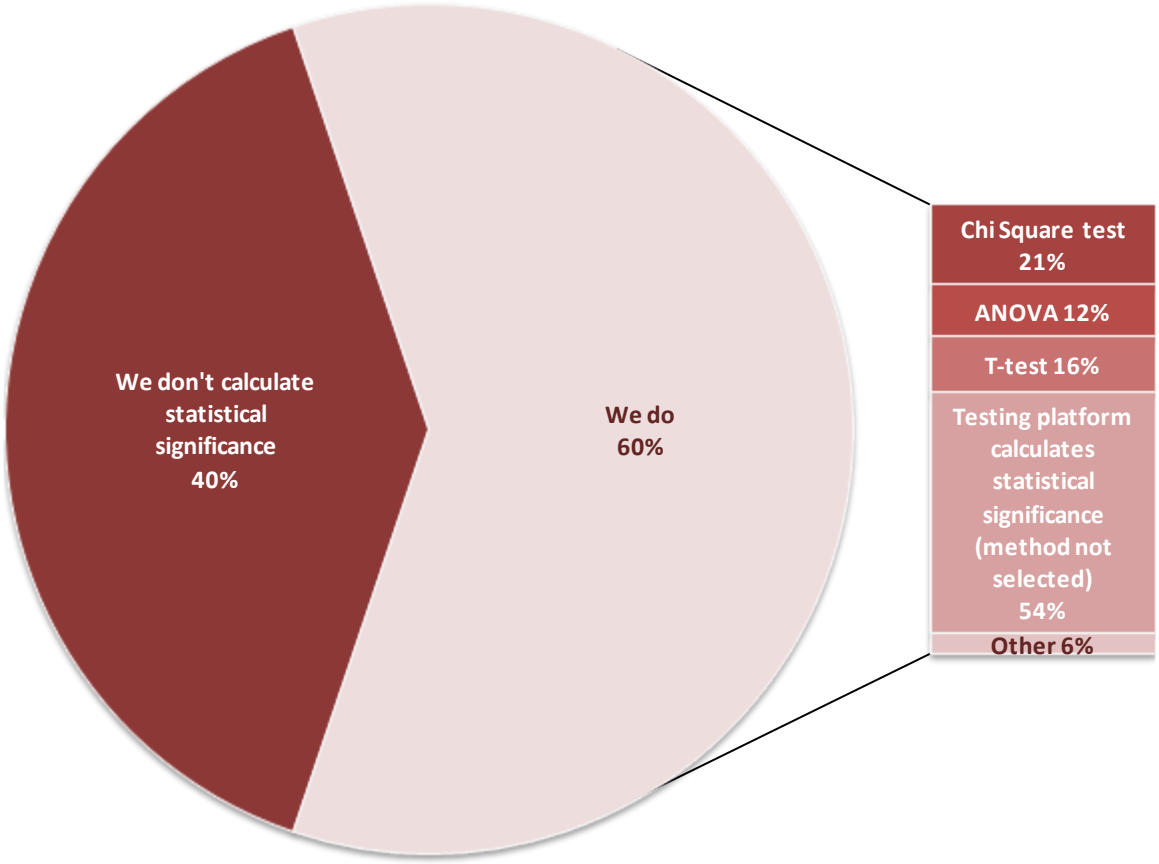
The headline has been repeatedly shown to provide high impact, and its success factors into the ranking below. Often, it makes the difference between the visitor reading *any* content and going for the dreaded "X" button. The call to action is not surprisingly twice in the top five – supporting the reason and providing a clear opportunity to act, which are critical to conversion. Of course, you can no longer stop at best practices; you must test to confirm that a specific tactic will work for your website. If you are just starting out in LPO, this report provides a starting point for trying out best practices that have worked for your peers. If you are a seasoned LPO and testing expert, you can evolve and calibrate your own LPO efforts against your competitors by using the more granular breakouts in this report.

KEY FINDING: MARKETERS MANAGING ONLINE TESTS DON'T VALIDATE RESULTS

We asked marketers – not just a random group, but those who had previously indicated that they were involved in generating a formal design of experiments, calculating the appropriate number of treatments and traffic volume for a test, and/or hands-on operated a testing software platform – how they arrived at statistical validity for their test results.

It is no surprise that the statistical methodology in play may be obscured by the testing and analytics software in a marketer's toolkit. However, we were surprised to find that between one-third and one-half of testing-savvy marketers did not calculate statistical significance at all. This means that even though they test, they determine (and presumably, act upon) a test's winner without solid analysis to support it.

Chart: Marketers' awareness and use of various methodologies to validate test results



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Methodology: Fielded February 2011, N=2,673

This certainly does not imply that every marketer should go out and get a degree in statistics. However, in our ROI-driven world of digital marketing, testing without calculating statistical significance of the data is not much different than not testing at all. Perhaps it is even more problematic, as it generates complacency from knowing that the most powerful ways of optimizing are being employed, yet does not provide the company with the value that comes from making decisions based on validated data.

FROM THE AUTHOR

Transparency, conversation, and engagement are all marketers hear about these days. At a recent social media marketing conference, a group of panelists agreed to take a shot of whiskey every time someone used the word “engagement.”

Yet these concepts should not be new. The website, just like any other element of marketing communications, is an opportunity for brands to speak with prospects, clearly communicate value, and even engage them in interaction. This is not wishful thinking, but rather a necessity. Consumers have become increasingly cynical about marketing messages and are simultaneously empowered by communication technology to share their sentiment with one another. We know that “full price” (as in, “75% off the full price”) is an amount that no one has ever paid; that the word “premium” is no more meaningful than a punctuation mark; and that “number one choice” refers to the corresponding company founder’s preferences. Empty or misleading messaging may still work, but its power is shrinking as the speed and breadth of social communication increasingly undermine it.

Landing page optimization can certainly empower both transparent and “shady” marketing. However, marketers now have unprecedented access to technologies and data that allow them to escape the scare tactics and false claims, to which their customers are growing immune. I hope that this report helps marketers profitably further their transparent tactics, or transition to them if they have not done so yet. At its core, LPO is about finding the right match between the preferences and motivations of your website visitor and the offer. When you find this match, both sides win. As you optimize, you find more matching segments, better ways to speak to them, and more appropriate forms of interaction that lead to conversion.

Insofar as this report is meant to be used as a reference, there is recurrence of certain common themes, issues, problems and solutions in related sections throughout. These common elements typically appear toward the end of the analytical commentary that follows each chart, and the more thorough readers who will read this report in one sitting will certainly notice the unavoidable repetition.

This format allows the reader to look up a relevant topic and find sufficient commentary immediately following that topic. The charts are here to present objective reference data for quick scanning, yet are strategically arranged to tell a story on their own. The busy reader may find it useful to read only chapter and/or section introductory commentary, and then peruse related chart data.

Your feedback and thoughts about the information presented in this report is most appreciated. Please feel free to reach out to me directly via boris.grinkot@meclabs.com.

CHAPTER 1: EVOLVING ROLE OF LANDING PAGE OPTIMIZATION AND ITS ROI

While Landing Page Optimization (LPO) might not yet be a standard marketing function comparable in organizational prominence to search or email marketing, it is the natural heir of direct response, which has been the cornerstone of generating customers for more than a century. Even the newer field of social media marketing has been successful in overshadowing LPO during planning meetings. Yet, just like any other source of website traffic, it still depends on LPO to make the most of the resulting visits. LPO successes have been steadily gaining it political ground, even where there is no *official* home for LPO in the organization. LPO, or "post-click optimization," has also been utilized invisibly as part of Web design or traffic generation operations.

At first glance, LPO may not be readily distinguished from website design. After all, the subject of LPO and Web design/management are the same – the website. What truly distinguishes LPO is its focus on communicating an offer and triggering a response. Both "offer" and "response" are defined broadly here. The former could be any information the brand communicates to the website visitor in order to get the latter – a response in the form of a click, a form submission or a purchase, which will be defined as a "conversion actions" later in this report.

In a sense, LPO is Web design with an agenda: to increase the quantity and quality of the visitor response to their website experiences. This response is both quantifiable and measurable, linking LPO directly to the company profit and loss. For e-commerce, at least part of this calculation is relatively easy, as conversion is automatically associated with revenue and profit, but savvy marketers certainly don't stop there, looking to repeat purchases, cost of remarketing, and other longer-term indicators of conversion "quality." For industries where online conversion is only a first or intermediate step in the customer acquisition process, the calculation can get tricky, yet possible by establishing the value of online conversions through analysis of the overall sales funnel. In both cases, when the website is a key communication point between the company and its target market, LPO is the difference between amplifying and wasting the effort and expense involved in bringing visitors to the website.

Make no assumptions. Different business sectors require different landing pages. You need to educate the client and give them confidence in the process.

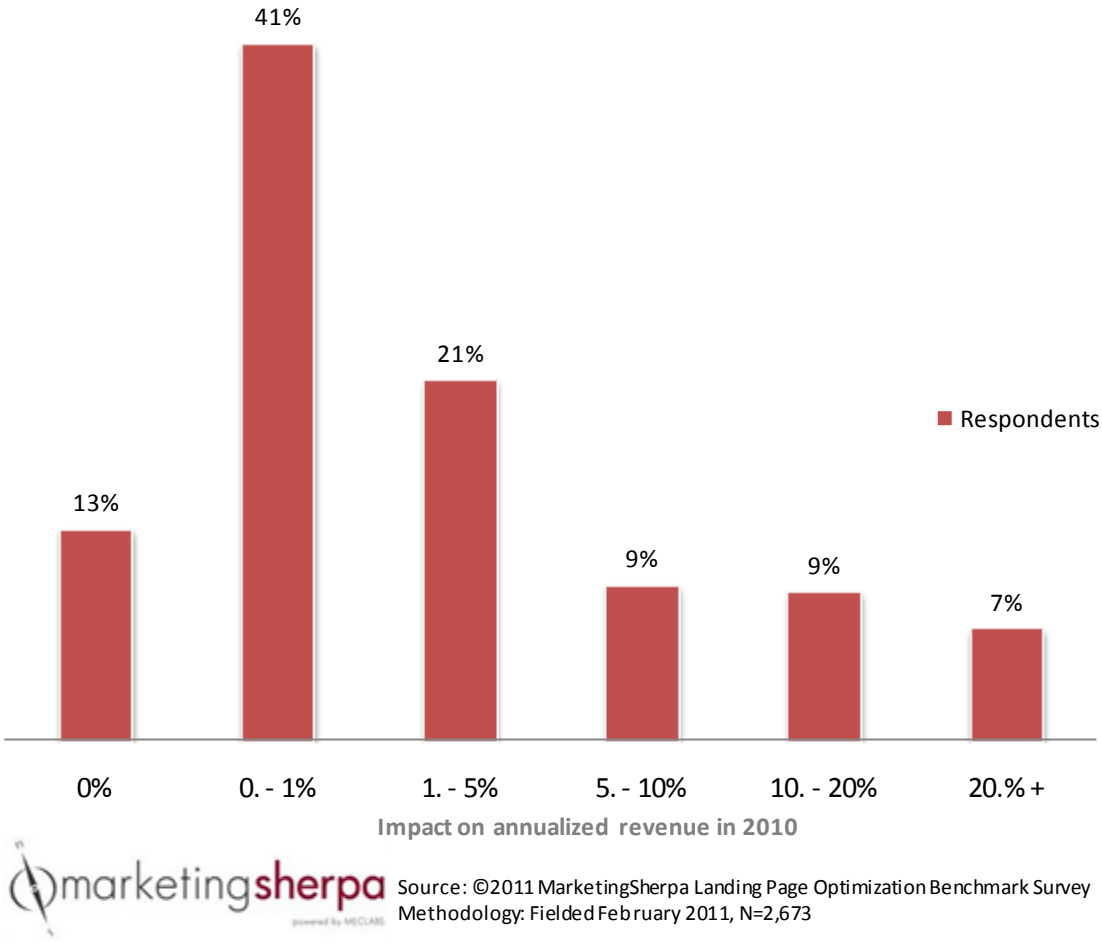
- Agency insight

LPO ultimately converts traffic-generation efforts into sales or leads, and its impact on the bottom line is direct and measurable. In this chapter, we take a brief look at LPO successes, and focus on how LPO has been integrated into marketing organizations.

The impact of conversion on revenue is even more impressive when there is no additional media spend. While media is not the sole cost associated with LPO, it tends to be one of the largest marketing budget line items. Yet, for every dollar spent on buying media, only a small fraction is typically spent on efforts to convert the resulting traffic. We will discuss calculating ROI later in this report, but in looking solely at revenue improvements, we should remember that there was often little offsetting cost associated with the LPO efforts that generated this additional revenue.

Q. 12.0 - What was the approximate annualized revenue impact of your LPO efforts in 2010?
Q. 13.0 - What is the approximate annual revenue generated by or through the website(s) you optimized in 2010?

Chart: Landing page optimization annualized impact as a % of revenue in 2010



Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

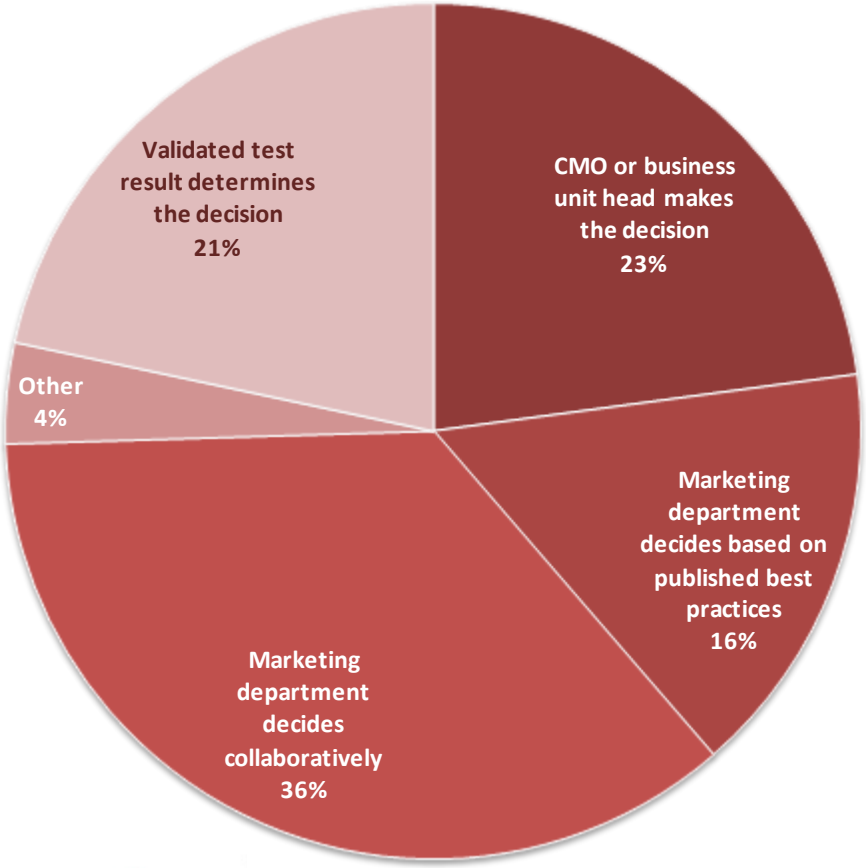
Asking for revenue figures in a survey is (necessarily) done in terms of ranges and not exact dollar amounts, so the figures used to build to use this chart are approximate, yet the trend is instructive. The key observation here is not the revenue increase boasted on the horizontal axis, but the fact that only 13% of LPO practitioners that reported revenue in the survey have achieved no revenue impact. Given the broad spectrum of marketers responding to this survey, the 7% that were able to achieve more than 20% improvement in their annual revenue through LPO should be both impressive and inspiring.

Double- and triple-digit conversion rate increases are far from infrequent in LPO, often directly translating to the bottom line. Few other types of business process improvements can boast such impact. At the same time, even seemingly tiny conversion lifts can translate into tens of millions of dollars for adequately sized enterprises. Major online retailers are perhaps among the biggest LPO practitioners, and one percent conversion increases on their websites can mean major P&L changes.

DECISION MAKING IN WEBSITE OPTIMIZATION: TEAMWORK, HIPPOS, AND SCIENTISTS

Q. 34.0 - In your organization, how do you decide which version of a page/process should go live?

Chart: Who called the shots in 2010: deciding on the best version of a page or process



Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

The term HiPPO has become wildly popular, especially among data-driven (or at least, data-conscious) marketers since it was coined by Avinash Kaushik. It stands for "**hi**ghest-**p**aid **p**erson's **o**pinion," and thus succinctly takes a jab at arbitrary decision making that often takes precedence over data-driven decision making.

However, HiPPOs are not the sole threat to successful practice of LPO. Arbitrary decisions about including certain colors, keeping a page replete with irrelevant yet beautiful imagery, giving a particular product prime real estate on the homepage, etc., are also made by teams and committees. When the best way to achieve a conversion, or even the appropriate definition of conversion, is subjected to political and personal agenda, the result is never an optimized experience for the *visitor*. Therefore, it is not the experience that leads to the right conversion action and maximized financial performance.

Only 21% of respondents indicated that their decisions about the best page or process to go live are based on objective evidence – test results. This spells tremendous opportunity. While testing carries a cost in terms of requisite human resources (or consulting fees) and time – issues we will raise later in this report –

the validity of choices made through testing ensures that you maximize the value of website traffic you receive. Testing, of course, does not magically produce the best possible choice. What it does is deliver statistical confidence in picking the best choice among those you are considering.

Another way of deciding how to improve your website – one that has perhaps the longest history in Web design – has been neglected here. It is copying your competitors. Conversely, marketing executives are sometimes worried about investing into optimization and testing because "our competitors will just copy us anyway."

The bad news is that unless you know that the competitor has tested a page successfully *and* your page receives the same type of traffic (that is, visitors that are equally motivated and are looking for the same thing), you cannot confidently copy that page. Needless to say, this scenario is unrealistic.

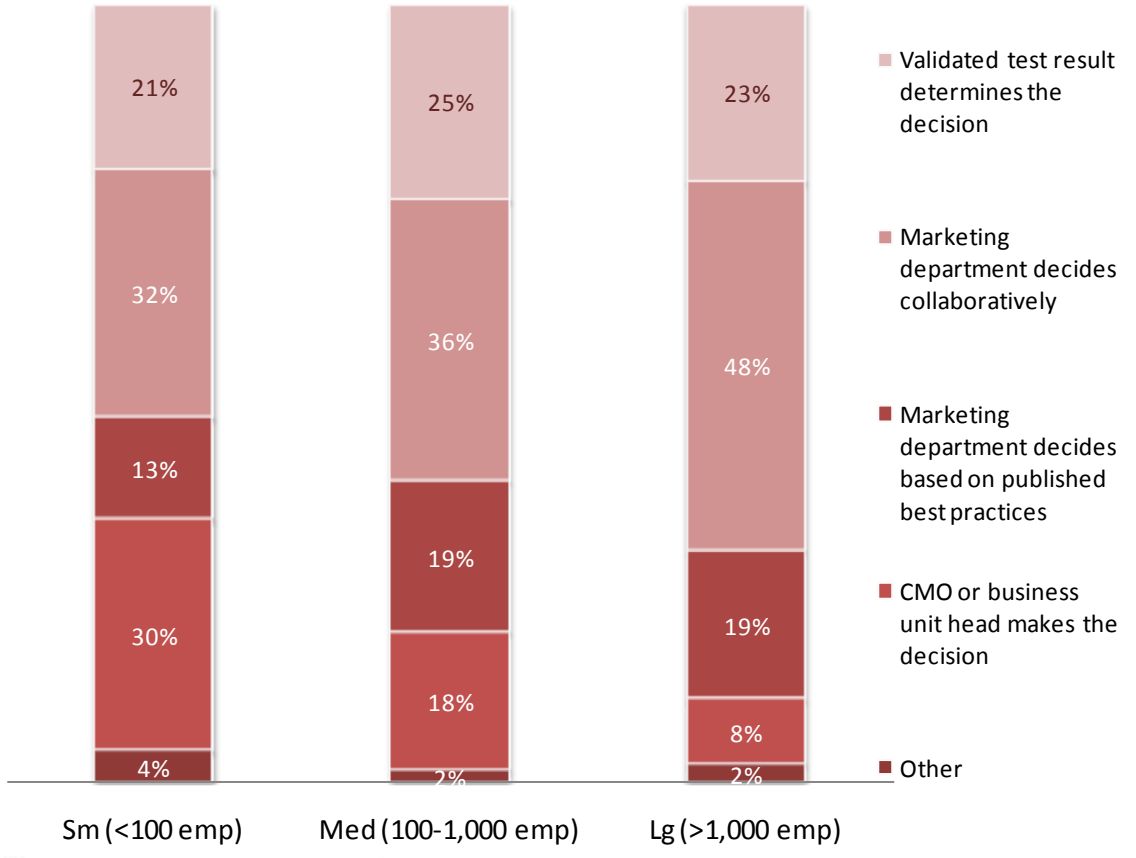
Not every winning design will automatically work on another similar site.

- Marketing executive insight

You also don't know if your competitor's page – all other things equal – is performing better than yours. It would be especially ironic if you tried to copy a page that your competitor was testing, only to find that it underperformed their control. In any case, the amount of effort you would have to invest into this high-tech espionage is likely less effective and more expensive than running your own tests, where you could certainly try out your competitor's ideas.

The good news is that when you do test, you don't have to worry about your competitors copying you precisely for the reasons stated above. Your competitors would need to have significant insights into your visitor and conversion data to use what they see profitably. Later in this report, we will discuss how you may want to consider different landing pages for different sources of traffic, based on the fundamental concept that the same page may perform well only for one visitor segment, and not for others.

Chart: Who called the shots in 2010, by organization size



Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

According to the survey data, it appears that the larger the organization, the less arbitrary influence the HiPPO has on optimization decisions. In larger organizations, the marketing department is likely larger, and perhaps the trend we are seeing is simply the result of the CMO becoming removed from the more tactical decision making. This is supported by the trend toward "collaborative" decision making becoming more prominent with increased organization size. In short, the more stakeholders involved, the more democratic the decision becomes.

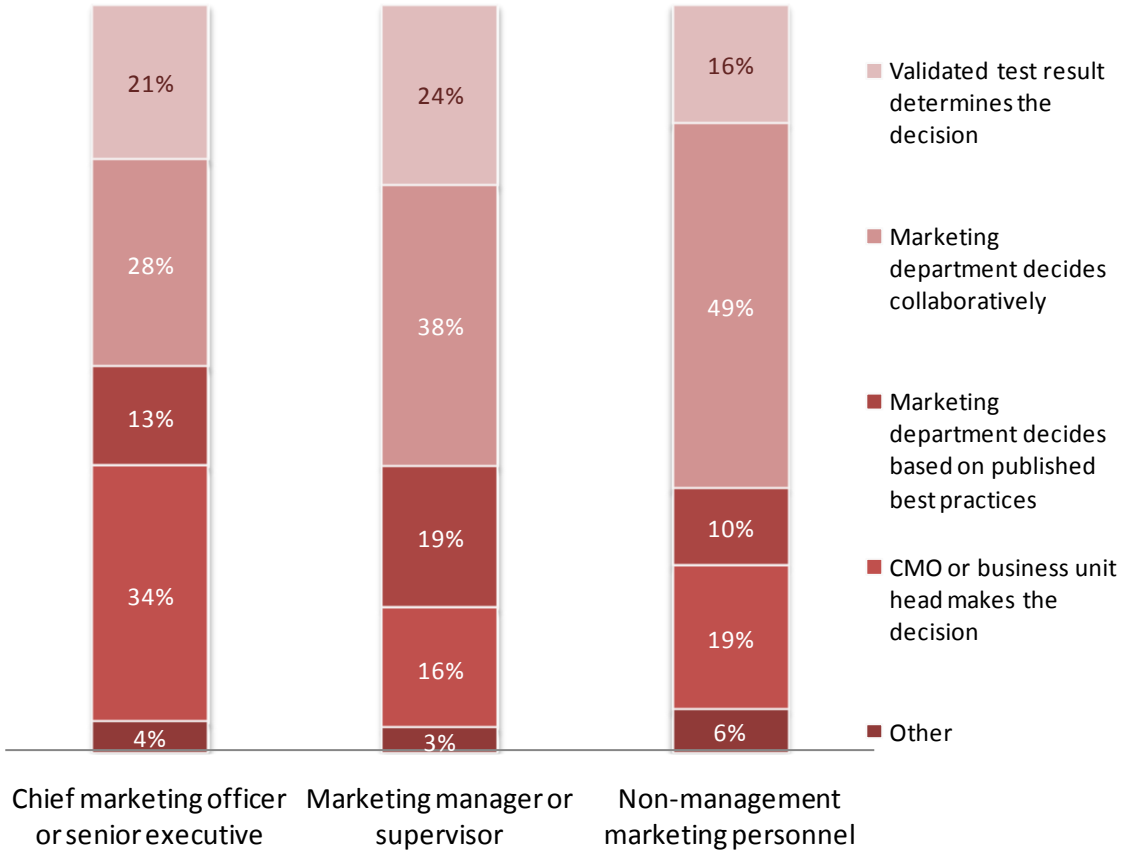
However, the likelihood of testing or even third-party best practices being used as guidance for deciding which page should go live increases modestly with organization size. In other words, the apparent decrease in arbitrary decision making is simply a function of more people being involved, not of a deliberate shift toward a culture of testing.

Basically, we didn't learn anything because we didn't have a clearly documented testing methodology. So in 2011, my goal is to create and execute a testing methodology.

- Marketer insight

Moving from HiPPO-driven to committee-driven landing page optimization maintains all the drawbacks of lacking supporting data, and adds the cost of delays and group think.

Chart: Who called the shots in 2010 from different points of view, by organizational role



Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

The question about who makes decisions is somewhat arbitrary, and the chart above segments the respondents by their level of authority in an organization. Someone in an organization may feel that they are making the decisions, while, in fact, the decision came from elsewhere. Also, the difference between arriving at a solution and approving it may generate different points of view on who determined the outcome.

When we asked respondents to elaborate on how decisions are made, some representative responses included "Owner's whim," "Steering committee (R&D, Marketing, Technology, Customer Relations)," and "I decide based on experience."

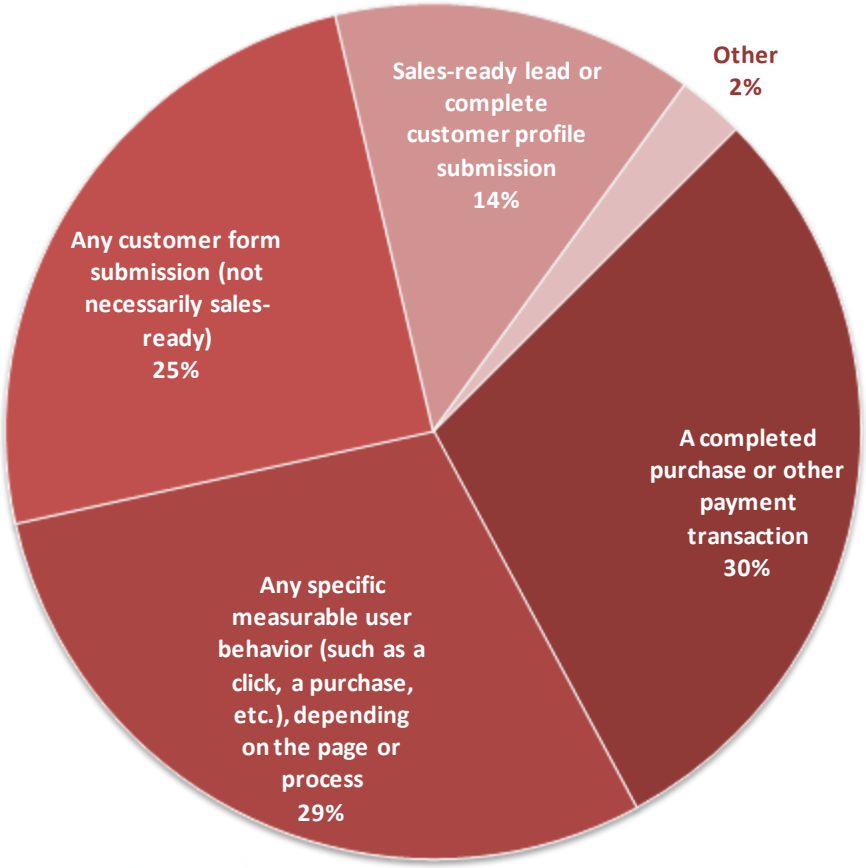
Need more thinking and process to begin the test. It requires more interdepartmental involvement to make it happen. Need to educate participants to understand what it is about.

- Marketer insight

THE EVOLVING MEANING OF LANDING PAGE OPTIMIZATION

Q. 61.0 - With respect to a page or a process, how do you generally define a "conversion?"

Chart: Definition of a "conversion" in 2011



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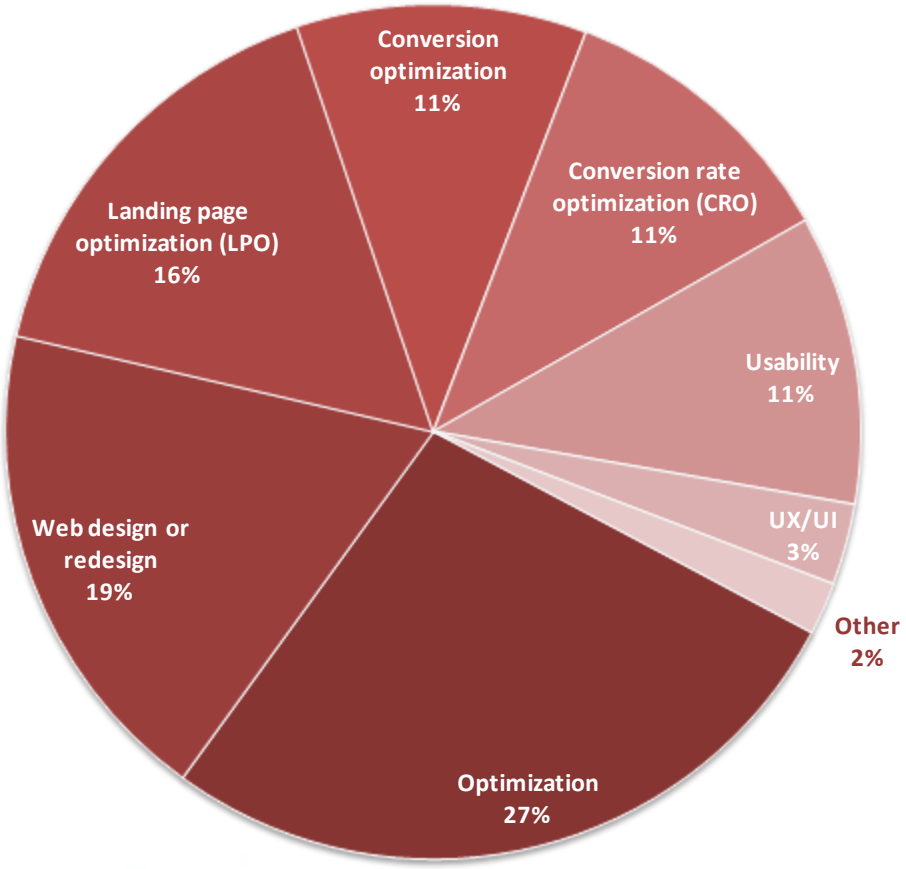
Another topic that some might consider subjective is the very definition of "conversion." Clearly, most marketers tend to define conversion as it applies to their industry or website objective. However, it was refreshing to find that close to one-third of marketers take a broader view, defining conversion in a way that accommodates not only different types of transactions, but more generally allows analysis and testing of intermediate steps in a visitor's website experience.

Most websites give visitors an opportunity to interact in various ways, along multiple possible paths. From the optimization point of view, it is not always possible to focus efforts on the entire path, and therefore optimizing for an "intermediate" conversion becomes a viable operational priority for the marketer.

Identifying "leaks" in the conversion funnel (again, with the ever-shifting meaning of "conversion" based on the objective for which you are optimizing) based on Web analytics may point to specific steps in the visitor's experience that make sense to optimize on their own. In this case, the visitor behavior at the "leaky" step in the funnel becomes the conversion for which you will optimize.

Q. 59.0 - Which of the following terms do you use primarily in reference to efforts directed at improving the performance of various pages on your website?

Chart: Popularity of terms describing landing page optimization in 2011



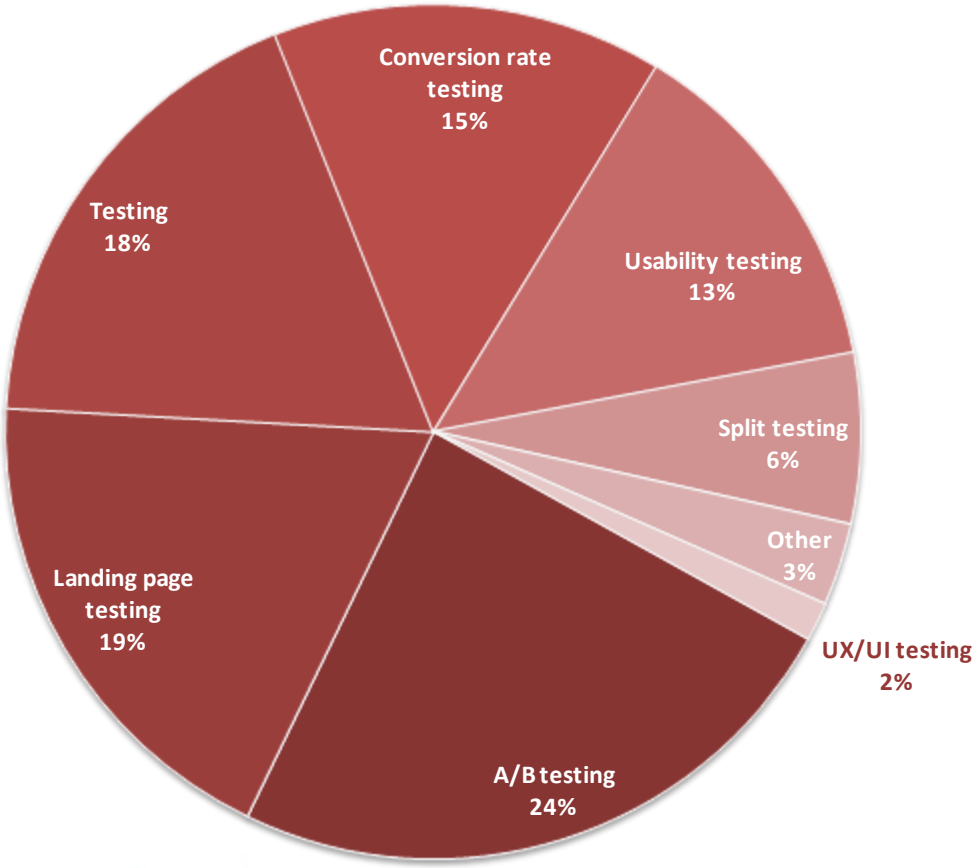
Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

Finally, naming new things is perhaps the one area where popular wisdom is always correct. With respect to LPO, the jury is still out. While there is clearly a shift from thinking in terms of "Web design" or "redesign" toward terms that include the word "optimization," framing the latter remains up for grabs. With some firms going so far as attempting to trademark one of these commonly used terms, marketers often find themselves mixing the terminology. If the term "conversion" becomes sufficiently recognized in its broader sense (as shown in the previous chart), its usage to define this category will likely increase.

We chose to use "landing page optimization" generically in this Report, primarily because it has enjoyed perhaps the longest tenure and is, at the same time, sufficiently specific to the topic. It has been challenged primarily on the grounds that a "landing page" is not always the subject of optimization. In response, champions of "LPO" have simply expanded the meaning of a "landing page" from the older, narrow definition as a page that receives search or ad traffic, to any page on which a visitor "lands" – in other words, *any* Web page. This is not merely a play on words. Thinking about where the visitor arrived from (whether from within or outside the website) for the purpose of optimizing the subsequent experience is a methodology in itself. However, insofar as "LPO" is also used to address multi-page processes, the term still falls short.

Q. 60.0 - Which of the following terms do you use most generically in reference to any testing efforts of various Web pages or processes?

Chart: Popularity of terms describing testing as part of LPO in 2011



Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

While "optimization" is the new, marketing objective-driven reincarnation of "Web redesign," testing related to LPO should demonstrate less of a terminological transition. As a scientific methodology, it has found an application in digital marketing once the tools became available, but otherwise has not itself evolved.

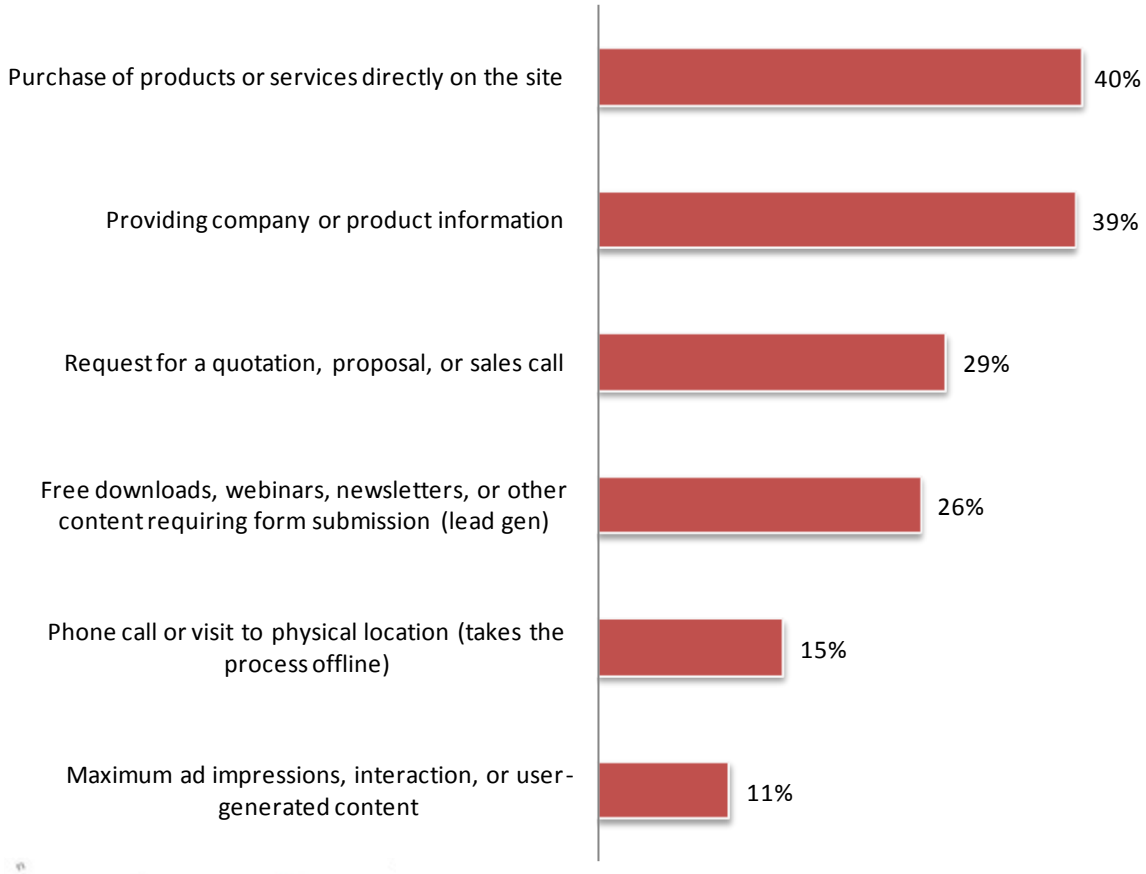
As marketers previously unfamiliar with testing are engaging with the field, they appear to be picking up the terms most frequently used for the specific type of testing application with which they are experienced. Hence, "A/B testing" has become the single most popular term, simply because A/B testing is the technical implementation naturally offered by all out-of-the-box testing tools.

We discuss testing utilization of various designs of experiments and technical implementations later in this Report, but A/B testing is certainly not the only way to test, and depending on the challenges marketers must face, sequential testing may be their only option. However, A/B (or "split") testing is the preferred implementation, as it avoids some of the major validity threats pertaining to the passage of time.

WEBSITE OBJECTIVE DETERMINES OPTIMIZATION PRIORITIES AND TACTICS

Q. 24.0 - Which of the following processes/transactions is the primary objective of your organization's website?

Chart: Website objectives as determined by in-house marketers in 2010



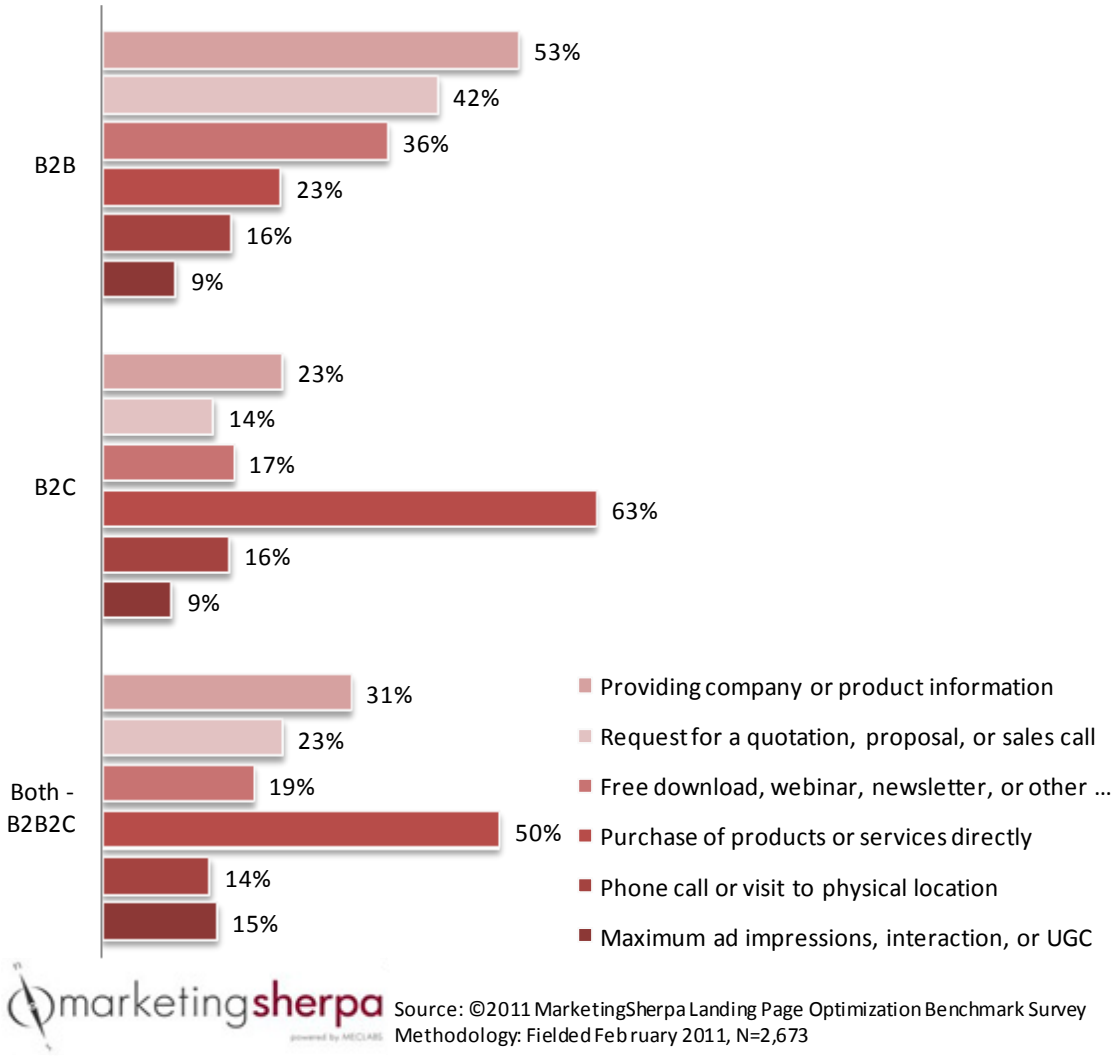
Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

Insofar as optimization is Web design with an objective, the objective is a key defining characteristic of strategies and tactics that the marketer would utilize in a given project. For this reason, most survey data in this report will be segmented based on the most common aggregate objectives represented among our audience, to provide the reader with the most appropriate benchmarks.

In optimizing Web pages or processes, as in solving any other problem, defining the objective is a critical first step. It often remains an implicit assumption until it turns out that optimization did not target the appropriate (in other words, most valuable) conversion action.

While it may be easy to define the objective broadly, boiling it down to the specific target behavior or set of behaviors requires the ability to tie Web analytics to business KPIs. Depending on available data, this may be as simple as counting the number of transactions, or as complex as making corresponding costs and the timing of *subsequent* transactions part of the model. Defining the objective is also critical in the design of experiments, which is discussed later in this report.

Chart: Website objectives mapped to sales channels (B2B, B2C, or B2B2C)



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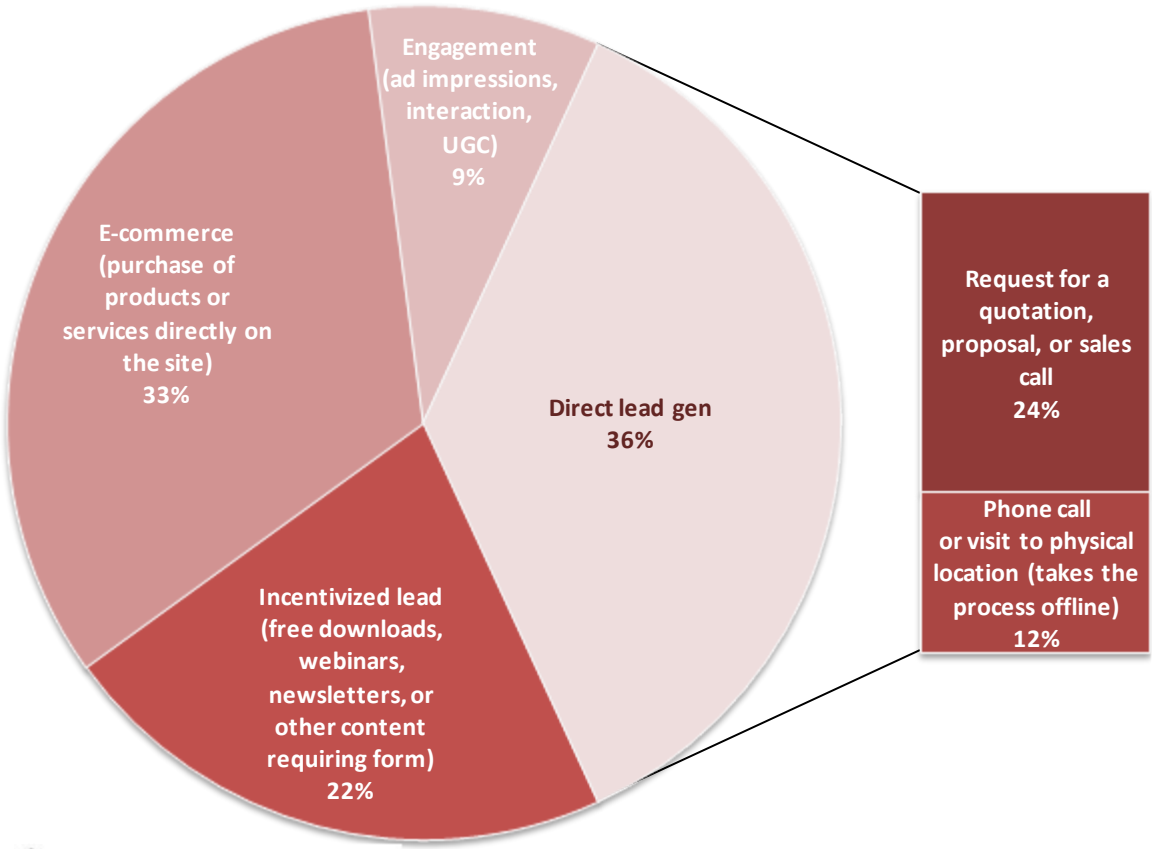
Methodology: Fielded February 2011, N=2,673

In the list of answer choices there is an intentional impostor. "Providing … information" is *not* a visitor action, and therefore cannot be considered an optimization objective. Providing information is intended to lead to a target behavior, whether one that can be immediately monitored (e.g., a purchase, a form completion or just a click) or one that takes place separately (e.g., an offline or later transaction).

It is not surprising that "providing information" was cited most frequently among B2B marketers. In the absence of a clear connection between visitor actions on the website and business objectives, it is easy to fall back on the idea that the website is there simply to inform. This indicates that B2B marketers – though the rest are not far behind – need to go through the exercise of defining what would be considered a successful outcome of visitor interaction with the site in terms of a measurable behavior.

Not surprisingly, a majority of B2C marketers indicated that purchases made directly on the website are their primary objective. However, this data also shows that website objectives are *not* predictable based on the common B2B versus B2C distinction. For example, 23% of B2B marketers indicated their customers could purchase directly on the website, while 14% of B2C marketers selected direct lead generation as their sites' primary objective.

Chart: Primary objectives: Direct lead gen, incentivized lead, and e-commerce



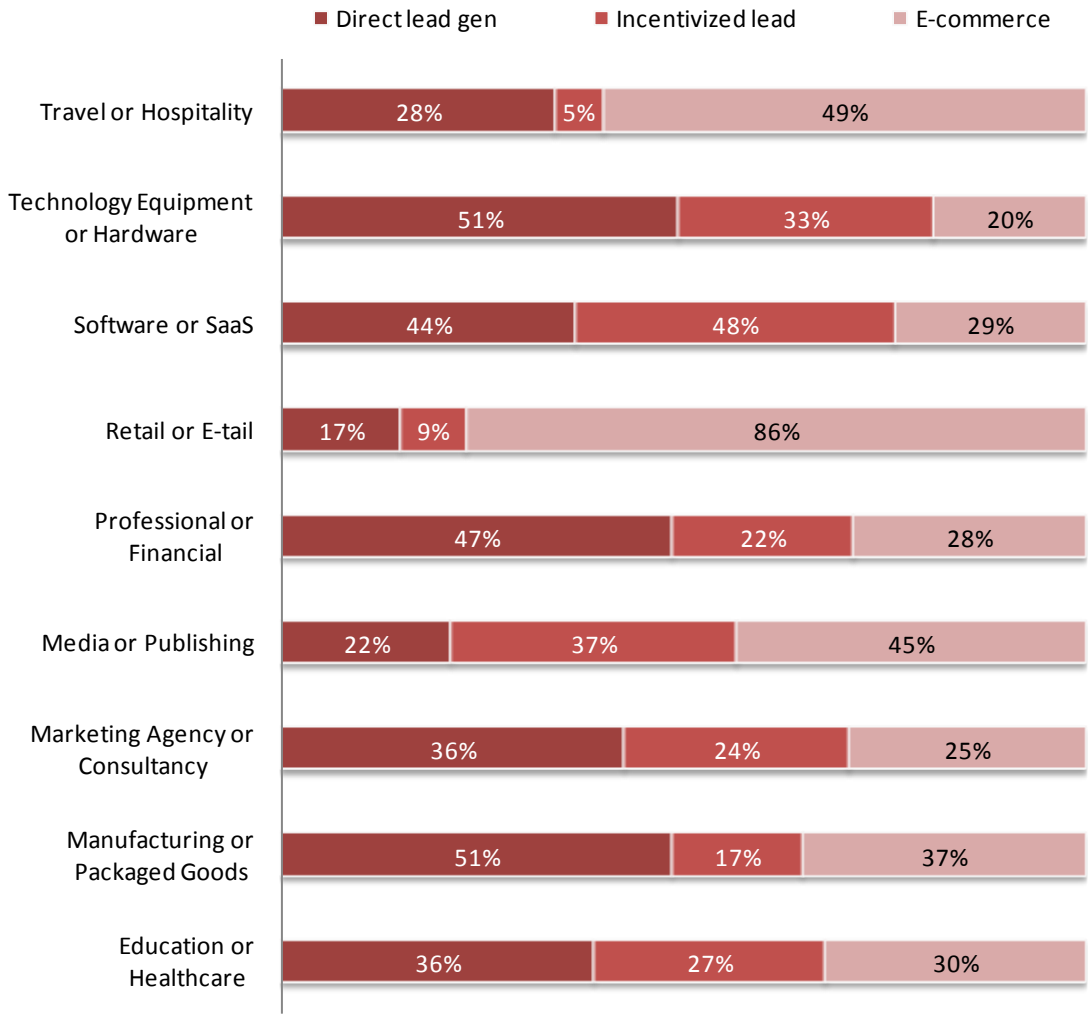
Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

With the "providing information" objective excluded, the remaining objectives can be conceptualized in terms of four aggregate themes:

1. Direct lead generation, which requires deliberate action on the part of the website visitor to initiate contact with the goal of completing or at least exploring an eventual purchase. Essentially no immediate value is provided to the visitor, but the visitor is expected to hand over value in the shape of contact (lead) information.
2. An incentive being exchanged for lead information, where a visitor is required to fill out a form in order to receive a valuable, often intangible, item, such as access to "free" content or a digital product.
3. E-commerce, where a purchase transaction directly on the website – whether immediate or subsequent – is the primary objective. The exchange of valuable commodity for money is explicit, although lead information is also typically collected.

While the engagement objective is interesting and distinct from the rest, it represented only a small portion of respondents, and more than half of *that* portion indicated that this was just one of several objectives used. Engagement and page views are often an objective for websites that generate revenue from ad impressions or affiliate traffic arbitrage, which represent less than 6% of LPO practitioners responding to this survey. Therefore, where appropriate, data in this Report is segmented by the three primary themes.

Chart: Direct lead gen, incentivized lead and e-commerce mix, by industry



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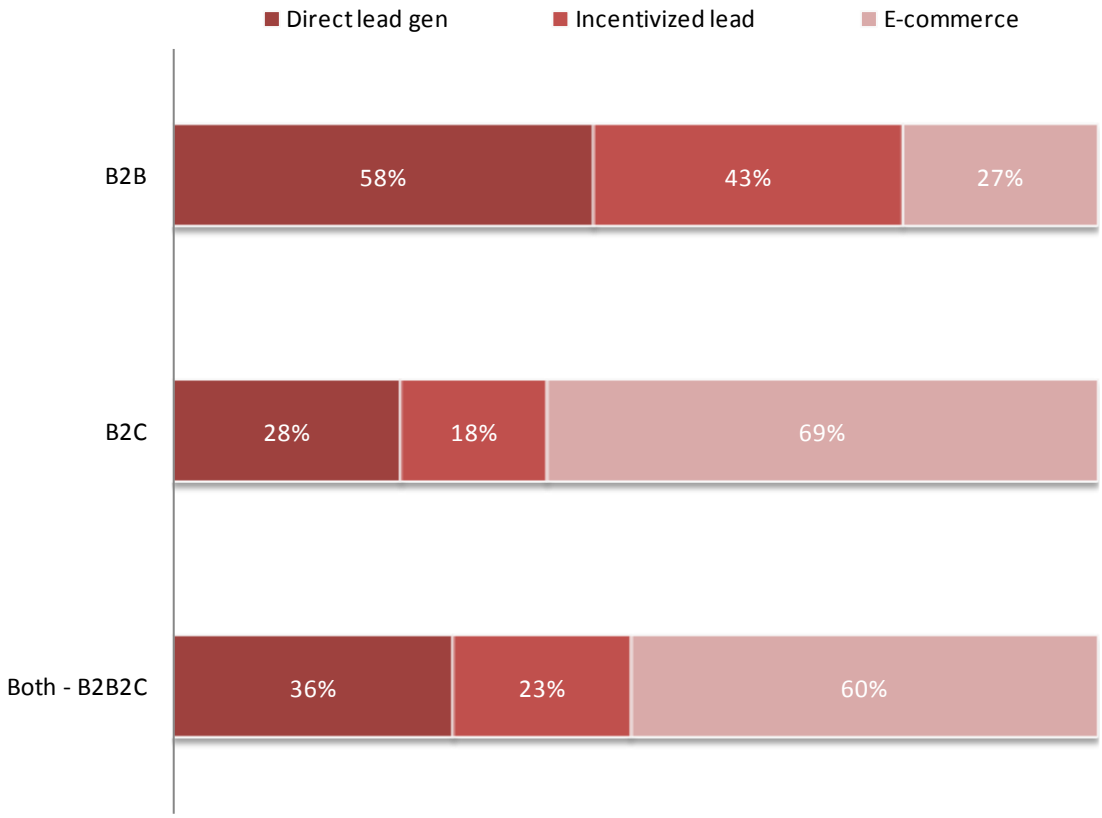
As with primary sales channels, industry types also do not always map neatly onto key website objectives. This provides another useful way to segment data in this report. Five of the most represented industries in the survey data will be used throughout this report, as appropriate, to provide industry-specific insights.

Note that the "Marketing Agency or Consultancy" industry type covers respondents that perform internal marketing functions. Those respondents, whose primary responsibilities involve performing consulting services for clients will be identified separately in charts, where a consultancy point of view provides a useful additional perspective.

Chart: Direct lead gen, incentivized lead and e-commerce mix, by sales channel



Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

This chart may appear to be a repeat of an earlier one. However, it instead presents data in a way that highlights the inconsistency between primary sales channels and the key aggregate website objectives we have identified. It supports the idea that both website objective and sales channel must be considered by marketers in picking the appropriate benchmark data in this report.

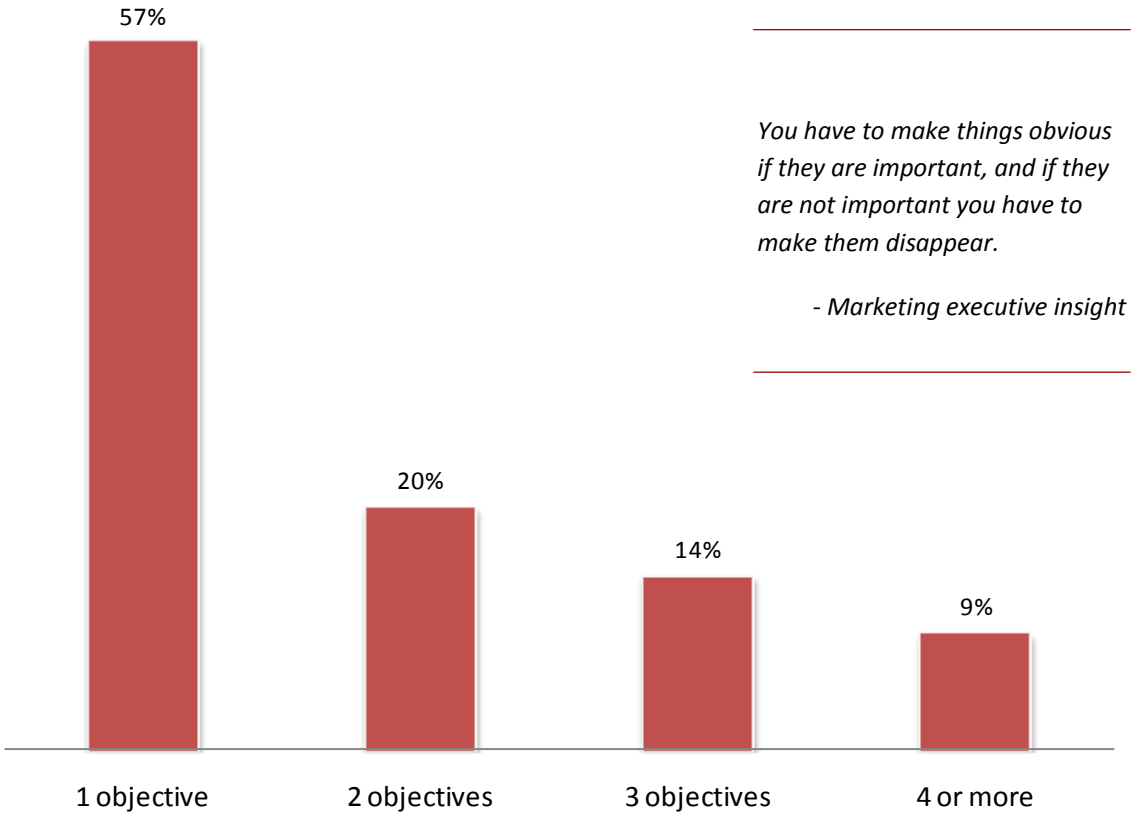
Conversely, it shows that all three objectives are potentially important for all marketers. This should implore those marketers, who have not gone through the exercise of stating explicitly their website's – and, if useful, each page's – objective.

Despite all [contrary] evidence, Executives still treat the website as a glorified brochure.

- Marketer insight

It is important to understand that the data above does not suggest that every website may have a mix of objectives. It only represents the relative weight of each objective's incidence. However, the number of objectives *is* an issue that marketers need to consider, and we explore it next.

Chart: Multiple website objectives continue to be a challenge to LPO in 2010



You have to make things obvious if they are important, and if they are not important you have to make them disappear.

- Marketing executive insight

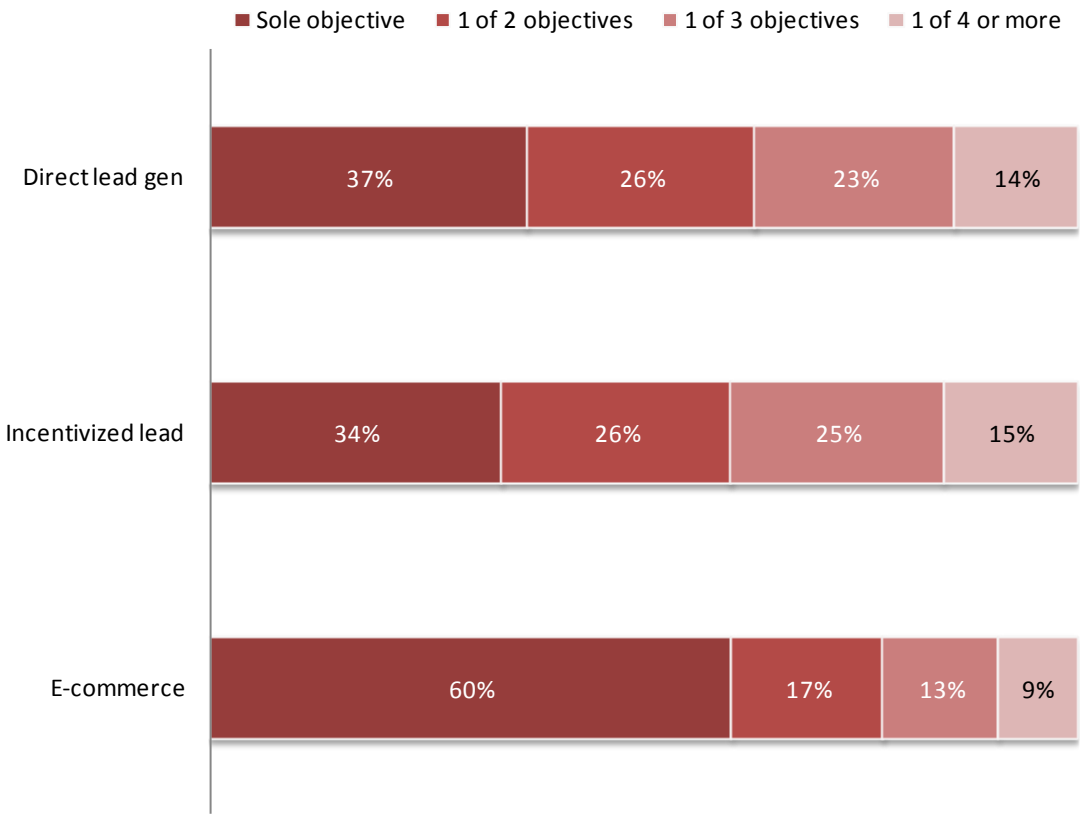
Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

If website objective is critical to determining the right optimization strategy and tactics, then having more than one objective immediately creates a dilemma for the marketer: For which objective should the website be optimized? When multiple objectives are inevitable, it may be essential to develop at least some rudimentary data modeling to put them in the proper order by business priority. Incidentally, this is where you would find that "providing information" is not a priority at all – only a potential means to an end.

Multiple objectives do not only create confusion for LPO marketers. When marketers attempt to pursue multiple objectives on a website, site visitors may become just as confused about what to expect. Pushing the decision about which objective is more important on to your customers will work against you. The more effort you demand from website visitors, the more likely they are to "rebel" and simply go for the "X" button, instead of figuring out what is best for them to do next. Competing calls to action, which most typically represent a lack of clarity about the website's objective, have been shown through testing to decrease conversion and increase exit rates.

Conversely, this indicates the need to understand visitor motivation for arriving at a given page in the first place. This understanding will allow you to narrow down the objectives (and therefore, calls to action) you can reasonably expect to perform. We will discuss segmentation and relevance later in this report.

Chart: Likelihood of primary website objectives competing with other objectives



Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

It appears that outside of e-commerce, websites are in fact unlikely to have a single objective. While we necessarily asked the question about broad objectives, each individual page's objectives (or intermediate objectives) may be more complex, making multiple objectives inevitable, even more often than the aggregate data can represent. This chart shows that especially in lead gen, marketers need to closely examine what they offer to their visitors and structure the visitor's website experience in a way that minimizes confusion.

Of course, the data above is only based on the total number of website objectives. Marketers that reported multiple objectives may be pursuing them on separate pages, meaning that a visitor may face a single objective at any given time. Later in this report, we will discuss benchmarks for the usage and effectiveness of dedicated landing pages – pages that typically exist outside of the main website and are built around a single objective (or a narrow set of objectives), and receive traffic motivated by a specific message.

MARKETER INSIGHTS ON THEIR MOST IMPORTANT LPO-RELATED LEARNING EXPERIENCES IN 2010

Q. 64.0 - What was your most important learning experience related to LPO in 2010?

CMO insights: Most important learning experiences in 2010

In their open-question responses, most executives noted their appreciation for the discipline and effort required to make LPO effective. Some responded by making a commitment to learning, dedicating resources or simply getting started with LPO.

- Dedicated resources are required to implement and monitor a continuous program of LPO and conversion tracking.
- Efforts were insufficient. Need more focused approach in 2011.
- Optimization is a continual process.
- It takes time and dedication to think through the entire process.
- Everyone has a great idea and you can spend a lot of time spinning your wheels. This year we will get more focused, drive more consistent content and tracking and get results.
- You need a team to do it effectively.
- Tweaking offer and value proposition was a huge lesson.
- Starting a consistent testing process. Implementation was a barrier.
- Need to be able to test and analyze in order to improve.
- 1: Need to further my education in order to gain better results. 2: Always test, never assume. 3: Long copy format prevails most of the time 4: Working to reduce friction throughout the sales path is as important as having a compelling offer.
- It consumes a lot of time.
- Observing/analyzing others' efforts.
- Epic failure of my first large scale project.
- It's not as complex as I had believed.
- Lost clients because pages were not in good shape.
- That we need to be doing more of it.
- Panning for test contamination that renders the test results useless.
- We didn't do enough of it.
- Importance of proper test design.
- We need more resources.
- The importance of LPO in general; this is the basis for changing the website.
- Need to do much better than we're doing now, but lack the skills to do so; finding a company that will work with a site w/under 30k visitors/month.
- Understanding the difference between a landing page and a website page.
- To create a testing protocol and execute it. Have not done it like we should.
- Relationship of clarity of ad and Landing page call to action.
- Not every winning design will automatically work on another similar site.
- That every page needs to be treated differently... Most industry standards don't apply to our audience.
- Do it.

Others shared strategies and specific tactics they learned in 2010. Of course, tactical choices should not be automatically treated as transferable principles. As stated in the introduction to this chapter, reusing a tactic that worked for someone else is only meaningful when you can establish a sufficient similarity between your websites and target audiences.

- You have to make things obvious if they are important, and if they are not important you have to make them disappear.
- No unsupervised thinking allowed!
- Split testing, hot spots, content optimization with long tail keywords.

- Less is more. Better quality leads (higher converting to Sales) doesn't necessarily mean more total throughput.
- Establishing trust is the most important tool for increasing conversion rates.
- Keep the landing page simple and focused. Use video as an enticement to subscribe.

Marketer insights: Most important learning experiences in 2010

Similarly to the executives' sentiment, other marketers also communicated a commitment, desire or at least hope to make LPO a reality in their organization. This trend certainly reflects the understanding and appreciation of LPO and at the same time an opportunity for those marketers who are willing to structure resources in a way that will allow them to get to practice LPO sooner.

- It's more than Google search results - it's more important what happens after the click - it's easy to lose someone after they land.
- Despite all supporting evidence executives still treat the website is a glorified brochure.
- Reinforced best practices. More than doubled submission rates.
- General LPO Best practices; continual "pruning" of tests.
- Need more thinking and process to begin the test. It requires more interdepartmental involvement to make it happen. Need to educate participants to understand what it is about.
- Be open to surprises.
- We really don't know what we are doing and we are just at the tip of the iceberg when it comes to LPO.
- That there is a lot to learn!
- That we need to learn more.
- Knowledge isn't enough to get the job done... you need people to keep up with the work load.
- We need more resources!
- Make the time to keep doing it.
- How far behind we are compared to best-of-breed companies.
- How to demonstrate the business case; getting buy-in.
- Don't wait to get started!

Operations:

- Align with internal stakeholders carefully so we can push through our key propositions.
- That I don't have the tools I need to do it right.
- The need to coordinate across multiple teams and stakeholders on decision-making for tests.
- Working with technology vendors to understand their systems is critical to ensuring LPO success.
- Focusing on the right data - easy to get buried under meaningless information.
- Understanding all of the roles that go into effective optimization and efficient optimization cycles.
- Most website designed by website designers suck at direct marketing.
- The job never ends... Keep testing, keep optimizing.
- Understanding how to apply various metrics in different contexts for testing purposes.
- The value of Web analytics. I haven't had access to these in the past. Just starting to use them now and eager to make design decisions based on them.
- I need to systematize everything to measure my results effectively.

LPO Strategies:

- Always be testing.
- There is no absolute best way.
- Don't make assumptions! We were astounded to see in Web analytics that only a small portion of our traffic was ever reaching our primary

product/service pages - probably due in part to unintuitive terminology in the site navigation.
- Not all optimization techniques perform the same on similar product LPs.
- That you can't keep doing the same things and expect to get different results.
- Learning to answer the question from visitors as: -Where am I -What can I do here.
- Give the user an active path to follow.
- Informal usability surveys PRIOR to selecting candidates for A/B testing yielded the best results.
- To keep things narrowly focused. Performance routinely improves when we narrow the focus. - Not everything has to go on one page.

LPO Tactics:

- Using testimonials.
- No more fluff - every item must have a purpose.
- Learning how people look at whatever is being looked at by hero shot.
- Keep most relevant info above the fold.
- Call to action above the fold.
- Everything must be easily viewable in a mobile browser - mobile is king!
- Short, to the point content. Don't make the user think.
- We solved the problem between supplying the potential lead with enough information without giving them escape hatches that could divert them from the lead gen process.
- Concerning products - placing the image, price, and buy button all in the same viewing area. Another would be clarity. Even though I learned about clarity years ago, it is by far the most important aspect to creating conversions imo.
- Hero images above our product grid entice more visitors to explore our website.
- The removal of "must complete" and a shortened registration form markedly improved registration efforts.
- Less text, clear message, more structure.
- Customer testimonials increase results.
- Clear, scannable content is king.
- Drastic landing page simplification can work.
- Keep it simple.

Relevance and continuity:

- Taking into account the where the lead came from as opposed to treating each lead the same way.
- Focus the landing page. Don't let others within the organization, who are screaming for homepage real estate, start dropping all their announcements, etc. onto the page.
- Tying the landing page to the ad.
- Continuity of marketing messaging. We found some discontinuity in our messaging on other sites, improved pages and messaging to be more congruent.
- Developing company's landing page strategy and how it maps with Google Adwords campaign (mapping of ad groups, keywords to associated landing pages)
- Learning the importance of continuity between print and landing page elements and location of elements on the landing page
- Incorporating key words for improved search engine hits and using specific landing pages for products to measure ROI.
- It's all about relevancy.
- Never promise wrong. Live up to your promises through landing pages.
- Continuity from referral source through conversion process.
- Winner cannot be decided based on creative alone but it's always a combination of TA (media or keyword) + creative.
- The more the better. Be specific on content and when in doubt, create a new page.

- Path. Need to know where people are coming from in order to optimize for.
- Matching the copy to the traffic has the biggest impact overall.
- PPC text ads must be tuned and optimized to match landing page message.

Testing:

- If it's not broken, consider breaking it because you never know what you might find.
- A pop-up message that was artistically better didn't give better results.
- Trying to minimize variables in a test is helpful. That way you can understand how each change may affect the success metrics.
- Looking at the high bounce rate and determining that our pages were ranking high on searches but not leading to conversions.
- The importance of testing various iterations of the same content.
- Enable A/B split testing on each relevant page.
- Test, test, test.
- The limitations of a system not designed for testing and optimizations.
- That we need more traffic for results to be statistically significant. But based on our actual results, that the site had several barriers to conversion and these need addressing.
- The importance of testing.
- Test more, aggressively, be bolder and use insight sources to aid testing.
- Testing works.
- No prejudice, keep testing.
- That you need to test everything. Several times what everyone thought would work best, performed the worst.
- My instincts aren't always right!
- Testing small elements of a page isn't going to move the needle...you need to take bigger swings to make significant gains
- Test, test, test. And think like your target audience.
- Basically, we didn't learn anything because we didn't have a clearly documented testing methodology. So in 2011, my goal is to create and execute a testing methodology.
- Sometimes you can't hit a home run with every test, but being able to trust the data coming from your optimization software is crucial. This data allows you to build upon the failed results and figure out what visitors didn't like.
- We need to test - we don't test.
- Learning to do quick experiments before committing significant budget or time to any detailed experiments, design, or process changes.
- Need a lot of traffic, difficult for B2B due to low data rates and need to limit number of variables and test simple things first like bounce rates, rather than the entire funnel at once which requires a lot more time and traffic.
- That test results will often surprise and do the opposite of your hypothesis.
- Wide range of testing parameters that could be deployed either through A/B or sequential testing.
- Planning for test contamination that renders the test results useless.
- I've realized that testing is important, and if we don't start making it a priority we'll never know what can be better and how much revenue we are missing out on.

Agency insights: Most important learning experiences in 2010

Agency consultants weighed in on their experiences in 2010, and it is especially interesting to see their impressions of the process of taking their clients through the LPO learning curve, avoiding common obstacles, and adding their unique strategic vision.

- It's hard to persuade clients on the value of LPO through A/B testing when the goal is enhanced brand engagement & not increased measurable ROI.
- To fire stupid clients who are a pain … and don't understand conversion optimization work to get results. People want a Porsche for the cost of a Honda. They want to think they are conversion experts. I want a humility wand so I can zap people with it so they will stop and realize their weaknesses and that it's okay to have them.
- Don't explain too much to clients - it only confuses them...
- That we need to force our small business clients into a testing program - that if we don't make it a mandatory part of our relationship with them that it just doesn't happen for many of them.
- Clients need careful guidance throughout the process. There is little knowledge and much skepticism until they can see the results.
- The need to coordinate across multiple teams and stakeholders on decision-making for tests.
- Don't trust the technology, it breaks all the time. Always have a back-up plan. Always have another method for measuring and calculating the results.
- LPO can't do it all. Focus groups, UX testing are important.
- That there is always room for improvement - through testing - because the Web is a moving target.
- Informal usability surveys PRIOR to selecting candidates for AB testing yielded the best results.
- Learning to do quick experiments before committing significant budget or time to any detailed experiments, design, or process changes.
- Working with technology vendors to understand their systems is critical to ensuring LPO success.
- Learned how competitive it is now. Much harder than a couple of years ago.
- Focusing on the right data - easy to get buried under meaningless information.
- That you need to test everything. Several times what everyone thought would work best, performed the worst.
- My instincts aren't always right!
- Winner cannot be decided based on creative alone but it's always a combination of TA (media or keyword) + creative.
- Make no assumptions. Different business sectors require different landing pages. You need to educate the client and give them confidence in the process.
- Understanding all of the roles that go into effective optimization and efficient optimization cycles.
- Most website designed by website designers suck at direct marketing.
- Not all optimization techniques perform the same on similar product LPs.
- The job never ends ... Keep testing, keep optimizing.
- There is no absolute best way.

CHAPTER 2: FACING LPO CHALLENGES, GAINING EXPERTISE, AND OUTSOURCING

Before we delve into the LPO strategies and tactics employed by today's marketers, this and the next two chapters are focused on the business aspects of LPO. In this chapter, we will discuss existing gaps and how marketers are closing them; Chapter 3 focuses on the marketing budget; and Chapter 4 – on operational issues related to LPO.

As the general finding in Chapter 1, as well as marketer insights at the end of that chapter indicated, LPO's popularity among marketers and executives is not growing nearly as quickly as its practice. In this report, the data is somewhat biased toward the more successful, or at least, the more LPO-aware marketers (see the Appendix for more on respondent segments represented in this study). However, we made sure that both marketers that attempted optimization and testing in 2010, as well as those that had only hoped to do so, were comfortable with sharing the their top challenges, and how they planned to solve them.

The creative and analytical abilities and skills needed for successful LPO are under-resourced and under-prioritized in my organization.

- Marketer insight

LPO is a knowledge-intensive marketing function, and expertise gaps are among the top challenges. However, simply knowing how to optimize, and even knowing how to design experiments, is never enough. Technology is most typically blamed for delays in launching LPO efforts, or in implementing test finding. Technology itself (or your IT colleagues), however, may not be to blame. The organization must be *aligned* to take advantage of LPO, which, like most other game-changing business functions, requires cooperation of multiple departments, prioritization and funding.

A common solution that addresses both expertise and organizational barriers is to outsource the LPO function altogether. However, even though outsourcing LPO puts most of the work outside of your organization (at a premium, of course), the nature of LPO is such that it is closely tied to your business objective, brand positioning and related marketing efforts – especially those aimed at generating website traffic. As a result, even when LPO is outsourced, successful programs typically require marketing resources to support the outsourced LPO efforts from inside the organization.

Main challenge is always tying investment in LPO to ROI in order to get budget for LPO.

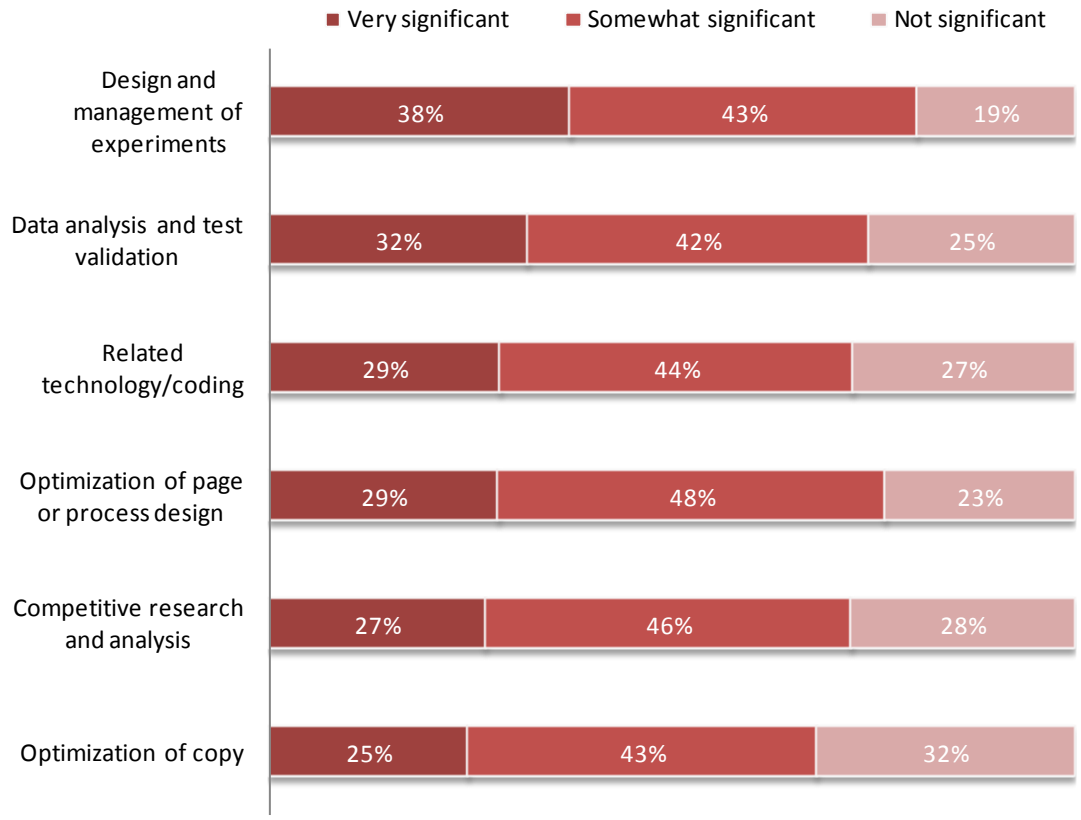
- Marketer insight

Moreover, IT resources may become even more heavily tasked with LPO-related assignments as optimization and testing efforts grow with the help of third-party consultants. Aware of this paradox, agencies have found that in order for them to demonstrate successful optimization and testing, they must also provide related IT services to ensure that those successes are achieved on a realistic timeline. At the same time, technology companies have focused on developing CMS and testing platforms that require little to no IT involvement for simple test implementations.

IN-HOUSE EXPERTISE CHALLENGES TO LANDING PAGE OPTIMIZATION IN 2010

Q. 35.0 - What were the in-house expertise gaps that challenged LPO in 2010?

Chart: Key in-house expertise gaps that challenged LPO in 2010

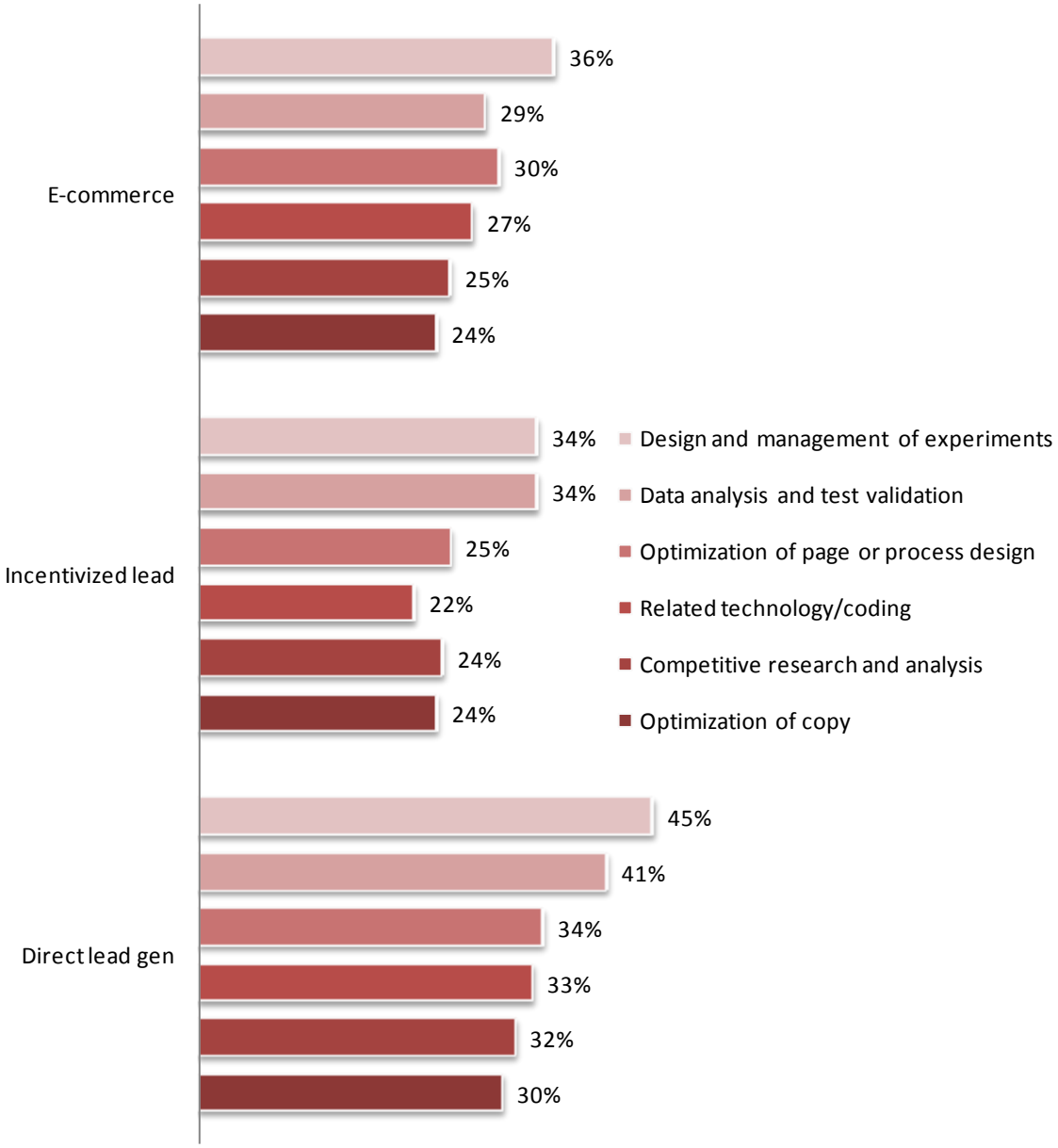


Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

Not surprisingly, design and management of experiments leads here. Traditionally, the scientific method and statistics are not most marketers' areas of expertise. One could argue that many pick marketing as a major in college to avoid all those math and science classes. Digital marketers that could use design of experiments to power their LPO efforts often come from the more creative background, though not necessarily unaware of the importance of data-driven decision making. As a result of the increased demand for data analysis and design of experiment expertise, specialized educational programs like North Carolina State University's MS in Data Analysis have become increasingly popular. We will discuss how marketers choose to learn new things later in this report.

On the opposite end of the spectrum is the highly mature field of copywriting. While LPO sets its own standards for developing copy that converts, writers that were effective at traditional direct marketing tend to find themselves just as effective writing for websites. As in direct marketing, optimized website copy is objective-driven, and experienced copywriters have recognized this. Objective-driven copy is certainly not necessarily *short* copy, and the celebrated super-long-copy sell pages have been shown to work exceptionally well for certain product and target market categories.

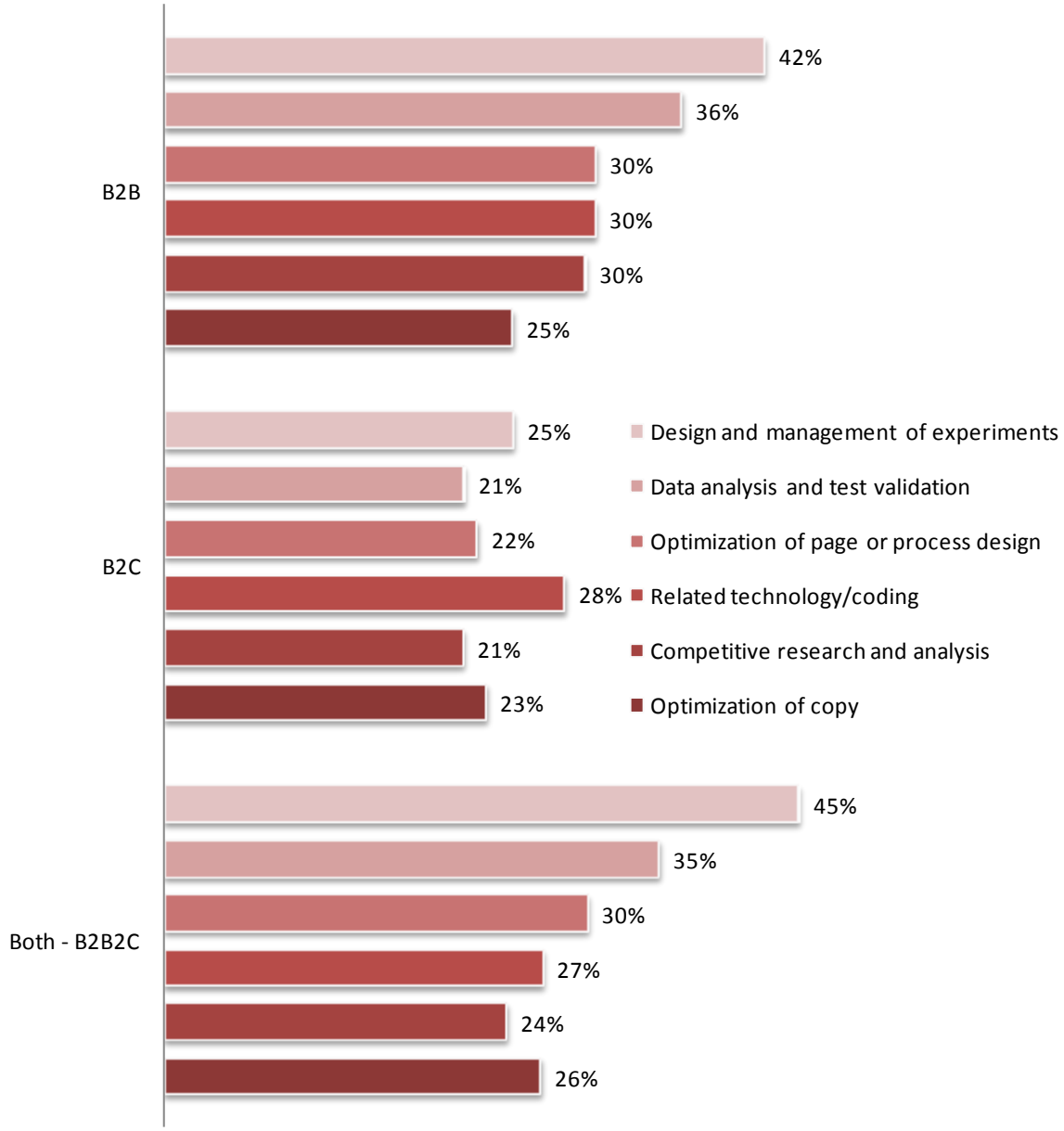
Chart: Expertise gaps rated "very significant," by primary website objective



Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

Across different websites by conversion objective, the picture is fairly similar, with some predictable deviations. Where site functionality is complicated only by simple form submission, the technology expertise gap is felt the least. On the other hand, optimizing of copy is a relatively significant challenge when trading content for a lead. With no payment involved, one may think that converting is easy – perhaps with clever use of "FREE." However, as content marketing has become highly popular, consumers are increasingly picky about where to invest their *time* filling out forms, not to mention where to invest their *trust* giving up contact information.

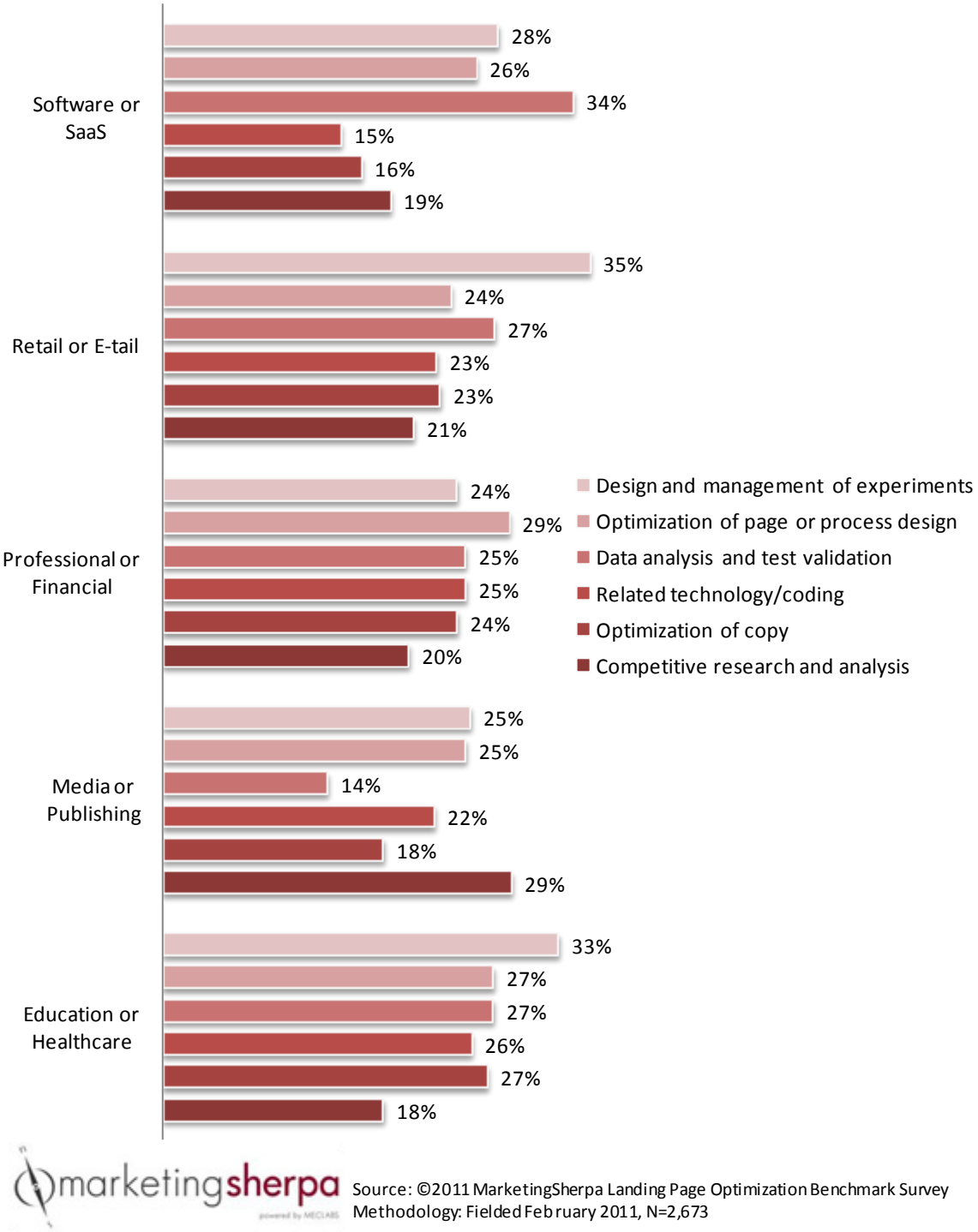
Chart: Expertise gaps rated "very significant" by sales channel



Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

For B2C websites, technology is a much more prominent expertise gap. With larger traffic volumes and more easily defined conversion objectives, B2C marketers have been earlier adopters of in-depth data analysis and testing. Traffic volume is a silent determining factor of marketer's being able to make data-driven decisions within a practical time frame. Whether in analyzing trends or performing experiments, marketers that have more traffic at their disposal can arrive at statistically valid conclusions sooner. While there are statistical and experimental methods (e.g., the Taguchi method) that can help make sense of smaller sample sizes, they are nevertheless less reliable, and often more knowledge-intensive.

Chart: Expertise gaps rated "very significant," by industry



marketingsherpa

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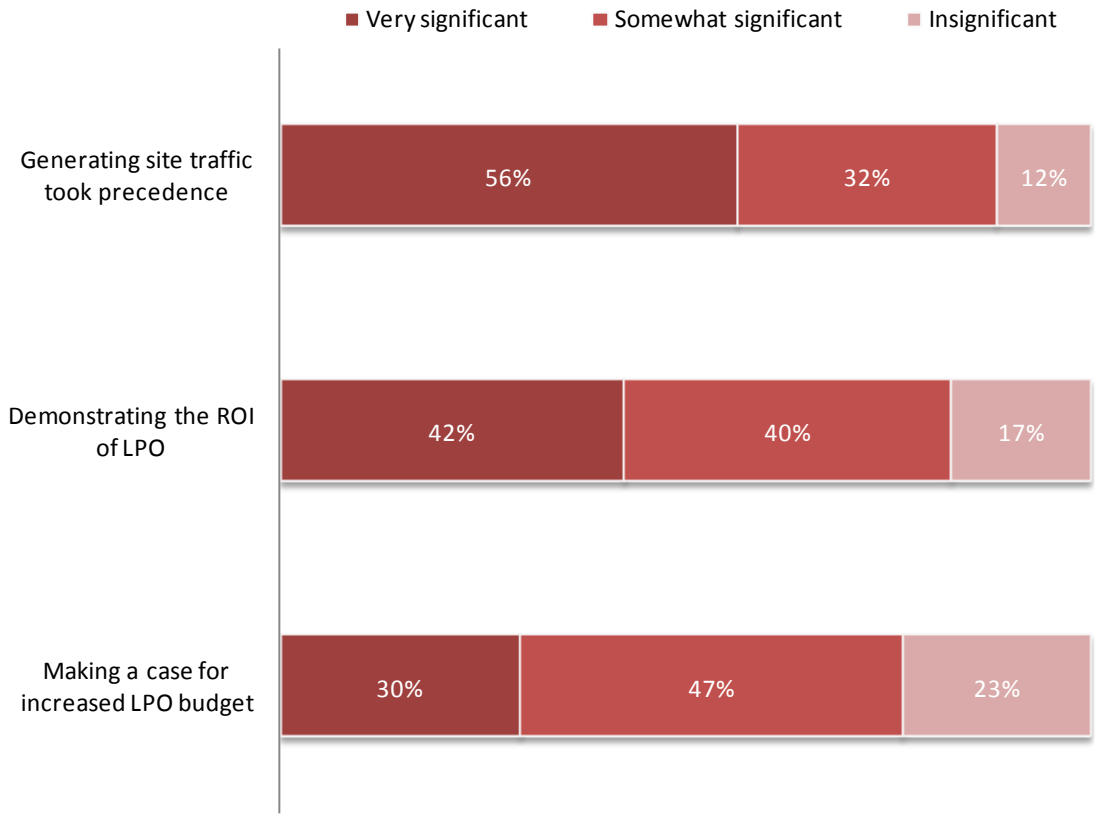
Methodology: Fielded February 2011, N=2,673

Education and Healthcare appear to be most heavily challenged industries, in terms of LPO expertise across all categories. With both industries becoming increasingly competitive and active in the marketplace, LPO will become increasingly valuable, and the expertise gaps – increasingly noticeable. Media and publishing sites are likely taking advantage of the benefits of high traffic volume described above, while increased accessibility of publishing tools has made competitive research both more important and intricate.

OPERATIONAL AND PRIORITIZATION CHALLENGES TO LANDING PAGE OPTIMIZATION

Q. 36.0 - What were the prioritization challenges to LPO in 2010?

Chart: Top prioritization challenges for LPO in 2010



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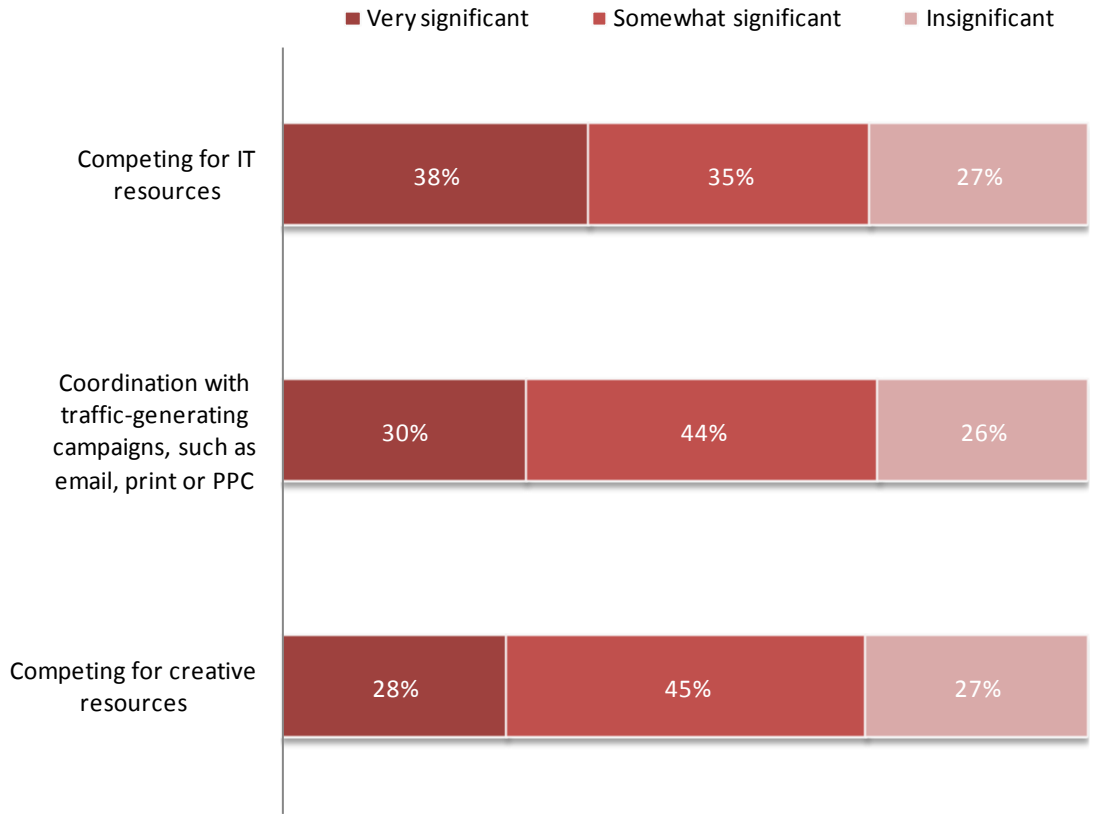
Methodology: Fielded February 2011, N=2,673

Marketers often find that LPO takes a backseat to other priorities, and, not surprisingly, generating more traffic tends to take precedence. The simple logic of "more people through the door means more sales" is spurious. With a constant conversion rate, more traffic does mean more conversions. However, it also means more bounces and exits that result in zero revenue to offset the incremental cost of the visit. Furthermore, when the target market is patently finite – a likely scenario for many products and services – or when there is tight competition for the same target audience, every visit wasted is a customer likely lost forever. When considered in this way, efforts to drive more traffic only to get the same predictable number of conversions can eventually drive a website out of business.

The choice is then either to continue spending more on additional traffic, or to invest the same money into LPO efforts that would increase the conversion rate and multiply the returns from existing traffic. Marketers face pressure to demonstrate LPO's value, despite having no budget for it. One solution that both corporate marketers and consultants employ is to find small LPO opportunities – the low-hanging-fruit – through which a marketer can achieve a quick fix and demonstrate concrete improvement with hard numbers.

Q. 37.0 - What were the operational challenges to LPO in 2010?

Chart: Top operational challenges for LPO in 2010

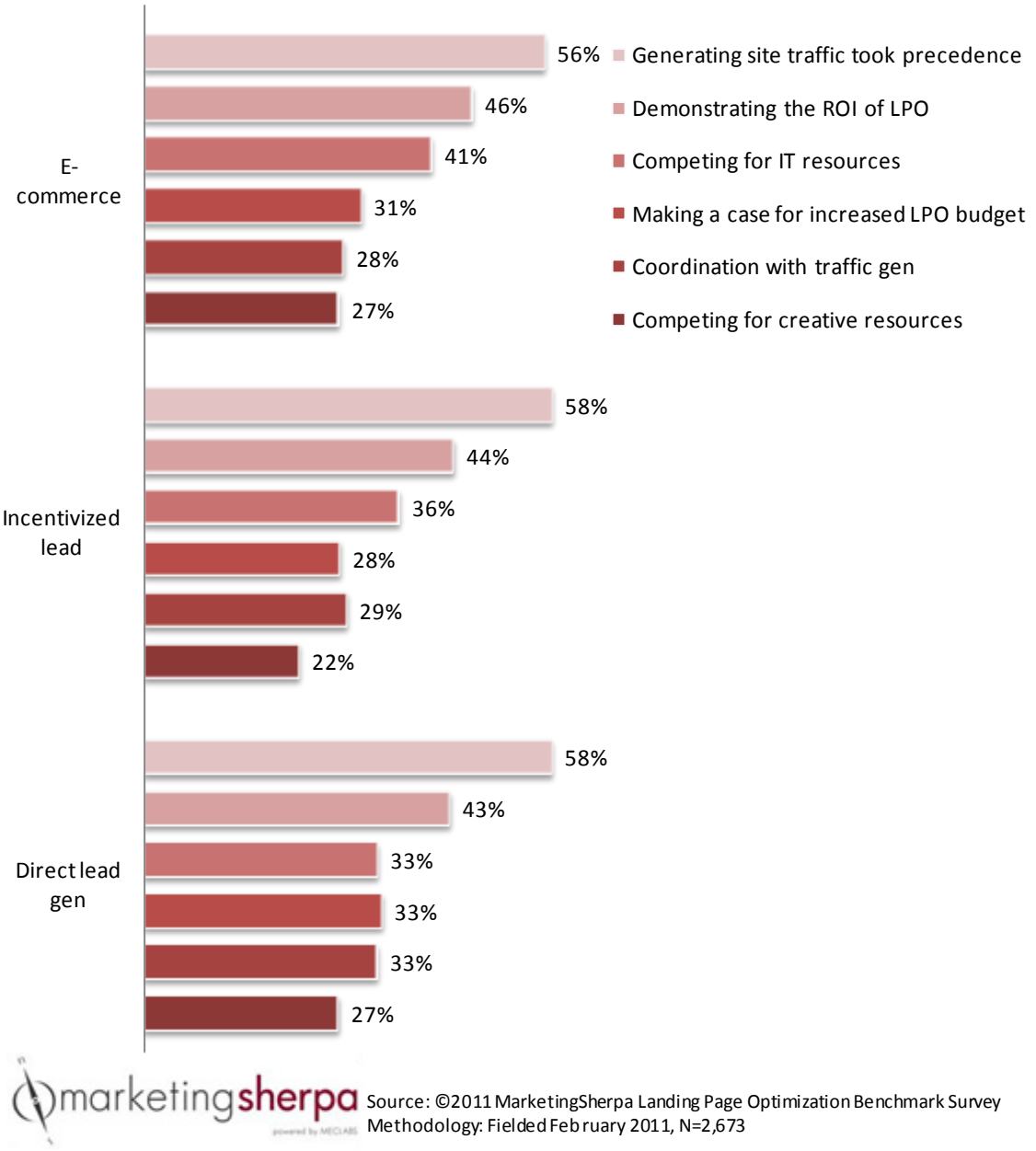


Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

With LPO as with other digital marketing functions, there remains IT-Marketing tension. Especially in companies, whose website is their primary business engine, the IT department is already strained when LPO gets on the agenda. As a result, no amount of LPO expertise or marketing department prioritization can move an LPO project forward – especially one that involves testing. Some CMS and testing platform providers are seizing the opportunity and offering "no IT required" solutions, albeit at a premium. However, just as with the traffic dilemma, the most cost-effective solution may be to let LPO demonstrate its ROI; then, finding the resources to support it becomes an easier decision.

Coordinating optimization efforts with other marketing programs can both a methodological and a political issue. A critical part of the design of experiments is understanding the nature of the traffic driven to the page. A test may show that Treatment A performed best, but it may later turn out that during the test, a PPC campaign that happened to be closely in line with Treatment A's copy drove most of the traffic. If the PPC campaign is later turned off, or the traffic becomes directed to a different page, then the celebrated Treatment A may no longer be the best performer. Then, if the LPO folks were not aware of this, the effectiveness of optimization would appear to be diminished. Conversely, using the messaging from traffic-generating campaigns to establish continuity has been shown to increase conversion.

Chart: Prioritization and operations challenges rated "very significant," by website objective



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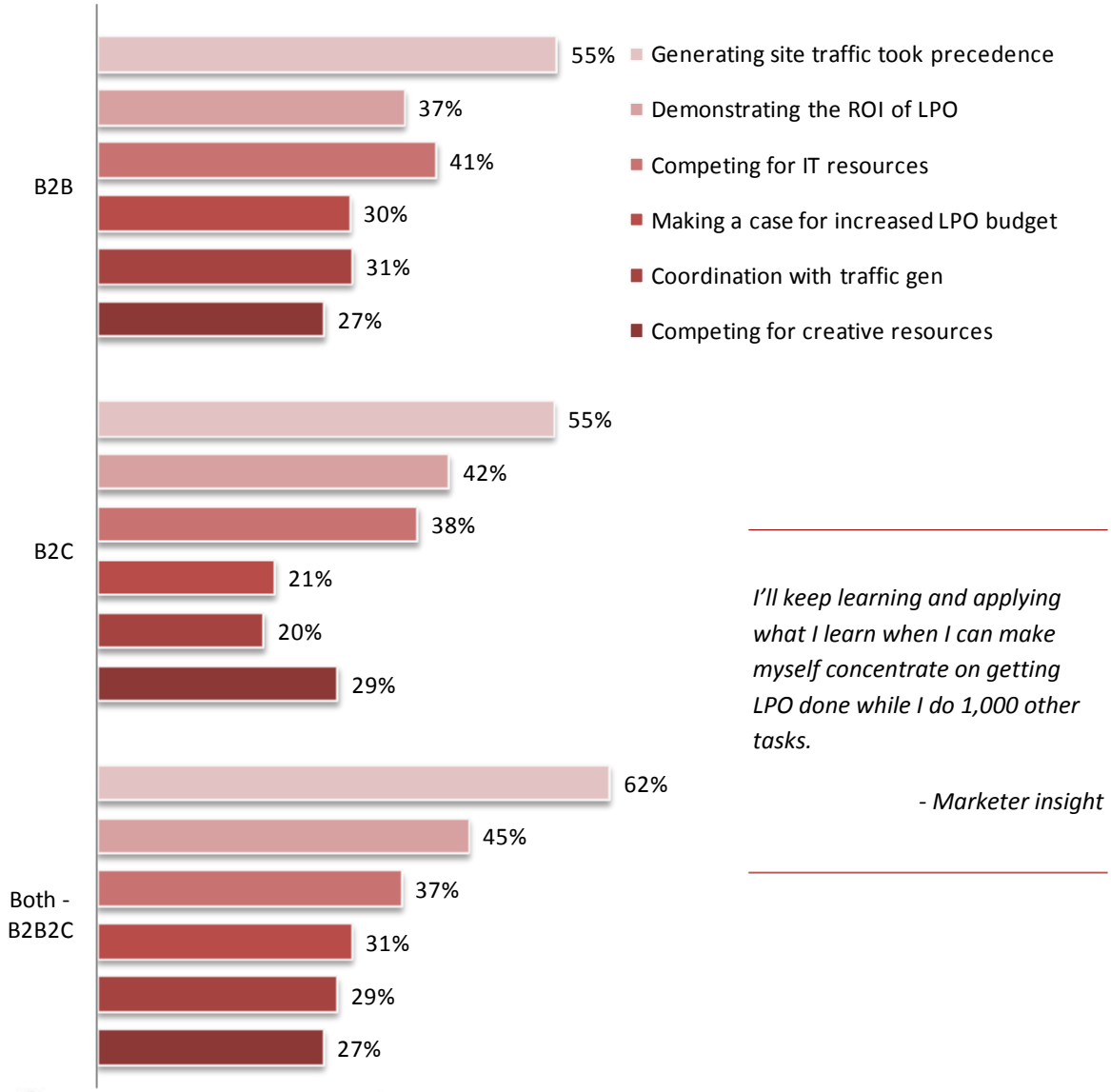
Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

Across different website objectives, there appears to be little difference in trends for prioritization and operations challenges. Two challenges are significantly ahead of the rest; generating traffic is inevitably the top priority, while demonstrating ROI is difficult. We have highlighted the ROI issue in the Executive Summary, and will return to it later in this report. This does appear to bring together several distinct challenges: The expertise to build an appropriate ROI model; the expertise and resources to perform the activities that would allow the marketer to demonstrate ROI in the first place; and the political challenges or getting LPO on the agenda even when there is ROI to demonstrate.

Competing for creative resources is one of the least of marketers' worries, as those resources are typically internal, and sharing them is often an established process.

Chart: Prioritization and operations challenges rated "very significant," by sales channel



I'll keep learning and applying what I learn when I can make myself concentrate on getting LPO done while I do 1,000 other tasks.

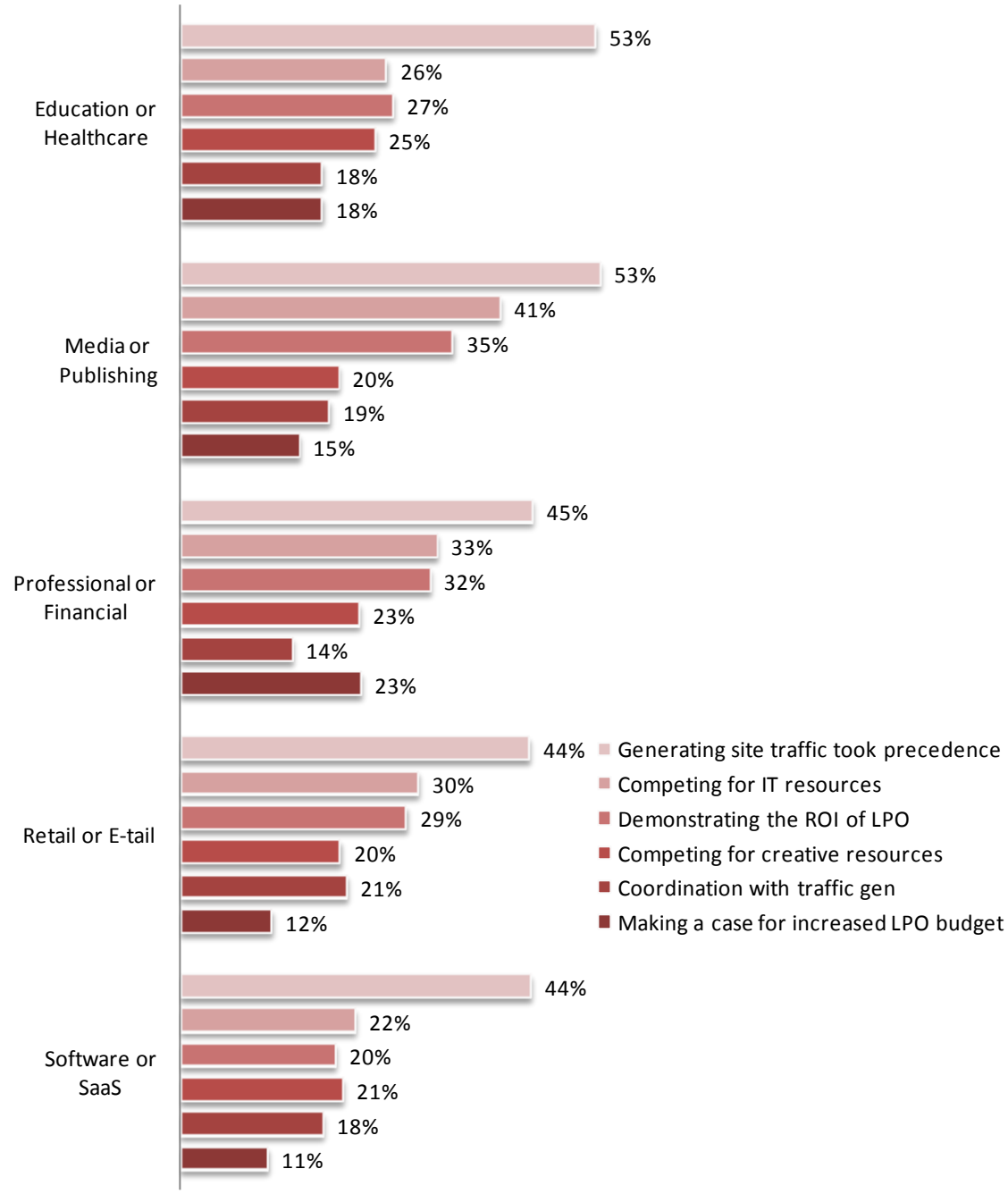
- Marketer insight

Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

As in the previous chart, the prioritization and operational challenges trend similarly across sales channel segments. Overall, challenges to making LPO a priority supersede challenges to implementing it operationally. This is not surprising, as operational challenges are less likely to arise before LPO becomes a function for which someone is accountable.

The variance between the frequencies of challenges being ranked "very significant" appears to be greatest for B2C companies, with challenges that relate to communication within the marketing department (making a case for LPO in the budget and coordinating with other marketing activities) being significantly less prominent than the rest.

Chart: Prioritization and operations challenges ranked "very significant," by industry



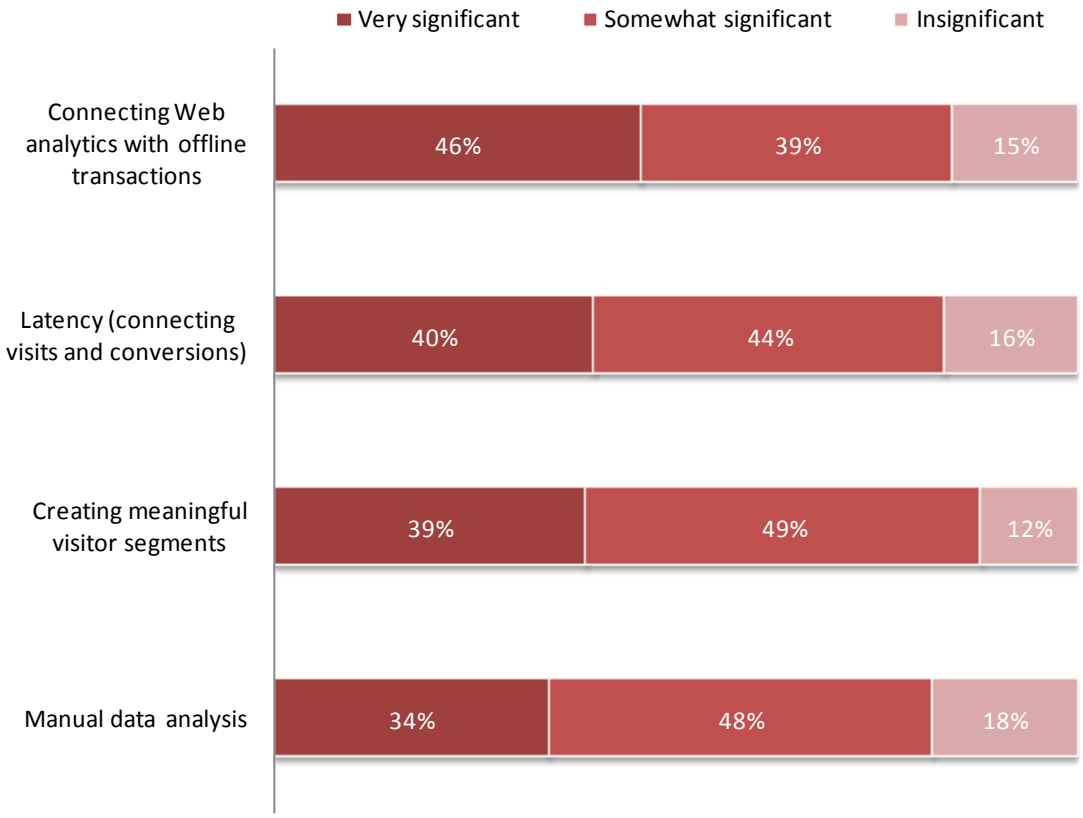
Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

Across different industries, traffic generation consistently overshadows LPO as a priority, making LPO a ubiquitous area of opportunity for growing market share, while maximizing the ROI of website traffic spend.

DATA ANALYSIS AND TESTING CHALLENGES TO LANDING PAGE OPTIMIZATION IN 2010

Q. 38.0 - What were the data analysis challenges to LPO in 2010?

Chart: Top data analysis challenges for LPO in 2010



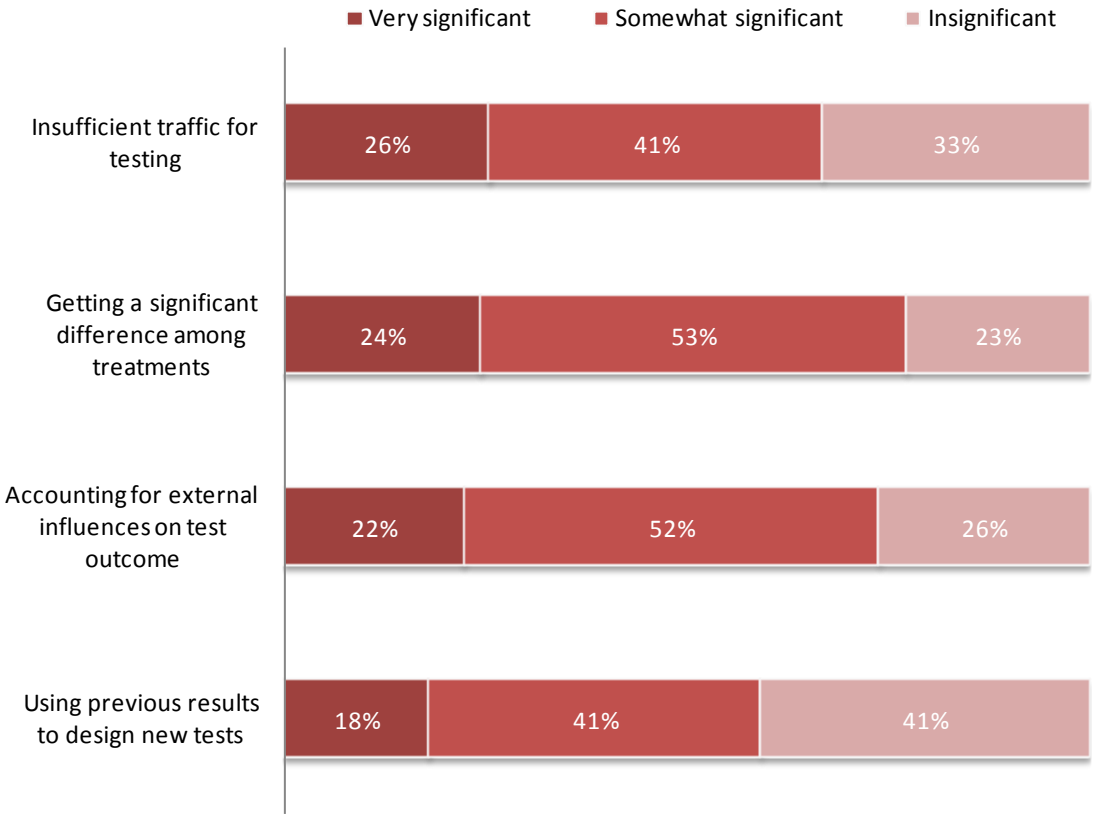
Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

With data analysis and testing expertise gaps at the top of the list, we asked more detailed questions about specific challenges in these areas. In data analysis, expanding insights from simple Web analytics to offline transactions, as well as online transactions that happen on subsequent visits, poses the greatest challenges. Being able to track this data requires not only additional technology investment, but also careful data modeling to make this information meaningful and actionable.

Segmentation is a key to relevance (discussed in detail in Chapter 6), and also an essential consideration for valid design of experiments. From the data analysis point of view, creating meaningful segments requires being able first to collect the appropriate visitor information (demographic data, personal information, behavioral data based on website navigation), keeping track of the visitor to keep all the information attributed correctly, and then performing statistical analyses to reveal the most *useful* segments. Merely segmenting by all available data is not always practical. Segments may become too small to be useful, or too broad to be meaningful. Furthermore, some segments may exist in reality, yet be impossible to separate on a website. For instance, some people respond to short copy better than to long copy – but we can only distinguish these groups *after* they have interacted with a page.

Q. 39.0 - Was any of the following a challenge to testing in 2010?

Chart: Top challenges to implementing testing as part of LPO in 2010



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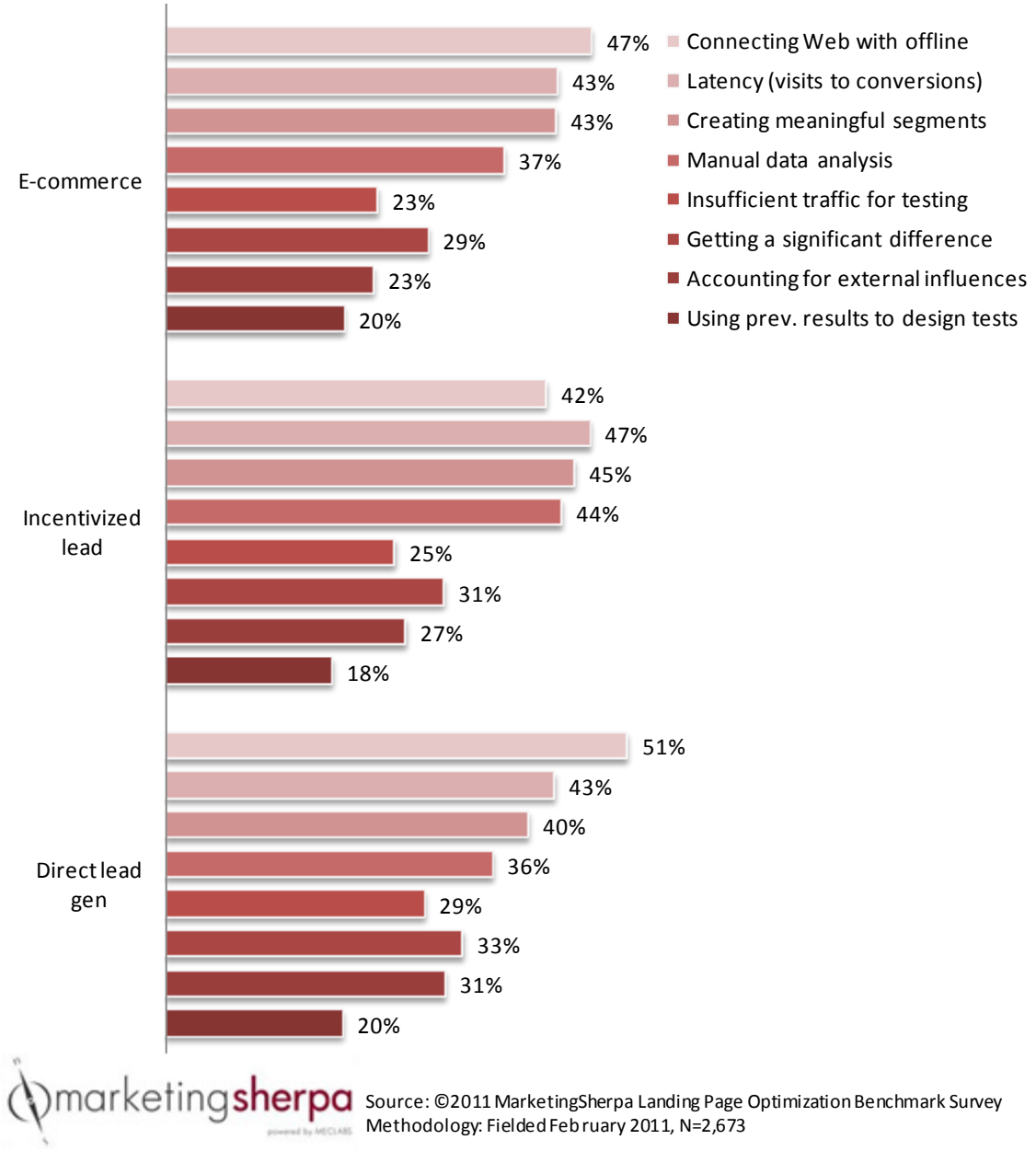
Methodology: Fielded February 2011, N=2,673

Compared with other challenges, those specifically related to testing methodology appear more likely to be considered "somewhat significant" than "very significant." Perhaps these challenges are perceived as more impersonal and mathematical than the other challenges, which have an organizational and interpersonal communications component – but the same should be true of the data analysis challenges. Perhaps it is because experiencing (or even considering) these challenges likely means having experienced or considered all the previous ones, making these less significant by comparison.

However, *all* these challenges can be damaging to a culture of testing in your marketing organization. Insufficient traffic, as mentioned earlier, requires more sophisticated statistics and potentially a lower level of confidence to validate test results. Otherwise tests may require too much time to be practical, which may not be feasible or palatable to some marketers. The amount of traffic is often outside of the LPO practitioner's immediate control, which may account for the large segment that rated this challenge as "insignificant" – perhaps simply because *their* pages already get plenty of traffic.

Accounting for external influences on experimental setup often goes back to the challenge of coordinating LPO and traffic-generation efforts previously described. Getting a significant difference is certainly preferable, but sometimes knowing that two treatments perform statistically the same can be useful data.

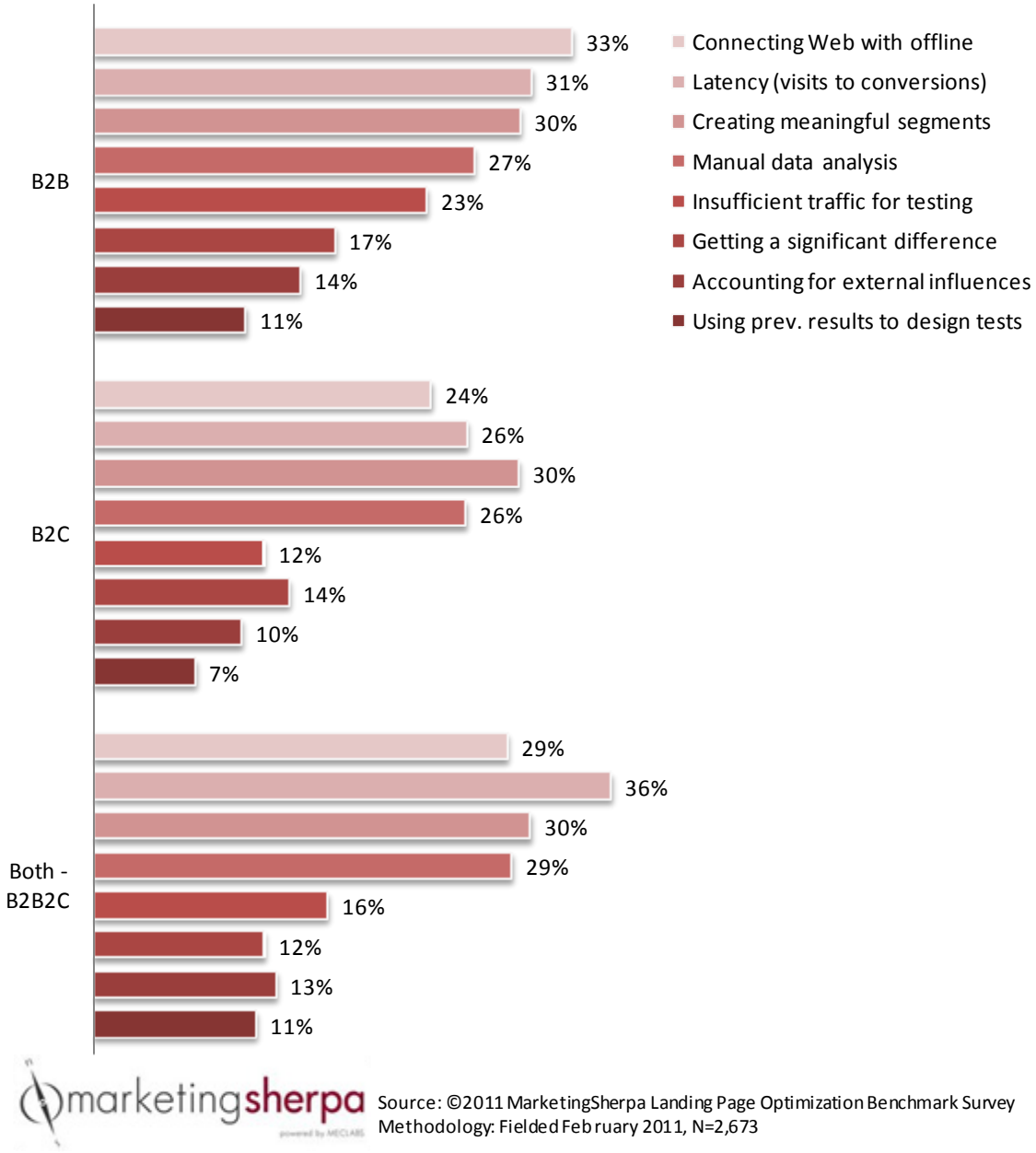
Chart: Data analysis and testing challenges ranked "very significant," by website objective



Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

Across different website objectives, the trend appears to be fairly consistent, with data analysis challenges being more prominent than test-related ones. Interestingly, sites that are focused on generating leads by offering free content are less challenged by the need to connect Web analytics with offline transactions. Unlike marketers that generate leads directly by asking the visitor for information with nothing immediate in exchange (e.g., an RFP form), perhaps the content marketers have had to go through the exercise of evaluating the cost side of providing free content, and therefore are more conscious of being able to account for it on the revenue side. Therefore, deciding what content to offer may already depend on being able to measure the return in terms of offline transactions. Direct lead gen marketers, on the other hand, are having an especially difficult time connecting online activities with conversions, signaling the well-recognized disconnect between Marketing and Sales.

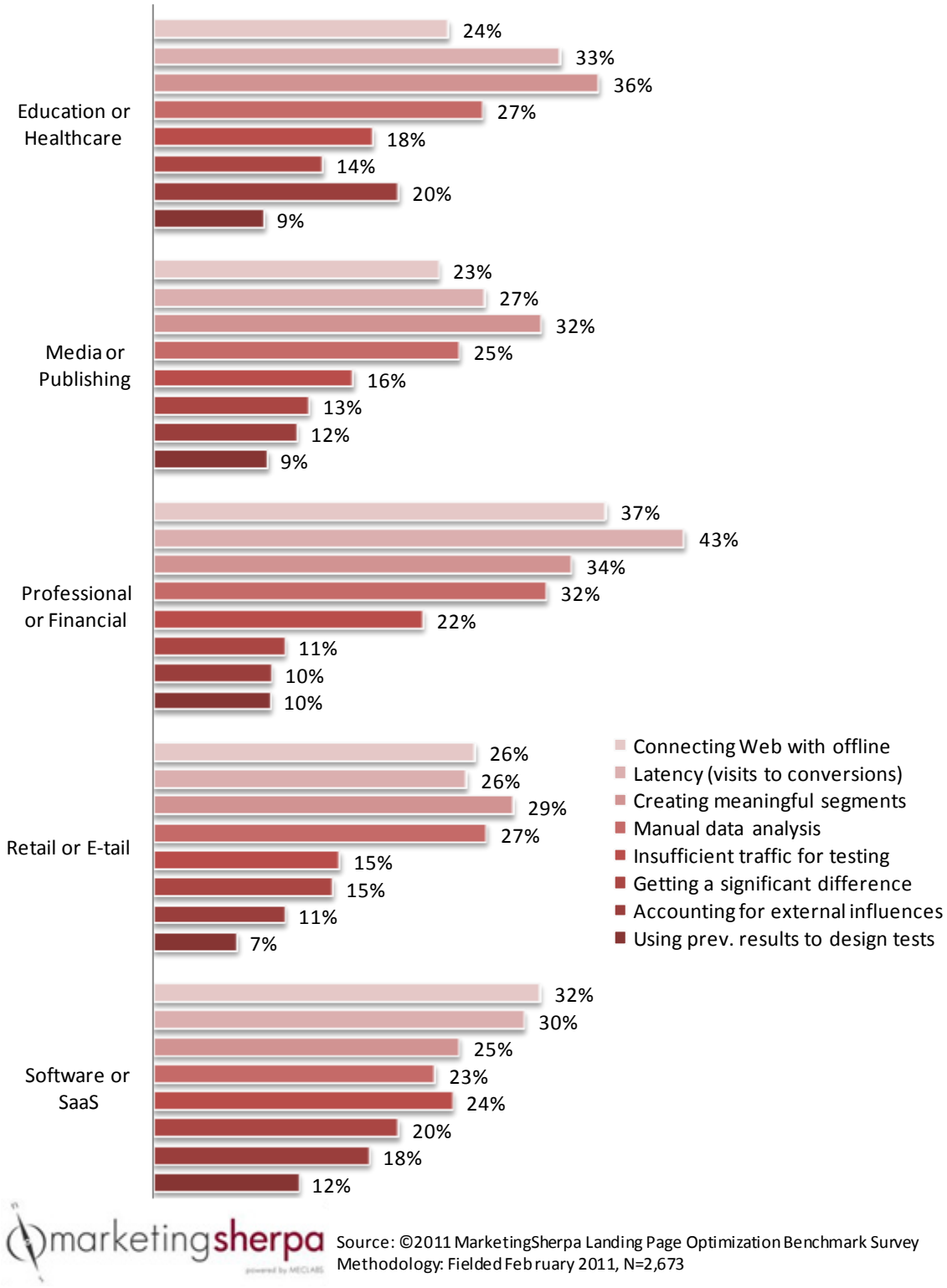
Chart: Data analysis and testing challenges ranked "very significant," by sales channel



Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

Predictably, connecting Web analytics with offline transactions is a less prominent pain point for B2C companies, as they are more likely to be focused on immediate online transactions. At the same time, getting sufficient traffic to a test is a relatively minor challenge, as the addressable market of B2C companies (and therefore site traffic) is significantly higher than that of B2B sites. Overall, the trend of testing-related challenges being overshadowed by data analysis challenges is maintained across websites regardless of the primary sales channel. While using previous results to design new tests did not score high as a "very significant" challenge, the complexity of using both quantitative (statistics-based) and qualitative (messaging- and design-based) interpretation of test results can be easily underestimated or ignored by marketers. Especially with test results that may be deemed "negative," the value of actionable interpretation delivers ROI even in the absence of a conversion lift.

Chart: Data analysis and testing challenges ranked as "very significant," by industry



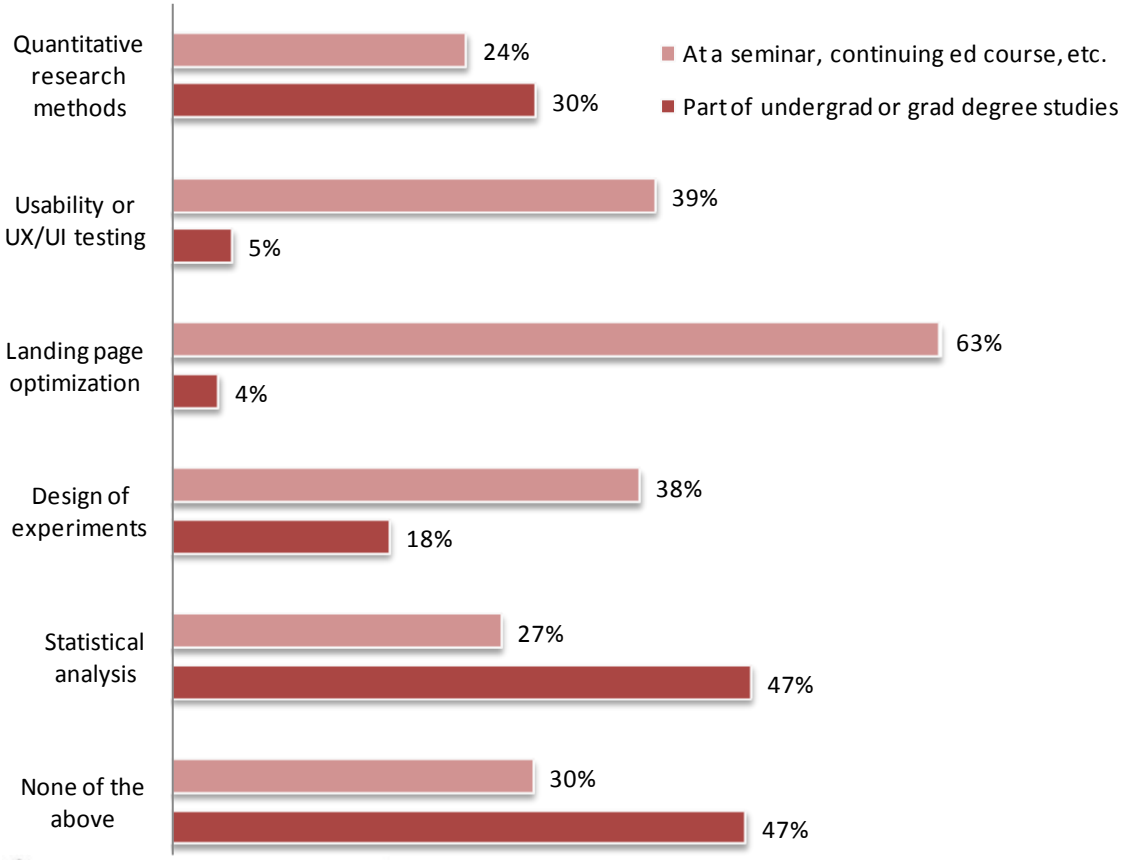
Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

For Professional services, where shopping can easily span months and office visits are the ultimate conversion objective, the first two challenges are crucial. For Education and Healthcare, awareness of segmentation is likely driven by demographics-specific products and services.

CLOSING THE LPO EXPERTISE GAP

Q. 56.0 - What kind of formal training have you had in the following areas?

Chart: University and workshop training in LPO and testing subjects completed by 2011



Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

As marketers aim to meet a growing demand to deliver LPO successes, as well as generally to increase their data analysis expertise (to get more value out of the growing volumes and types of available data), they are investing significant efforts into continuing education and training seminars.

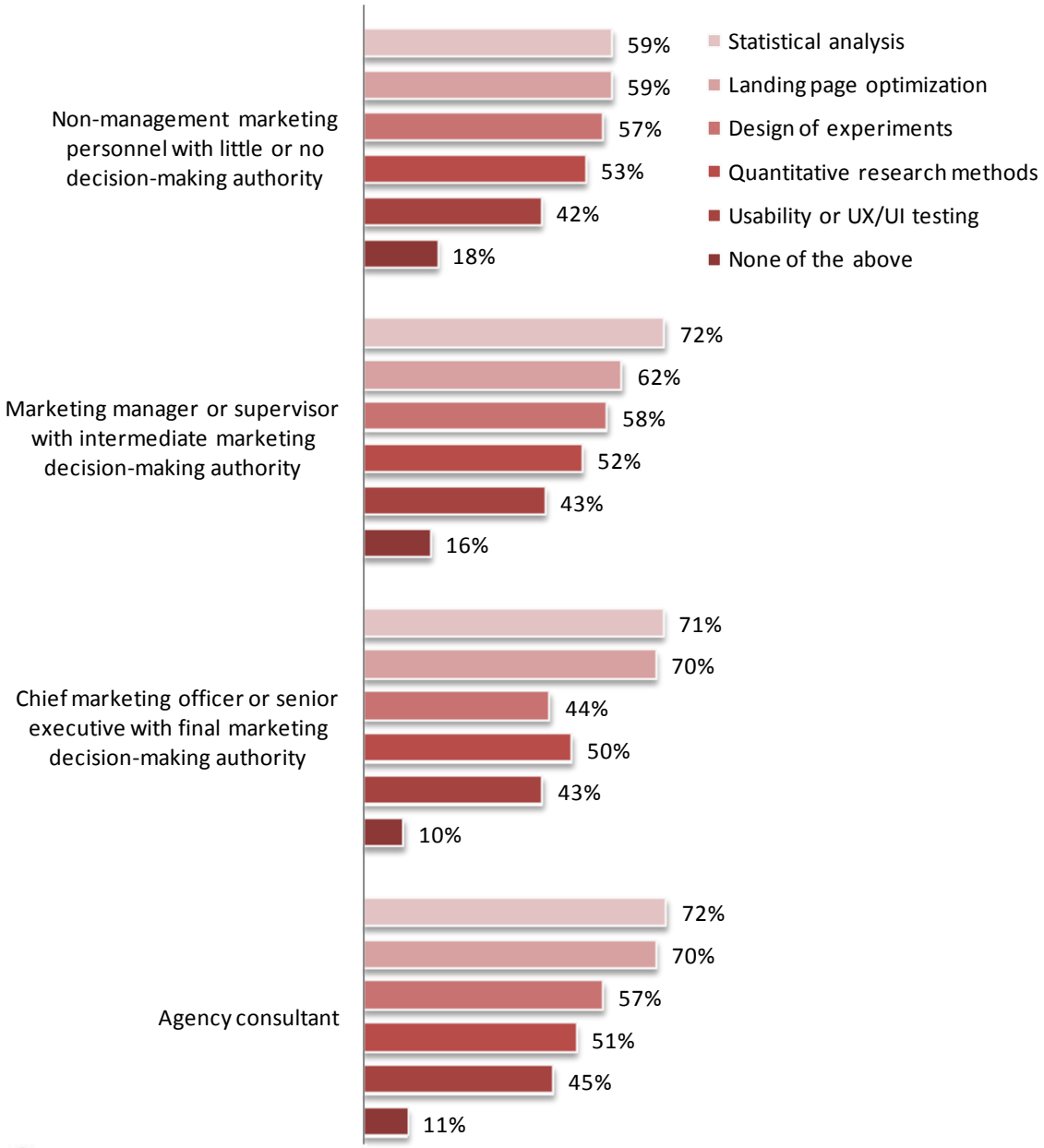
This chart shows that almost none of the respondents had formal training in usability or LPO. While the latter is predictable with LPO being a recent development, usability is certainly not a new field. However, these two subjects also account for some of the highest levels of non-university formal training, reflecting both the demand for learning them and the availability of such programs to marketers.

Almost one-quarter of respondents (not shown in this chart) did not select either university or professional training, reflecting the significant expertise gaps described earlier. However, while formal training is more structured and can be more efficient, it is certainly not the only way for marketers to increase their expertise (and, consequently, their value to the organization).

We will be taking a more systematic/statistical approach to our testing methodologies.

- Small org. marketer insight

Chart: Formal training in LPO and testing-related subjects, by organizational role

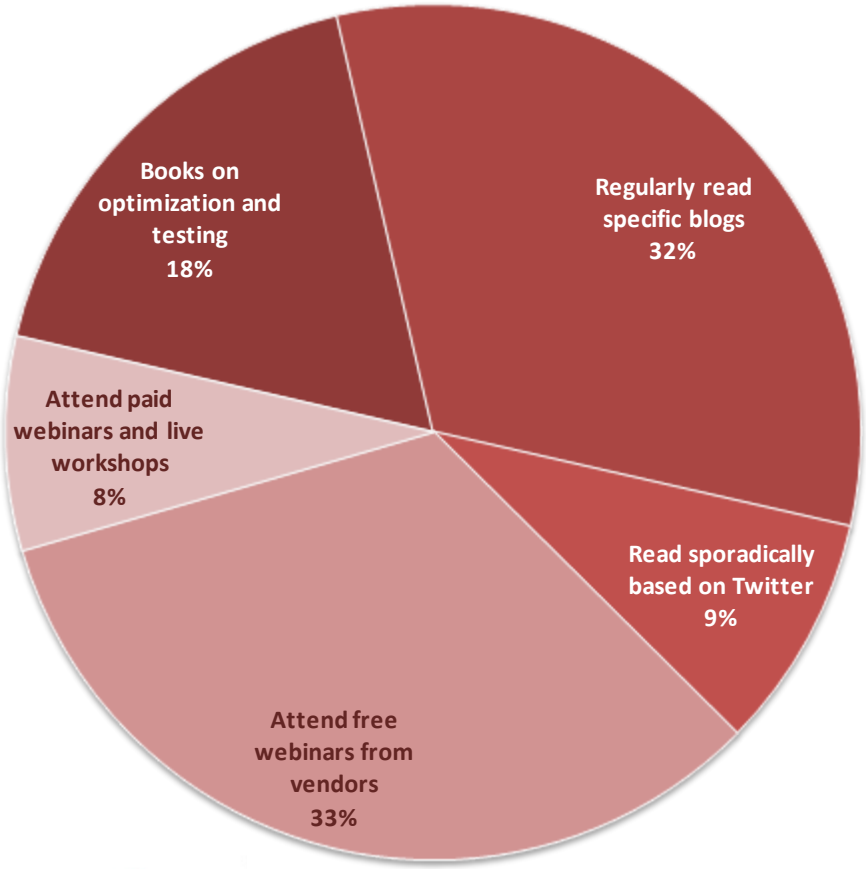


Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

This chart blends university and professional training to demonstrate the relative prominence of different subject matter that marketers in different internal and consulting roles have studied. The "none of the above" dimension is telling – a relatively small number of marketers in each role had no training in these subjects. Certainly, some subject matter related to LPO may not be represented by these answer choices, making the above data a somewhat conservative estimate of the proportion of marketers have had at least *some* relevant training. Interestingly, despite the somewhat technical nature of some of these subjects, the executive-level marketers are demonstrating a high degree of interest in studying them. Overall, there is a clear trend toward more training with an increased organizational role.

Q. 57.0 - What are your top sources of keeping on top of optimization and testing best practices or inspiration?

Chart: Top sources for keeping on top of LPO and testing in 2010



Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

Marketers – as other professionals – must continue learning as their field evolves. This is especially true of LPO, with its rapid competitive growth, increased sophistication of available tools and evolving methodologies. Aside from going back to college (and as of now, few universities offer a program specifically focused on LPO, although design of experiments and statistics programs are certainly invaluable to LPO practitioners), today's digital marketer has a variety of industry-specific resources available.

As software platform vendors and agencies compete for authority in the LPO space, they are producing free content in the form of blogs and – in the case of the more established and resourceful ones – well-attended webinars. With so much required to learn for successful LPO practice, these companies are not shy about sharing their successes alongside the methodologies and techniques that had created them.

Marketers that are not satisfied with sporadic learning and free resources that require self-paced study are taking advantage of paid training. These workshops and seminars often take the shape of day-long live courses or online lecture series that may span several weeks.

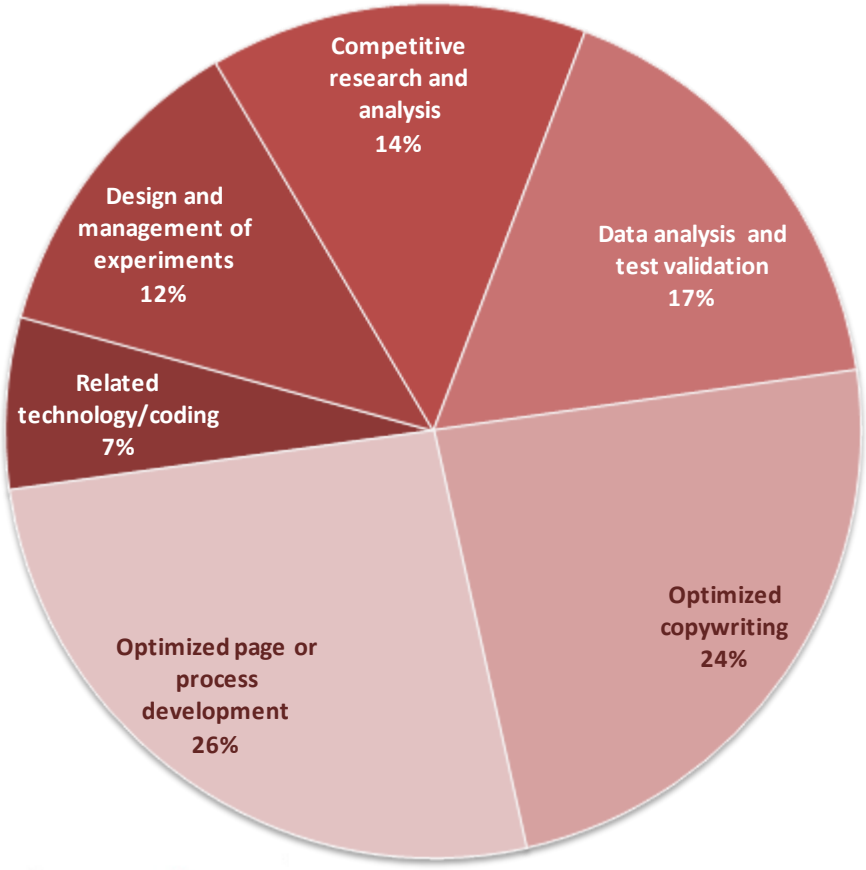
This year will be invested in selecting the right personnel. Moreover, we will set up a formal testing methodology.

- Marketing executive insight

OUTSOURCING LPO OPERATIONS AND EXPERTISE

Q. 6.0 - Which of the following LPO services (whether you provide them or not) were in highest demand in 2010?

Chart: Most popular LPO-related services in 2010, according to agency consultants



Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

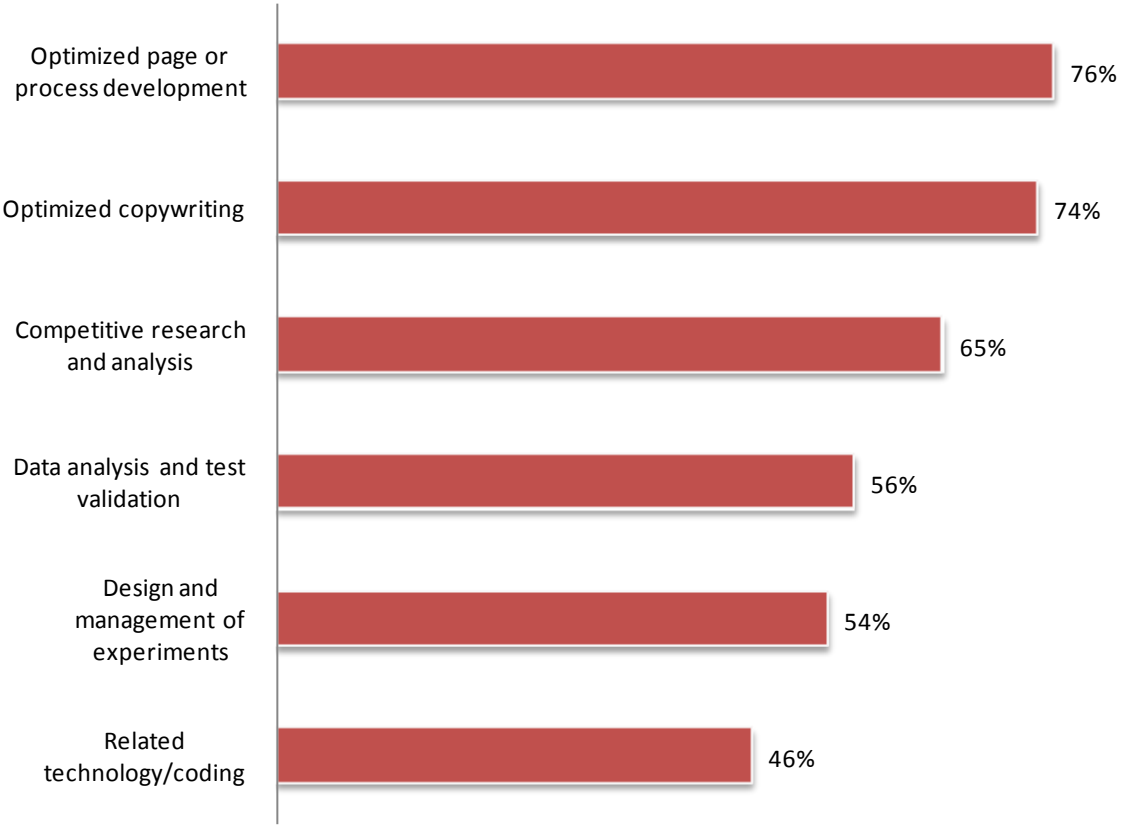
While internal marketing departments are increasing their LPO expertise, they are also moving as quickly as they can with the expertise and resources already in place. This often means outsourcing the functions that cannot be performed internally, whether due to expertise or operational gaps.

Optimized design and copy appear to be in the highest demand, and may often take the shape of the old "Web design" with the new sexy name of "optimization." However, the picture changes when the amount of outsourcing for each LPO-related function is weighed against the available supply. Nevertheless, the reliance on third parties to develop optimized pages, without any testing, signals both the understanding of the necessity of optimization, and the resistance to the more complex and knowledge-intensive ways of getting there.

Please note that this chart represents level of popularity, rather than actual outsourcing level of the corresponding services. The latter will be discussed in subsequent pages of this chapter.

Q. 7.0 - Which of the following services are offered by your organization?

Chart: Available LPO-related services in 2010, according to agency consultants



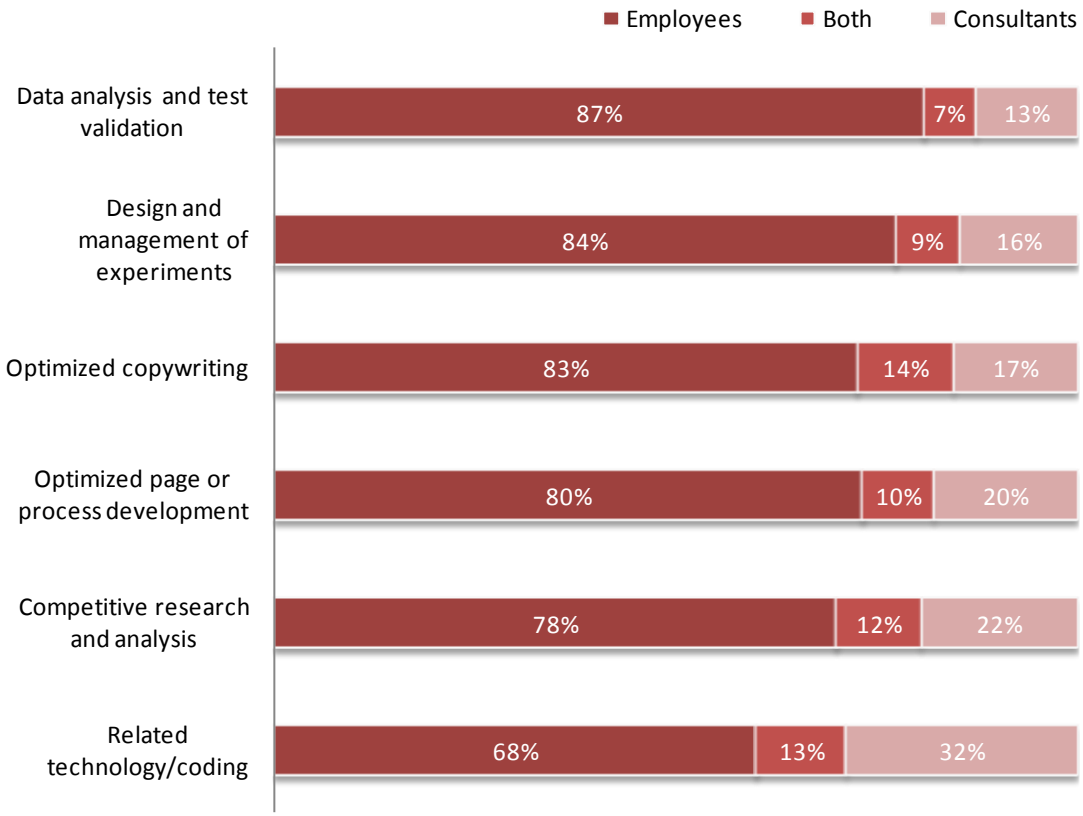
Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

Responding to the high demand for optimization advice and services, agencies are ramping up their LPO-related services. There is certainly some degree of changes in the name *only* – from "Web design" to "landing page optimization," which could not be detected using only a survey.

Importantly, almost half of the agencies, which responded that they offer some LPO-related services, did not offer design or management of experiments. This indicates that while some agencies are focused on meeting market demand for LPO expertise and implementation services, they are still either not equipped to offer testing, or choose to avoid it in favor of best practices consulting, where the validity of optimization results is not necessarily verified with concrete data. This trend is understandable, as testing poses a relationship management challenge that requires not only LPO expertise, but also the ability to educate and meaningfully inform the client on an ongoing basis. Since a given test may produce a "negative" outcome (in the sense that the treatments may all under-perform the control), it can create a negative perception of the service altogether. While a track record of successes can certainly help, it is even more important to be able to demonstrate how learning from negative outcomes is valuable, and how testing programs – rather than single tests – is where LPO has been shown to achieve the celebrated triple-digit conversion increases.

Q. 33.0 - Which of the following LPO functions were performed by employees and/or outsourced in 2010?

Chart: LPO functions performed by employees vs. outsourced in 2010



Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

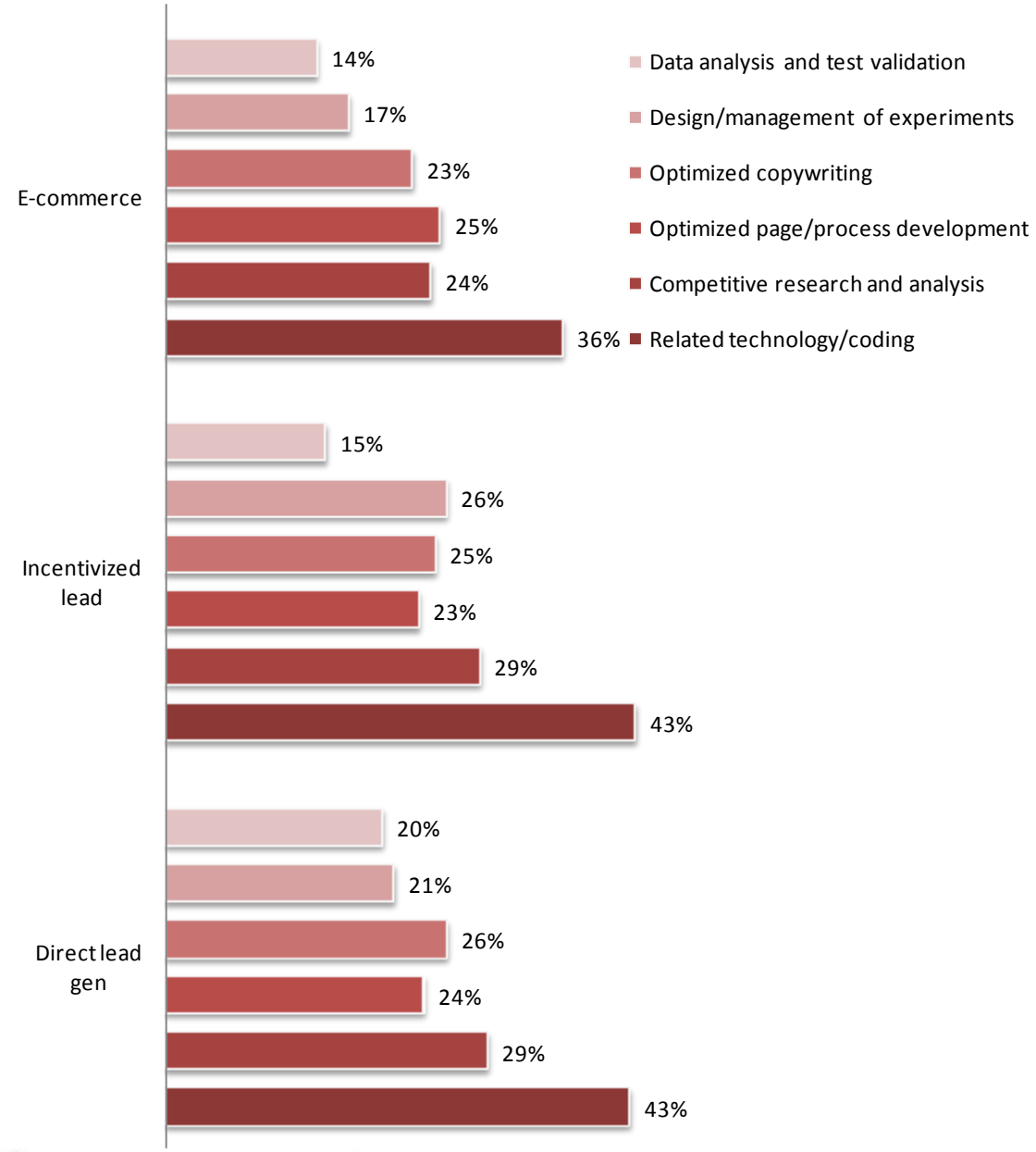
This chart demonstrates that in aggregate, LPO is overwhelmingly performed in-house, rather than outsourced. There are certainly some discrepancies between the outsourcing levels reported by corporate marketers, as compared to the popularity of these services from the agency perspective. Outsourcing of technology and coding in particular is often directed toward technology consultancies and individual freelance developers, rather than marketing agencies, which are not represented in this study. Thus, while the outsourcing level is relatively high, the popularity of the service from marketing agency perspective is low.

It should be noted that this chart represents functions actually performed. Where expertise or operational gaps are not closed, neither employees nor consultants are likely performing those functions, yet the balance remains unaltered.

Hiring an experienced e-marketing professional to help us take our website and its content to the next level. Web team will also be replaced to elevate our current in-house skill set. Our organization has outgrown the current set up.

- Mid-size org. marketer insight

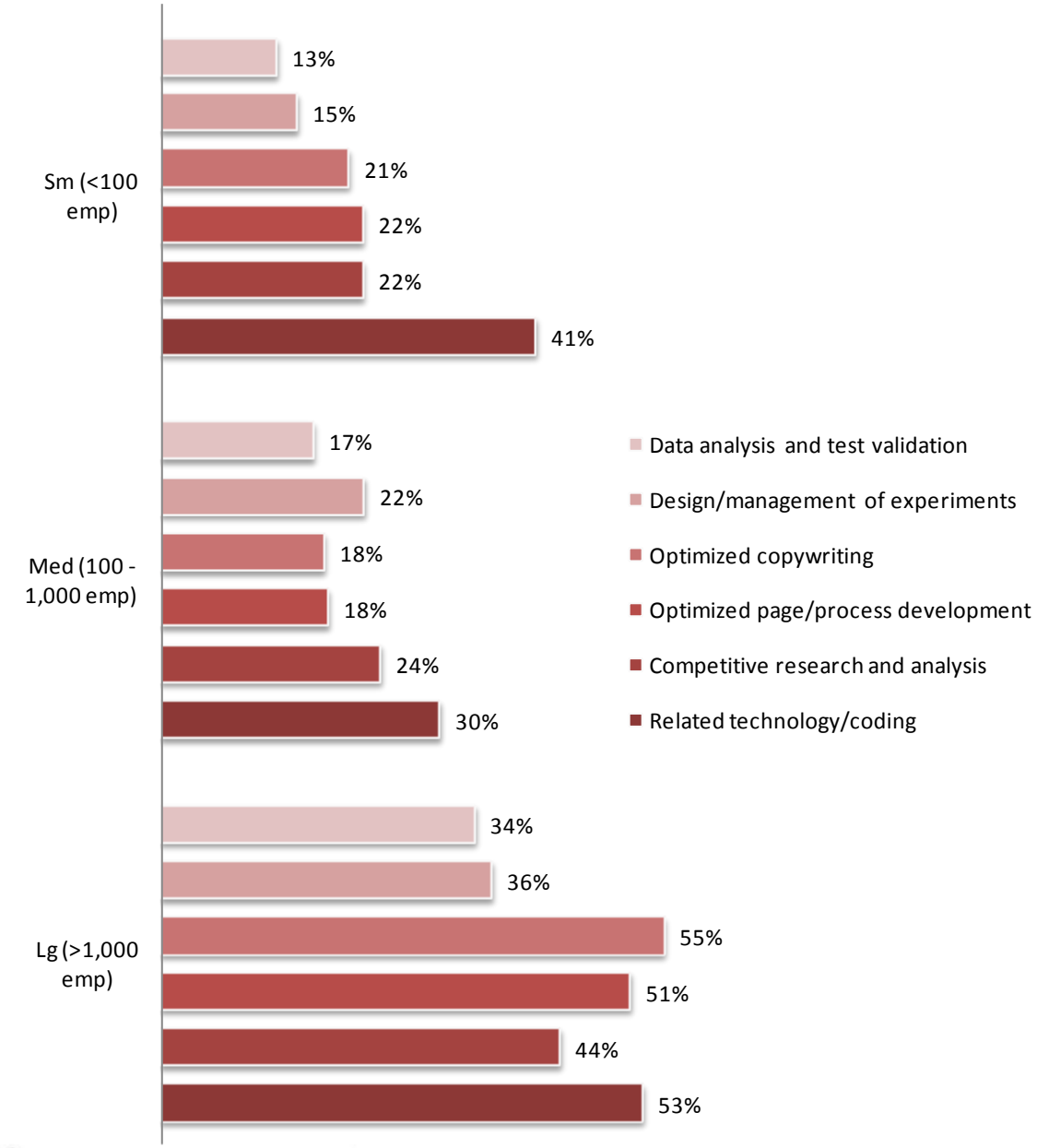
Chart: Organizations outsourcing specific LPO functions in 2010, by website objective



Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

The portion of LPO work performed by third-party consultants varies slightly across organizations with different primary website objectives. Organizations that identified these as their objectives also tended to outsource slightly less than the average, suggesting that being able explicitly to state the website's objective is an indication of LPO maturity. E-commerce sites outsourced testing-related functions significantly less than their other LPO-related operations, making up for it in employee performance. As discussed earlier, setting more straightforward conversion objectives makes data analysis and design of experiments somewhat easier – although there are certainly intricacies, such as latency and segmentation that e-commerce marketers may be overlooking.

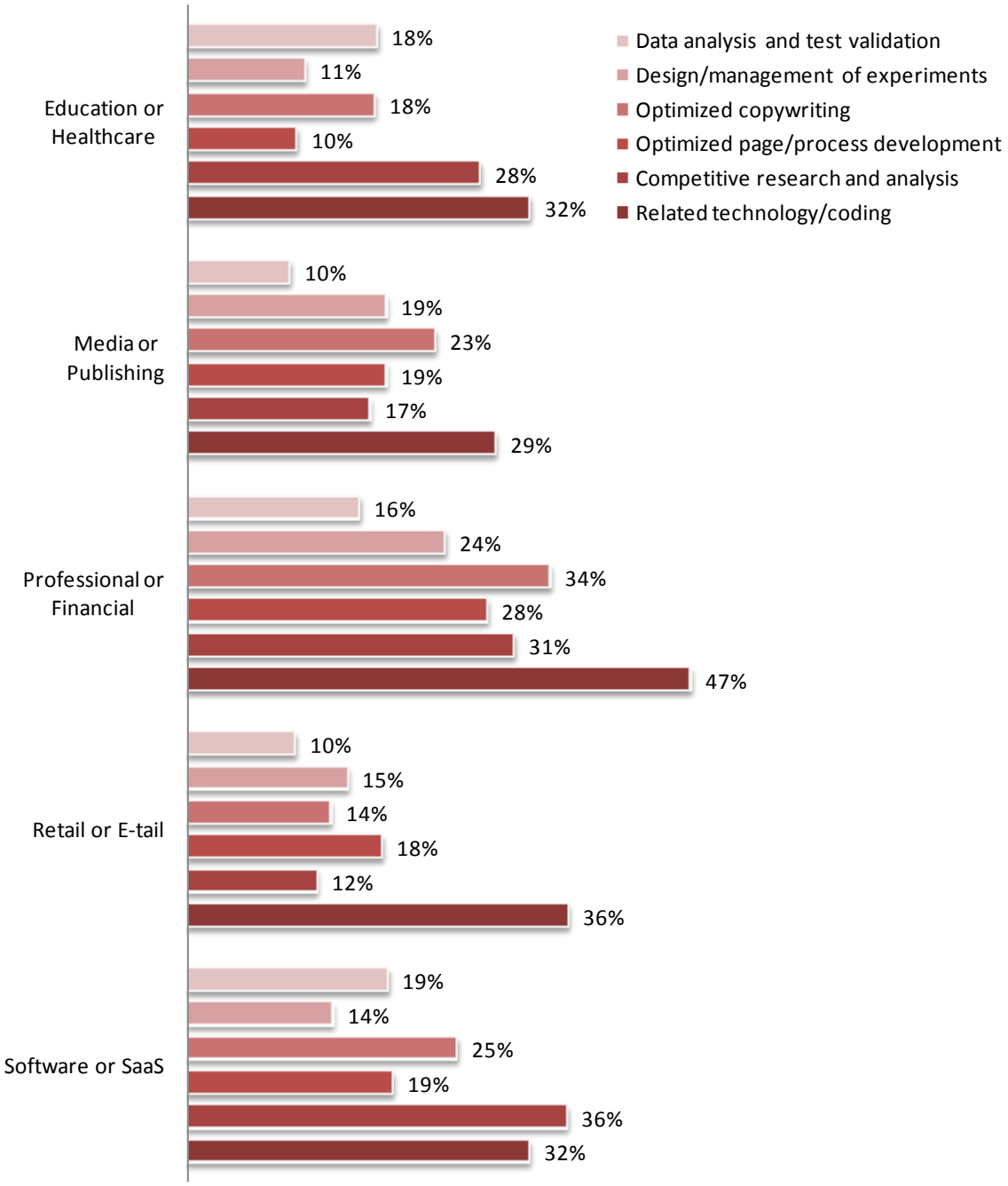
Chart: Organizations outsourcing specific LPO functions in 2010, by organization size



Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

Perhaps more surprisingly, the amount of outsourcing may be indirectly related to the organization size, as it indicates, on the one hand, the financial strength of the company, and on the other, the degree to which its departments are siloed. The latter makes marketers prone to outsource, even when there may be internal resources that could be shifted around. However, it should not be surprising that small companies are also outsourcing relatively heavily (even if we disregard the technology outsourcing). When these companies decide to get into LPO, they may simply have no resources to shift, and they may be too focused on their core operations to dedicate operational bandwidth to something new.

Chart: Organizations outsourcing specific LPO functions in 2010, by industry



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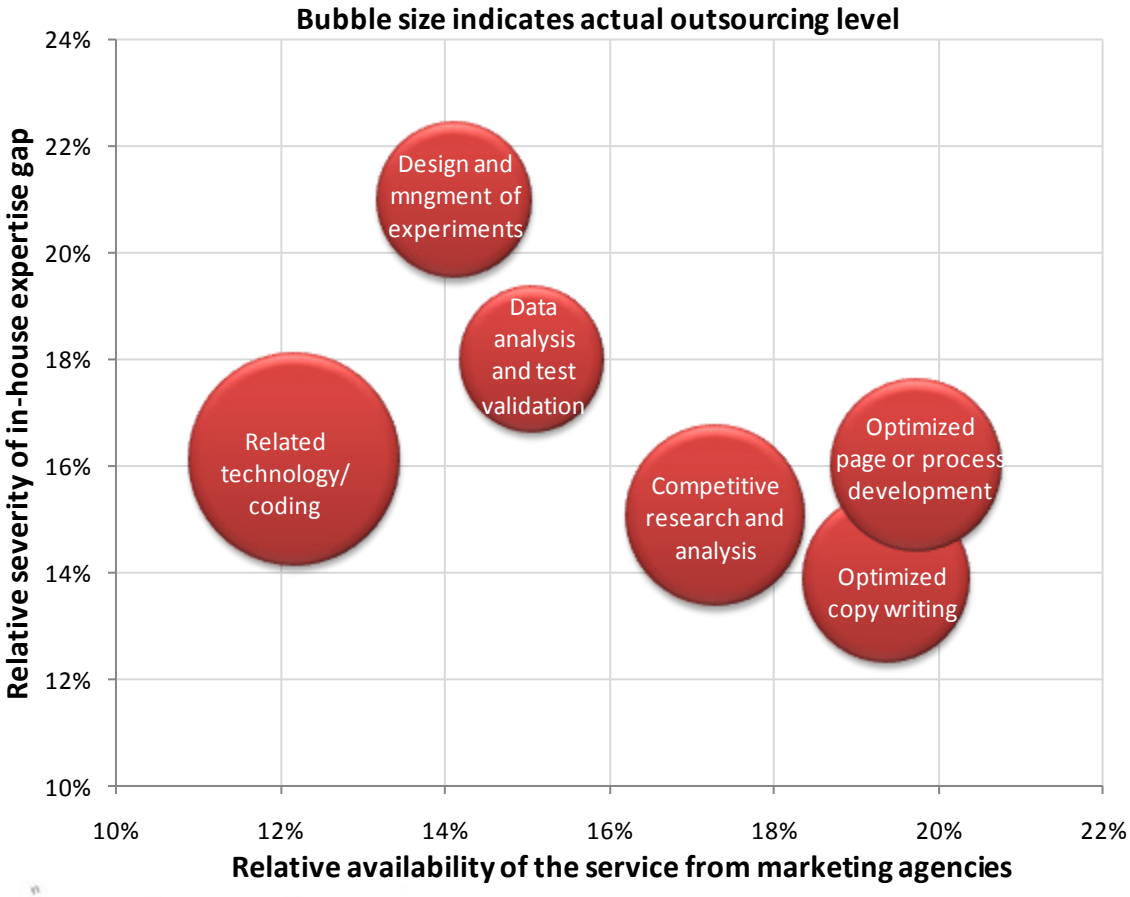
Methodology: Fielded February 2011, N=2,673

There appears to be little trending across different industries. Technology outsourcing aside, Education and Healthcare, as well as Software industries shift significant outsourcing dollars toward competitive research. Perhaps surprisingly, Media and Publishing companies outsource copywriting more than any other LPO function (again, technology aside) – which is also true of Professional and Financial services sites, where copy is critical to establishing authority and communicating value.

Chart: Data analysis and design of experiments are in short supply

While LPO is still an emerging area of marketing in some respects, rapid adoption by a large number of forward-thinking marketers has created both an awareness of in-house expertise gaps, and an opportunity for agencies to provide services to fill those gaps.

The chart below combines normalized data for six categories of LPO-related business processes (or, conversely, services) to show the difference between the supply and demand for LPO talent, as well as the propensity of companies to bridge the expertise gap by outsourcing it.



Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

As this chart demonstrates, the more formal and scientific knowledge-intensive processes are in highest demand and low supply, while the more traditional and creative services are – as we would expect – more widely available. LPO, as other emerging areas of digital marketers, has brought new demands on the marketer's analytical capabilities, creating an opportunity both for employees to elevate themselves within their organizations, and for consultancies to build corresponding services. The converse is that a large portion of agencies consider themselves providers of LPO services, while lacking expertise in key analytical and experimental areas. In this report, we will discuss how marketers obtain the requisite knowledge to keep up with the math and science of LPO, as well as specific methodologies employed in the industry.

MARKETER INSIGHTS ON OVERCOMING CHALLENGES TO LPO IN 2011

Q. 41.0 - How will these challenges be addressed in 2011?

CMO insights: Overcoming challenges to LPO in 2011

To avoid repetition, the singular pledges to hire or dedicate additional LPO staff, increase outsourcing of LPO functions, and "learn more" about LPO have been deliberately pruned from the citations below. Understandably, marketing executives are increasingly appreciating the importance of LPO and at least are hoping to implement or expand its presence in their organizations. We will have to see next year how much these hopes will have turned into a reality.

There is certainly a sober sentiment among marketers that no matter how important they see LPO, they are confident that their organization will not have the bandwidth to put it on the agenda in 2011. Given LPO's potential for significantly impacting the bottom line, this spells opportunity for more agile organizations. The repeated theme that *was* kept in the insights below is making operational process changes to accommodate LPO.

- Restructure product offer, meaning give away some of the product to capture newsletter subscribers and promote product in email. This should have been done long ago.
- Hopefully, we'll be able to devote more time to marketing and performing our services – and less time to looking for prospects – as the website and inbound marketing become more engaged.
- Identifying better tools to assist and working more closely with other divisions in the Institute.
- Use of much better technology and more focus on LPO as an imperative part of our sales and marketing strategy.
- With an increase in traffic and new software that tells us if our A/B testing is statistically significant we should be able to test LPO a lot easier and quicker.
- Work more closely with technical staff and do actual testing.
- Continued refinement and using a 3rd party platform to bring everything into one desktop environment.
- No testing was implemented prior to 2011. This year, testing will become a regular part of maintaining and creating sites.
- Still trying to figure this. Making more management time to define overall LPO and website strategy would help. Creating more in-house capacity to action LPO is critical.
- Greater focus on testing and measuring from the outset.
- Introduce test methodology and tools.
- Formalized LPO process.
- Establish a formal process to do this.
- Implementing process for testing, more staff resources spending time on testing, additional use of free software to implement testing strategies.
- We plan to adopt a formal optimization process and acquire enhanced analytics
- Organizational improvements, greater focus on LPO.
- Implementing an LPO strategic model and operational guidelines. Need to acquire more information on best practices in these areas.
- We're new on the online retail landscape. This year will be invested in selecting the right personnel. Moreover, we will set up a formal testing methodology.
- We will be running numerous telemarketing tests to determine the most effective Web content relative to our sales process.
- Increased interest from inside and outside the business means an increased focus must be delivered.
- Hiring more Development and Creative staff to solve problem of not enough resources, and being more proactive in getting test traffic via

social media and personal invitations (as opposed to just waiting for it to turn up).
- Our strategy has changed significantly after a thorough review of 2010. Our traffic challenge has been adjusted so we don't need to rely on PPC as much...which doesn't seem to work as well.
- Our biggest issue is that we are in a specialized niche without a lot of traffic, so any split tests take a long time to show results.
- Creating highly focused content by good analysis of target/segment research and tests.
- We will be implementing more A/B type tests with slight and major changes to each LP. Combine PPC and affiliations to increase traffic to more statistically significant levels.
- Primary focus is still on building traffic through SEO and email marketing- we MAY entertain a site redesign in Q4 to build landing pages and begin to track conversion.
- I don't know yet – I'm pretty new to all of this and having your questions to look at actually helps me to define some of where I need to go with this – thus the name Sherpa I guess, right?

Just like their executive-level counterparts, marketers across organizations of all sizes expressed their intention – or at least, desire – to learn more about LPO and dedicate more time and resources to it. Again, to reduce repetition, these comments are largely redacted below, as these sentiments are already sufficiently communicated in the preceding charts that present data on challenges to LPO and learning preferences.

Many marketers are planning to address LPO challenges by developing a process around LPO in 2011, but at the same time their concerns about budgets and technology reflect key obstacles. Technology appears to be the most aggravating problem, which indicates perhaps overreliance on technology to solve the expertise gaps related to the ability to design valid experiments. While technology solutions certainly can make testing (and data analysis) much easier, significant human expertise is nevertheless necessary to take advantage of the available tools and amplify the technology ROI.

Marketer insights: Small organizations (<100 emp.) overcoming challenges to LPO

- Some of the challenges were due to lack of processes in development. I am focused on creating better testing/analysis procedures.
- It's all about the budget and more importantly it's about the time to implement, then follow through and act upon results.
- Formally looking at landing page performance. Will be doing A/B testing.
- Understanding the way social media generated traffic will influence the results in tests and discover new ways to execute tests on social media platforms such as Facebook.
- Launching a complete LPO program to go hand in hand with our PPC and email cycle for lead gen.
- Will spend time and energy trying to understand the relationship between catalog distribution and web traffic/conversion.
- Introducing new marketing channels will increase the number of visitors to the site, thereby giving an increased sample size in future tests.
- At this point visitor volume is so low that statistics have minimal credibility.
- We will be taking a more systematic/statistical approach to our testing methodologies.
- The main focus in 2011 is to start measuring, tracking and testing all Web activities and direct marketing.
- This will be the first year we will analyze our data as far as web by implementing Google analytics and other means to drive traffic.
- Doing it better than we did last year. We now know what we didn't last year. We just had good "opinions of what worked" and followed our hearts to what we now see as a great gain.
- I'm on the team now and I'm going to deal with each of these challenges one by one.

Marketer insights: Mid-size organizations (100-1,000 emp.) overcoming challenges to LPO

- Through improved communication between teams.
- By consultants. Internal people cannot handle this.
- Hiring an experienced e-marketing professional to help us take our website and its content to the next level. Web team will also be replaced to elevate our current in-house skill set. Our organization has outgrown the current set up.
- Engage outside consultancy on SEO effort, formal SEM plan, process and budget, updated marketing automation system, 1 FTE charged with online channel management with optimization and conversion goals.
- Revised site with additional functionality to allow easy testing.
- We are looking at developing a new site and a key part of that will be to attach specific KPIs to a page or section of the site to measure effectiveness.
- #1 priority is re-platforming. Currently, we do not have the capability to link landing pages to our hierarchy or present segmented landing pages.
- Better testing software. Hopefully, more time between designing new tests to give more data collection and validation time.
- Don't know; we are running 1.5 FTE to manage entire mar-com effort in educational institution and these important tasks are falling off the table.
- Switched to a new analytics package in 2010. Anticipate a new set of challenges.
- Additional reporting tools and tracking software.
- We expect to tighten up all aspects of testing in 2011; 2010 was something of a starter year for us.
- More pre-launch testing will be done, more software training for IT and Marketing.
- We plan to use A/B and multivariate testing extensively this year and train our staff on how to set up and manage these types of campaigns. We are also training our staff how to implement and use Web analytics data correctly.
- Correlate Web visits with opportunities in our CRM.
- Trying to push larger traffic through tests (read: getting more comfortable) so we can shorten the test length. More formal training and dedicated resources.
- Applying tests more consistently and applying successful results uniformly. The issue is consistency, consistency, consistency.
- We are dedicating additional resources and have increased our budget.
- Increase staffing with marketing/testing expertise.
- New Web analytics platform will help us segment visitor segments and channels more cleanly.
- CRM with APIs [to Web analytics] being built.
- Implementing some new analytics software tools to help automate some of the process. Trying to implement better tagging to improve tracking.
- We are scheduled to test all outgoing email campaigns more than we did in 2010. Our LPO is handled poorly in a different department. Their artistic brilliance is never challenged, even in the face of contrary information.

Marketer insights: Large organizations (>1,000 emp.) overcoming challenges to LPO

- Known and planned to undertake more process and improve the procedures.
- More focus on LPO and more budget.
- Very difficult as increase in budget limited and resources limited.
- By learning from our struggles and by throwing more money at the problem.
- Put in place more internal processes to force better lead reporting from frontline employees.
- We are socializing results more so that we gain better cooperation with content owners on future projects. We are also working on structuring online tests to match the level of traffic (testing less variations).
- Entry-level marketing automation solution implemented Q4 2010, will be used to develop multivariate testing options.
- Begin testing in 2011. Better alignment with other channels.
- We had to walk before we could run - so now can build a process for LPO.

- Segmentation, dynamic page generation based on traffic source, behavior etc.
- Do not expect to see any significant improvement in LPO in our company. It does not seem to be a business priority yet.
- Will look to be more systematic in application, more thorough in analysis, more data-driven in changes.
- How to get the entire Web IT, managers and copywriters fired? They are five years behind the rest of the other retailers. What they do on the website is totally subpar. It really is sad. Many dollars lost every day!
- New team of experienced optimization experts brought in to build processes and transform company into a testing organization.

Agency insights: Helping clients overcome challenges to LPO in 2011

- More structured approach to client projects. We will be refusing projects that are unlikely to mesh with our ideal testing workflow.
- I need to learn how to be more persuasive! Management tends to think I should "know" rather than have to "test". Well, dear management, I'm not always the target market!
- Working to get greater buy-in and commitment to the optimization process.
- More use of tools to review actual customer experience. Using LPO to "fix" a broken process is not always the best methodology. Sometimes observing customers [using browser tracking tools] provides better insight.
- LPO budgets will rise, and the meaning of data analysis will reach most of our clients.
- More results are being complied with every successive campaign these are proving the best practices and value of testing and tuning for target markets.
- We will be building testing expenses more rigorously into our budgeting process for client projects, as well as emphasizing the value of testing for clients more strongly during the sales phase.
- Hopefully greater cooperation between different marketing departments. Greater creativity in coming up with different treatments to test.
- Working much more closely with clients to identify target market - and working within Google Analytics to segment data more effectively.
- Just trying to show value through smaller tests to clients so they assign IT resource. Have set-up own in-house development capabilities.
- Incorporate outside expertise to do A/B testing for clients.
- Stricter rules on sites that we will run tests on. We've learned that a site getting around 1,000 visitors per month doesn't have enough traffic to make the testing worthwhile.
- Better training for account managers to sell the value of testing.
- Bring more voices into the conversation about testing up front.
- Client will address in-house tracking or quit complaining about the lack of results.
- We are taking more ownership of the testing development process to more rapidly complete test cycles for clients.
- Variety of issue that depend on the client. Mix of software integration, CRMs, custom developments, improved processes.
- All my clients are in the same situation. They know they need LPO but have not started and don't know where to start. The plan for all of them is to begin this effort in 2011 by using my company's services to address them.

CHAPTER 3: CMOS AND MANAGERS ON BUDGETING AND ROI OF OPTIMIZATION AND TESTING

Continuing the operational theme of the previous chapter, we now turn to the data obtained from CMOs, other executives, and marketing managers (unless explicitly noted otherwise) with regard to LPO's ability to demonstrate ROI and other key elements that affect its budget allocation. In particular, we will return to outsourcing LPO, which was addressed from the functional perspective in the previous chapter.

As in other areas of marketing, demonstrating ROI is a growing concern. Not only is the competition for marketing budget dollars is getting tighter, but there are also high expectations for digital marketers to be *able* to track and calculate the appropriate metrics that feed into the ROI formula. Social media marketing enjoyed only a few years of using words like "engagement" and "influence" to describe its successes, before the businesses started asking for concrete P&L outcomes. Capable social media marketers responded with ROI figures in hand, but many are still struggling to arrive at a methodology that would both provide actionable reporting and not keep them stuck building oversized data models. LPO marketers are in a better position to calculate ROI than their social media counter-parts: since social media marketing typically deals with driving traffic *to* the website (if anyplace at all), there is much greater latency to address than with LPO, which deals with what happens only *after* the visitor arrives.

Furthermore, unlike social or other marketing programs loosely connected with transactions (e.g., branding, PR, etc.), LPO efforts are much more narrowly focused, with many key variables within the marketer's control. Once visitors are on the page, they are primarily influenced by the messaging in front of them, as compared to the multitude of simultaneous voices in the social space. (Certainly, this is not strictly the case, as especially with search traffic, the visitor likely has several of your competitors' websites open in adjacent browser tabs, so competitive messaging is in high proximity.) Fewer variables means higher confidence in being able to isolate the influence of each; in other words, it means getting actionable data quicker.

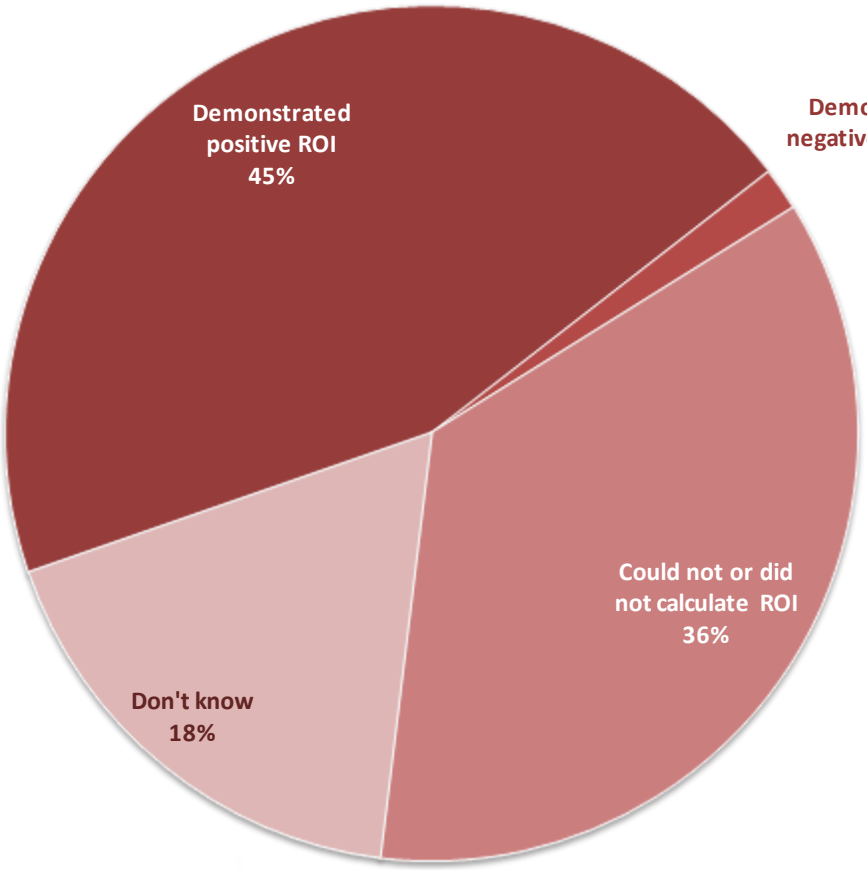
With higher degree of control, testing is also much more practical, which is why many LPO practitioners make testing mandatory. The logic is that since testing is possible, relatively inexpensive and can be completed on a reasonable timeline, it *must* be performed to eliminate guessing from LPO decisions *and* to demonstrate immediately the incremental value (a precursor to calculating ROI) of a given optimized page or process over the control. Of course, this logic is merely theoretical for many marketers, as we saw in the last chapter on challenges to LPO, and in particular challenges related to data analysis, design of experiments, and test validation.

It is no surprise, then, that just as marketers in most other areas, LPO practitioners tend to struggle with calculating ROI. The relative minority that *is* calculating ROI are overwhelmingly successful, which likely accounts for the somewhat of a celebrity status of LPO and the corresponding demand for best practices, as well as the learning resources, personnel, and tools to make testing a reality. In other words, the ROI required to get the budget, first needs to be funded. If this sounds like a catch-22, there *is* a way out: demonstrating the power of LPO with narrowly designed single-factorial testing that costs little, puts few or no tasks on IT, produces unequivocal results and completes relatively quickly. We discuss testing methodologies in more detail later in this report.

LPO DELIVERING RESULTS IN 2010

Q. 30.0 - Was optimization or testing able to demonstrate an ROI in 2010?

Chart: The ROI of LPO and the ability to calculate it by executives and managers in 2010

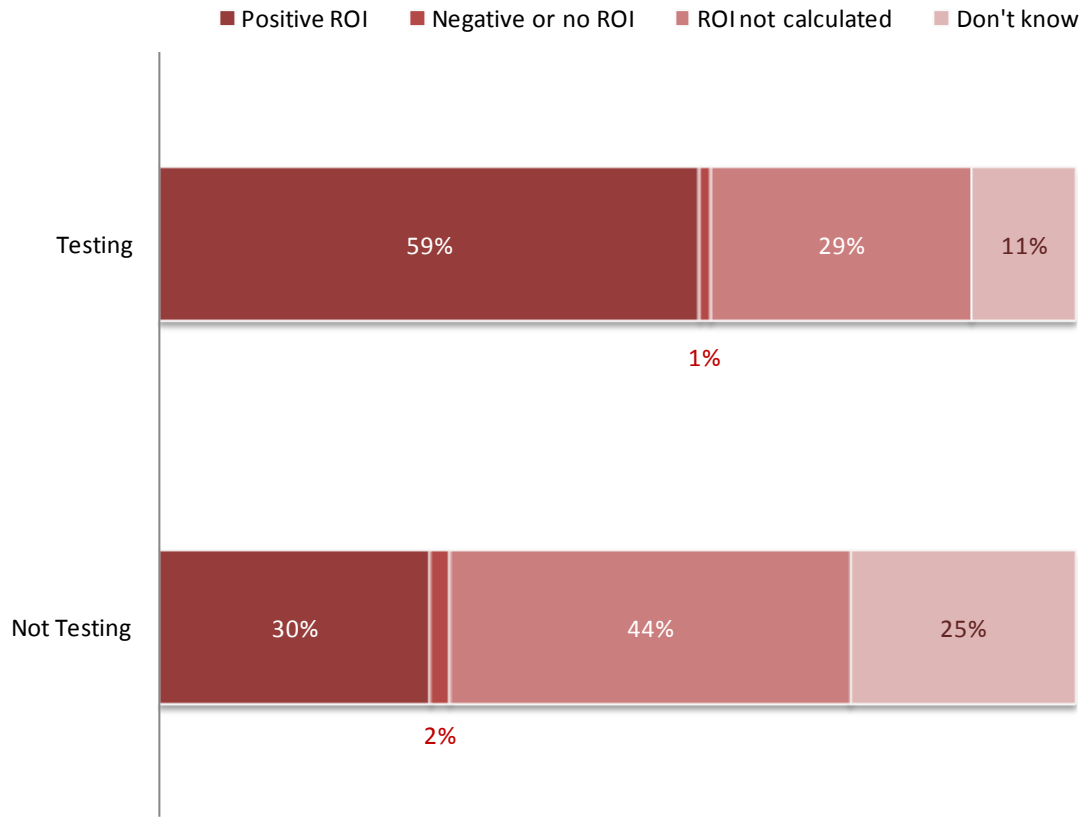


Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

The contrast between good news and bad news could not be more defined. The good news is that only about one in 50 marketing executives and managers, who had arrived at an ROI figure for LPO in 2010, found it to be negative. The bad news is that a majority of them did not, could not or couldn't recall whether they did (in other words, did not) calculate the ROI of LPO in 2010 in the first place.

The reader should be justifiably skeptical here. In the vast 54% that provide no accountability for ROI above, it is likely that had the ROI been identified, it would have been more often negative than just 1% of the time. This chart should also be considered conservative in portraying the dire state of ROI accessibility. As detailed in the Appendix, there is a bias in the survey data toward the more successful, and, more importantly here, the more aware digital marketers. In other words, marketers who calculate the ROI of their optimization efforts were more likely to respond to this survey than those who never considered it. While this certainly increases the value of this report's data and insights, it sets a relatively high bar for marketers to reach. However, for the reasons stated earlier, reaching this bar may not be an option for corporate marketers, who are required to build a business case for their activities.

Chart: Influence of Testing as part of LPO on the ability to calculate and achieve ROI in 2010



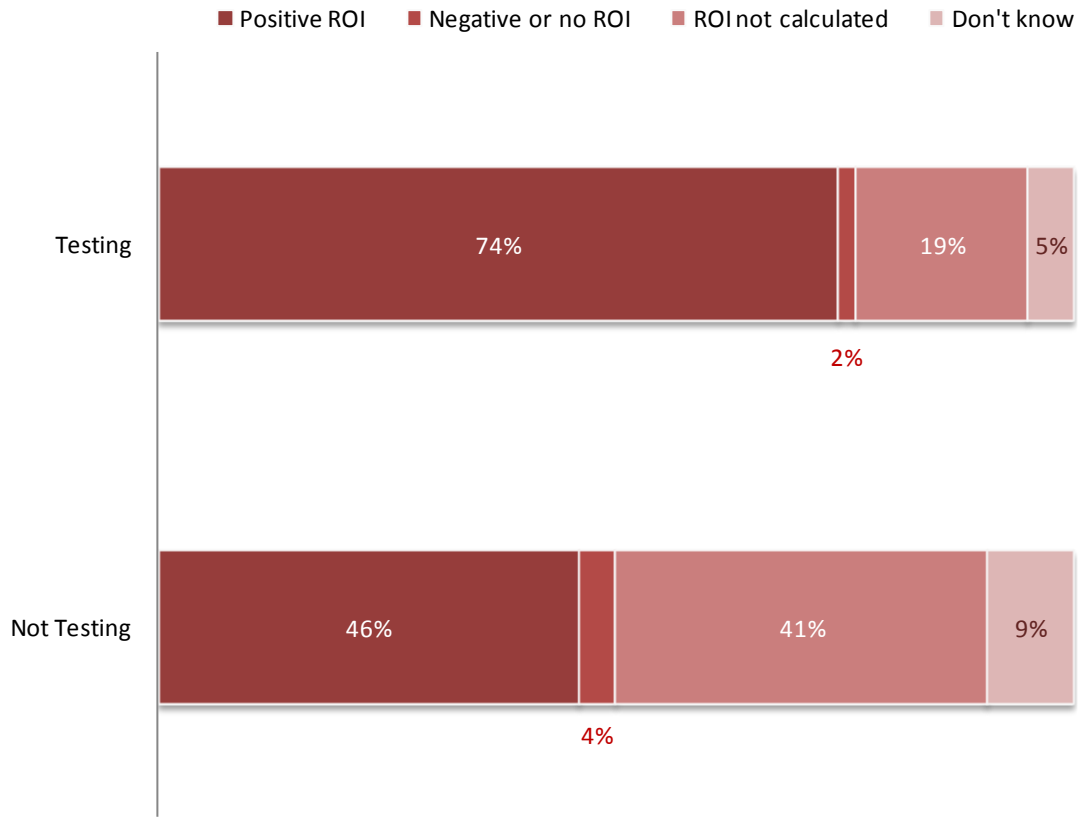
Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

Testing, by its very data-driven, data-producing and disciplined nature, creates an environment that makes ROI calculation much more accessible. In fact, as the chart above demonstrates, calculating ROI is almost exactly twice as likely (60% vs. 32%) for organizations that test, as opposed to those that do not. Insofar as most of those ROI calculations are turning out almost always positive, this should certainly make a case for testing – not only as a methodology that is intrinsically amenable to accounting and budget planning, but also one that puts bread on the C-suite table.

It should be noted that this chart only represents responses from corporate marketing executives and managers. The same data obtained from agency consultants (next chart) demonstrates an even higher incidence of being able to calculate ROI with testing, 76%, as opposed to 50% without (with similar proportion of positive and negative outcomes). While these numbers do not reach the 2:1 ratio above, the fact that consultancies, which tend to be more accountable for their expenditures, are still finding it significantly more difficult to calculate ROI when they are not testing, provides powerful support to the case for testing.

However, Web analytics and testing tools do not just magically sprout ROI data. They still require careful analysis, as well as outside input, such as the incremental cost of traffic generating campaigns and resources used in the course of testing. Hence, between 29 and 40% of marketers that did test, nevertheless did not calculate the ROI of landing page optimization in 2010.

Chart: The ROI of LPO and the ability to calculate it by agency consultants in 2010



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Methodology: Fielded February 2011, N=2,673

Aside from the LPO successes, which are not surprisingly achieved more often by agencies that specialize in it than by corporate marketers, we should also take note of the difference in the likelihood of the "Don't know" response is more than twice as likely among the latter.

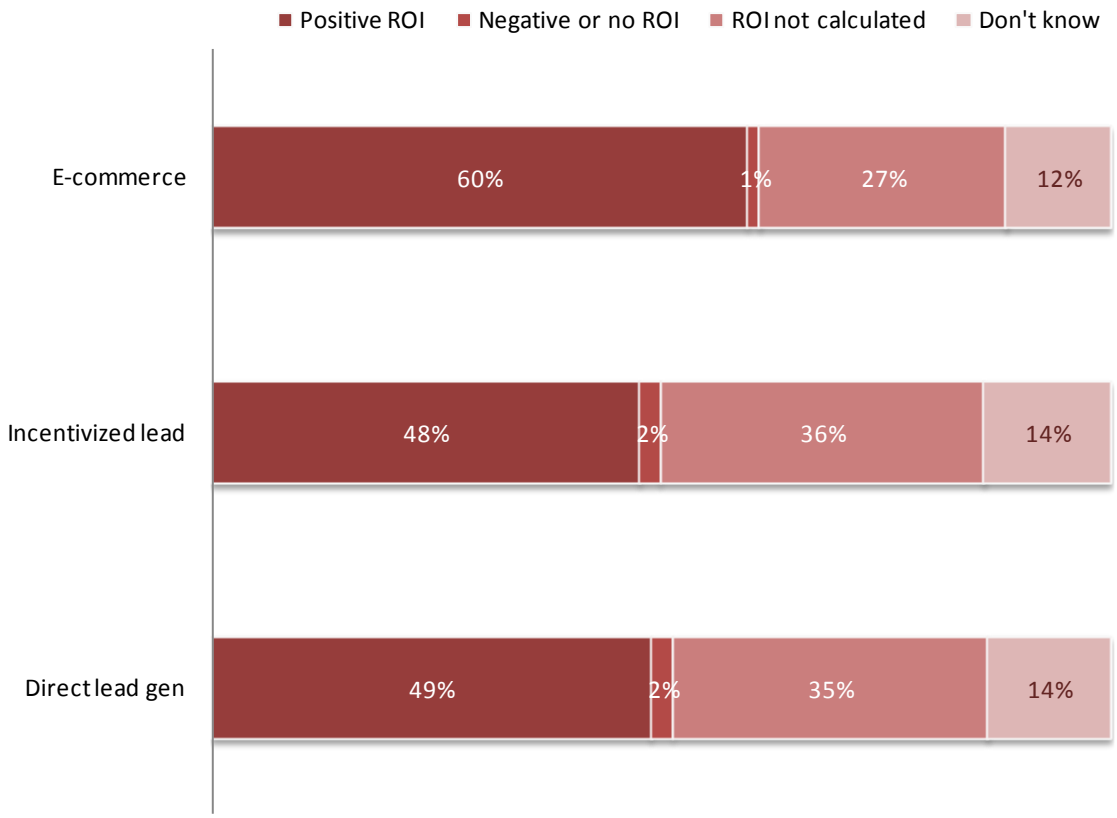
The knowledge gaps examined in Chapter 2 are at least partly responsible. Lack of data analysis expertise not only impedes LPO and testing in terms of being able to identify optimization opportunities in Web analytics (e.g., the infamous "conversion funnel leaks") and make sense of test results, but also keeps marketing executive and managers in the dark with respect to the effectiveness of their LPO efforts.

We will be building testing expenses more rigorously into our budgeting process for client projects, as well as emphasizing the value of testing for clients more strongly during the sales phase.

- Agency insight

Of course, marketing executives and managers do not necessarily need to possess these skills themselves. In fact, being able to analyze data and design experiments is a career in itself. If the organization can afford it, these tasks should be left to the professionals with the appropriate education and experience. But whether the management does its own math or delegates it to specialists, the increased accountability of all business functions in the P&L should keep marketers focused on the numbers.

Chart: The ROI of LPO and the ability to calculate it in 2010, by website objective



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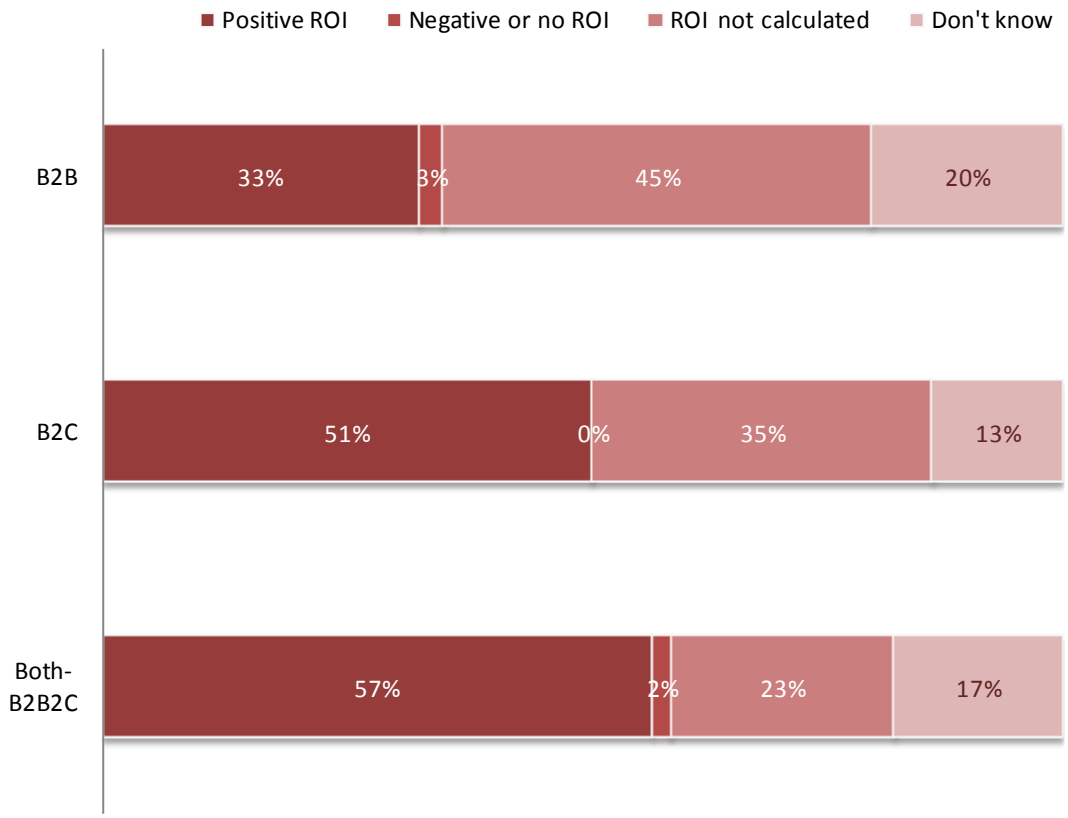
Methodology: Fielded February 2011, N=2,673

E-commerce focused marketing executives and managers are significantly more likely to calculate the ROI of landing page optimization, and are reporting it to be overwhelmingly positive. With a more direct link between website activities, and therefore Web analytics data and transactional or bottom-line outcomes, calculating ROI should be the easiest for e-commerce. In fact, Web analytics tools now typically include an e-commerce component, allowing users to keep financial and behavioral data together for easy and immediate cross-reference. This not only delivers efficiency, but allows marketers to connect specific, rather than aggregate, website behaviors with specific bottom-line outcomes. This spells not only additional insights, but concrete new ways to segment and test.

Overall, the executives and managers that identified concrete website objectives above also appear to be more likely than the average to achieve positive ROI and calculate it, as well as significantly less likely to not know whether it was calculated (compare first chart in this chapter). This indirectly supports the importance of going through the exercise of explicitly setting a conversion objective as part of landing page optimization efforts. Doing so allows marketers to focus their thinking on concrete visitor behaviors, as well as organize their data tracking and reporting more systematically and effectively.

Chart: The ROI of LPO and the ability to calculate it in 2010, by sales channel



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Methodology: Fielded February 2011, N=2,673

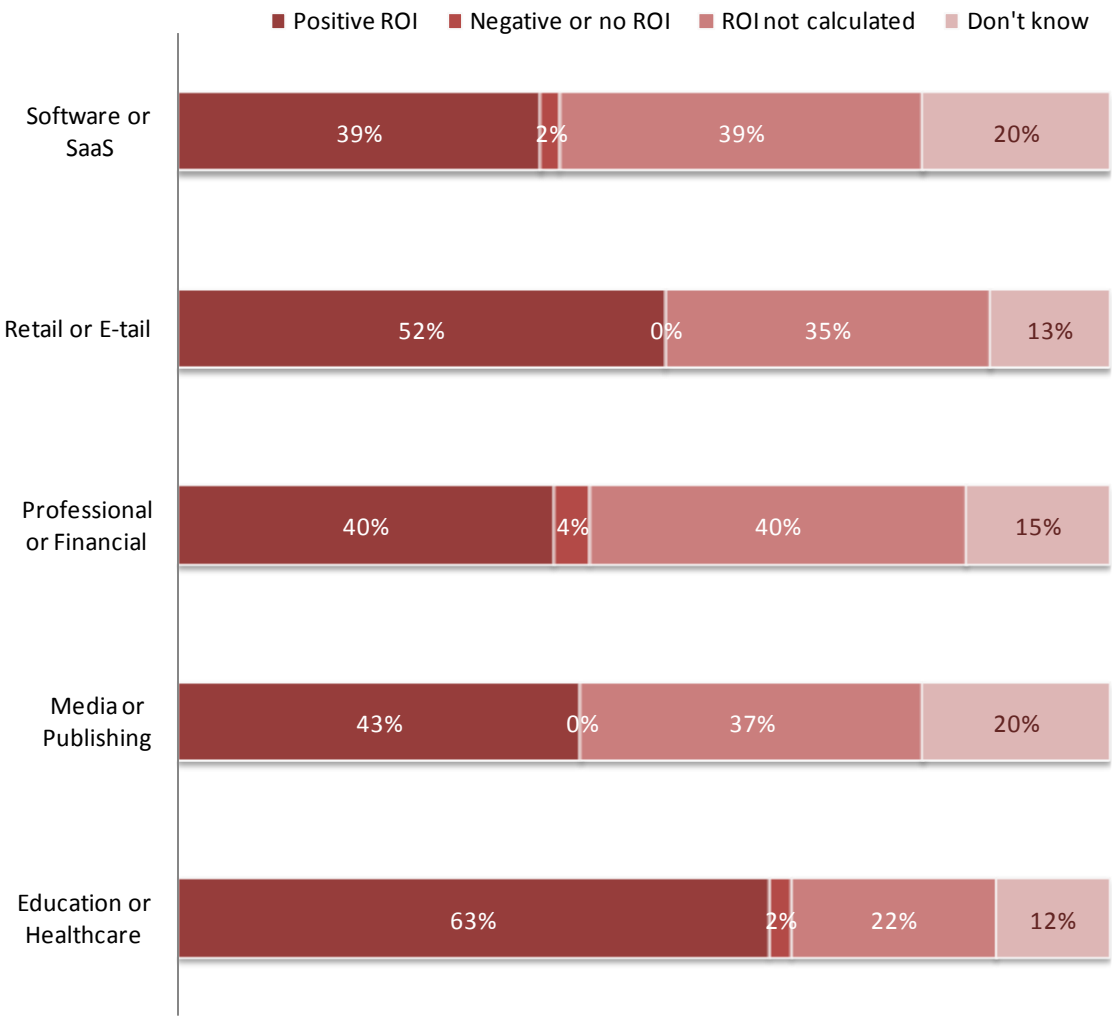
With typically longer sales cycles, B2B marketers are more likely to have to struggle against transaction data latency and depend on tenuous (if available) CRM data. As a result, they are the least likely to know or calculate the ROI of their optimization efforts.

Trying to push larger traffic through tests (read: getting more comfortable) so we can shorten the test length. [Will add] more formal training and dedicated resource.

- Marketer insight on addressing LPO challenges

In contrast, B2C marketers are much better able to leverage their larger addressable market, and therefore likely larger traffic volumes, to get to a meaningful sample size sooner. Marketers that do not have the data volume are perhaps less likely to invest into the education, human resources or tools that could be used for more detailed analysis. As a result, they are less likely to make decisions based on concrete data, making it more difficult to justify investment into LPO. Again, this poses a vicious circle: Investment requires demonstrated success, and success appears to require significant investment. Furthermore, some marketers are convinced that since they have low traffic volume, calculating the ROI of optimization – or optimization and testing – is not a priority.

Chart: The ROI of LPO and the ability to calculate it in 2010, by industry



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Methodology: Fielded February 2011, N=2,673

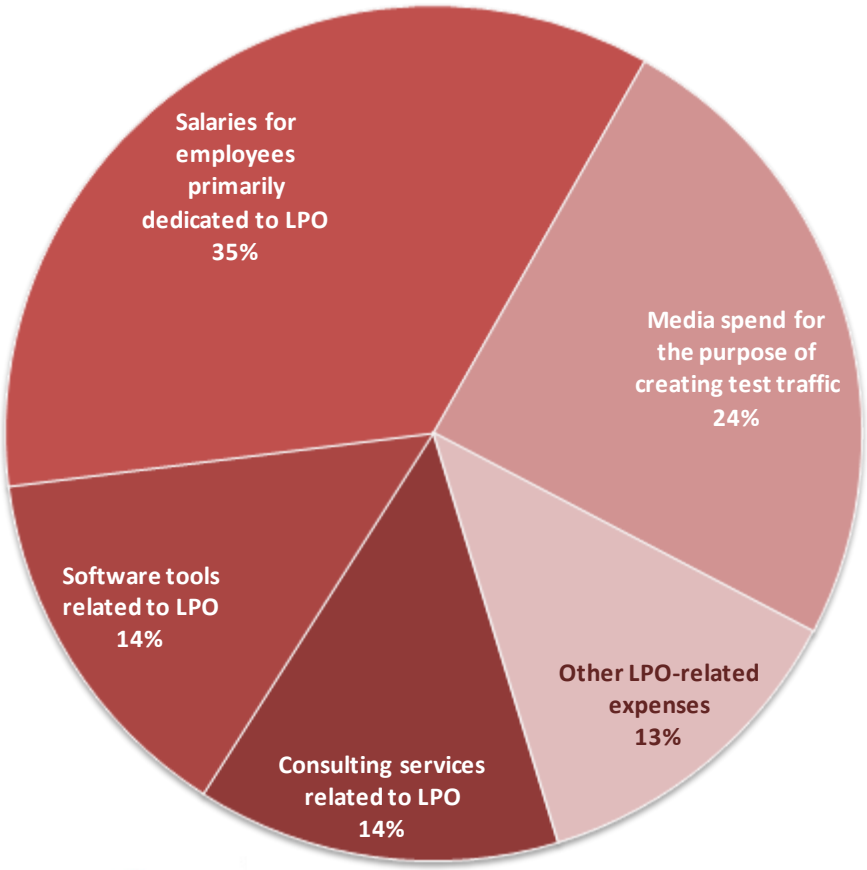
Education and Healthcare executives and managers should be proud of their achievements in calculating and achieving positive ROI of optimization and testing. It is also possible that there is a greater degree of contrast in these fields between marketing organizations that practice LPO and those that do not, and therefore insofar as the respondents to this benchmark study must have been at least somewhat aware of LPO as a category, the Education and Healthcare marketers that did respond turned out to be, on average, far more ROI-disciplined. Another explanation may be that in Education and Healthcare, the budgets are especially tight and particularly closely monitored, making the marketers more likely to be ROI-focused in all their endeavors.

Executives and managers in Retail and E-tail, where e-commerce transactions (though not physical-store ones) are typically easy to monitor with respect to campaign attribution, are also beating the average in terms of calculating ROI.

BUDGET ALLOCATION TO LPO-RELATED ACTIVITIES AND HUMAN RESOURCES

Q. 28.0 - Of your company's total marketing budget, what percent was allocated to the following in 2010?

Chart: Relative weight of LPO-related expenditures in the 2010 budget



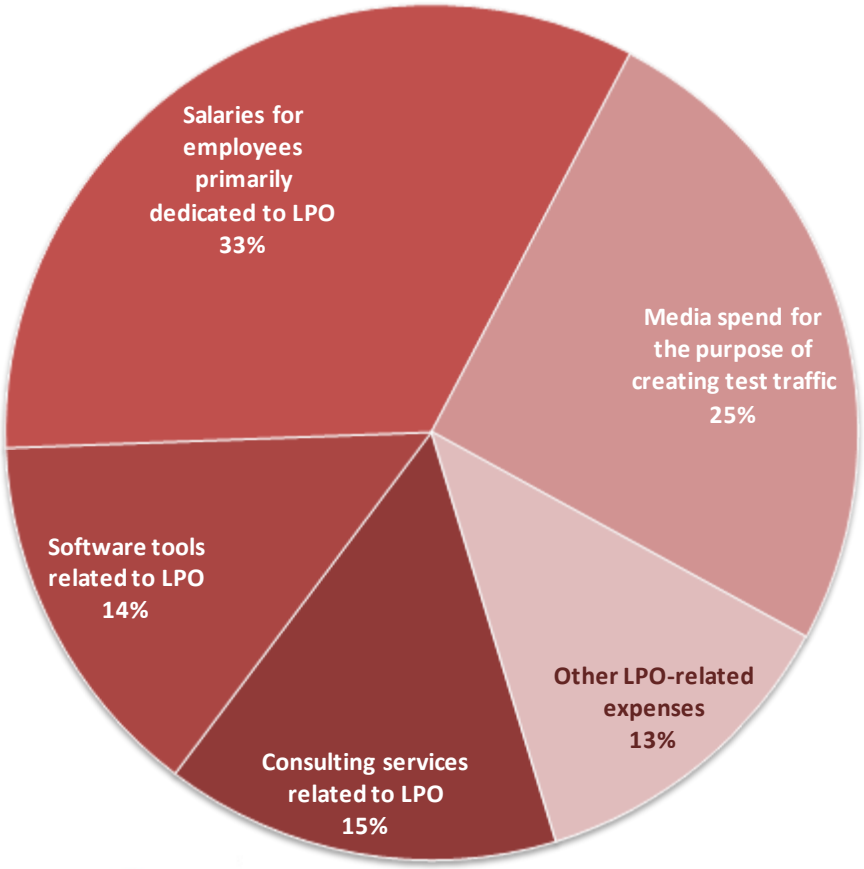
Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

With vastly different shares of the total marketing budget being allocated to LPO or digital marketing altogether, it was more meaningful to format this chart to show the relative size of each LPO-related item with respect only to each other – the key ingredients in the LPO budget pie.

Almost exactly half of the LPO budget is allocated to what Peter Drucker would describe as "knowledge workers" – internal employees or external consultants with LPO expertise. Nevertheless, optimization and testing may carry a significant cost in terms of media spend. This figure also varied greatly across different organizations, with some likely having no need to spend any additional money on driving traffic just for LPO purposes. Companies with high traffic volumes can send only a fraction of the existing traffic to a test, thus hedging their bets. If such a test produces no conversion lift, the marketers can still gain useful insights, while only negatively affecting conversion for only a fraction of the traffic.

Q. 29.0 - How will the budget items related to LPO look in 2011?

Chart: Relative weight of LPO-related expenditures in the 2011 budget



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Methodology: Fielded February 2011, N=2,673

The budget breakdown among LPO-related items appears to be almost unchanged in 2011, as compared to 2010, according to marketing executives and managers that responded to the survey. However, the average figures belie significant shifts, both up and down, in each item's relative weight. The next chart demonstrates that increases and decreases were uneven across these different types of expenditures.

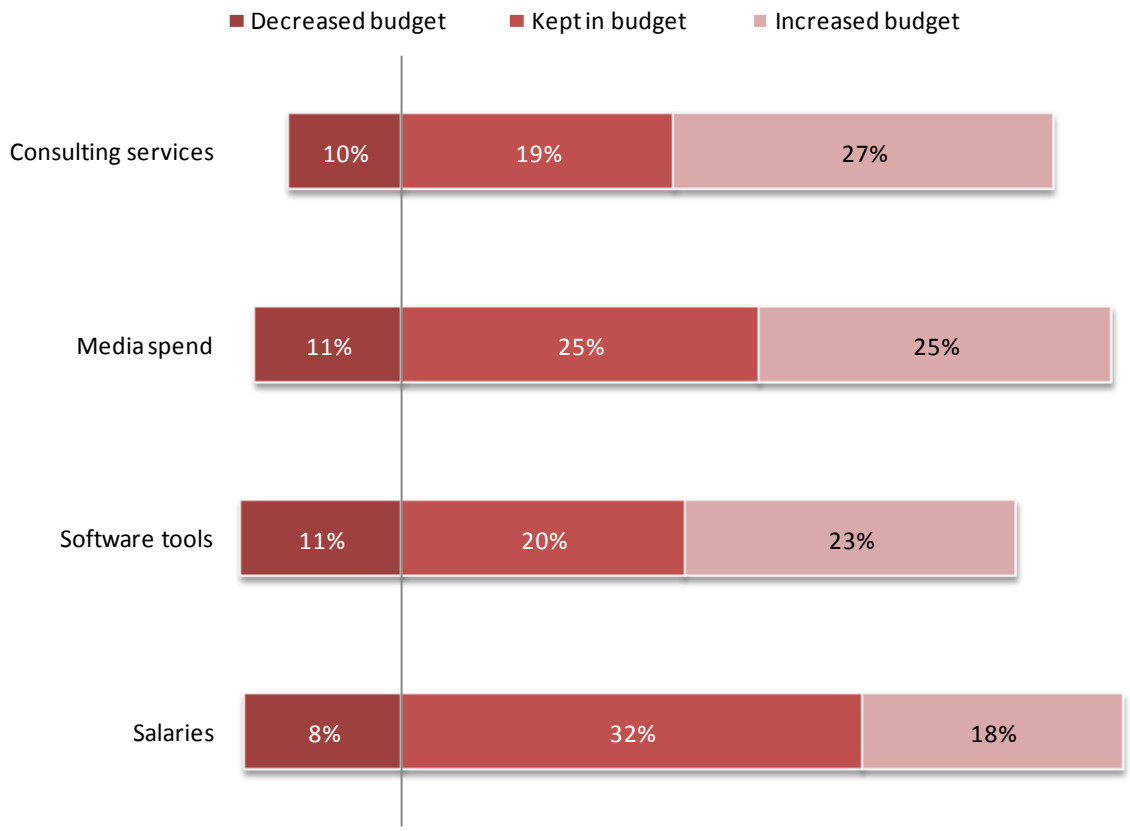
Also, taking all three charts into account, we can conclude that while budget increases were more frequent than decreases for every single item, the decreases were much larger in scale, which is what kept the averages nearly constant. For instance, a number of organizations may be altogether dropping expensive software tools, while a larger number of organizations may be acquiring inexpensive ones. These two changes may offset each other, keeping the aggregate expenditures on software tools roughly constant year-over-year.

Similarly, as organizations are figuring out the best balance between in-house and outsourced LPO functions, major cuts in either salaries or consulting expenses may be offset by smaller (but more popular) increases in each.

Chart: LPO salary expenses grow, but consulting expenses grow more

We asked marketing executives and managers to describe key budget line items related to LPO in 2010 and 2011, as a percentage of the overall marketing budget. While the aggregate figures appeared to remain steady for each budget item, analyzing each respondent's data provided a better understanding of the general trends is LPO's budgetary footprint.

The chart below shows the percentage of organizations that decreased, increased or kept a non-zero value for the respective line item. Not shown is the remaining balance (on average, hovering around 45% of the respondents on each item) – those who indicated that they did not invest, or were not aware of their organization investing any money into the respective LPO-related item.

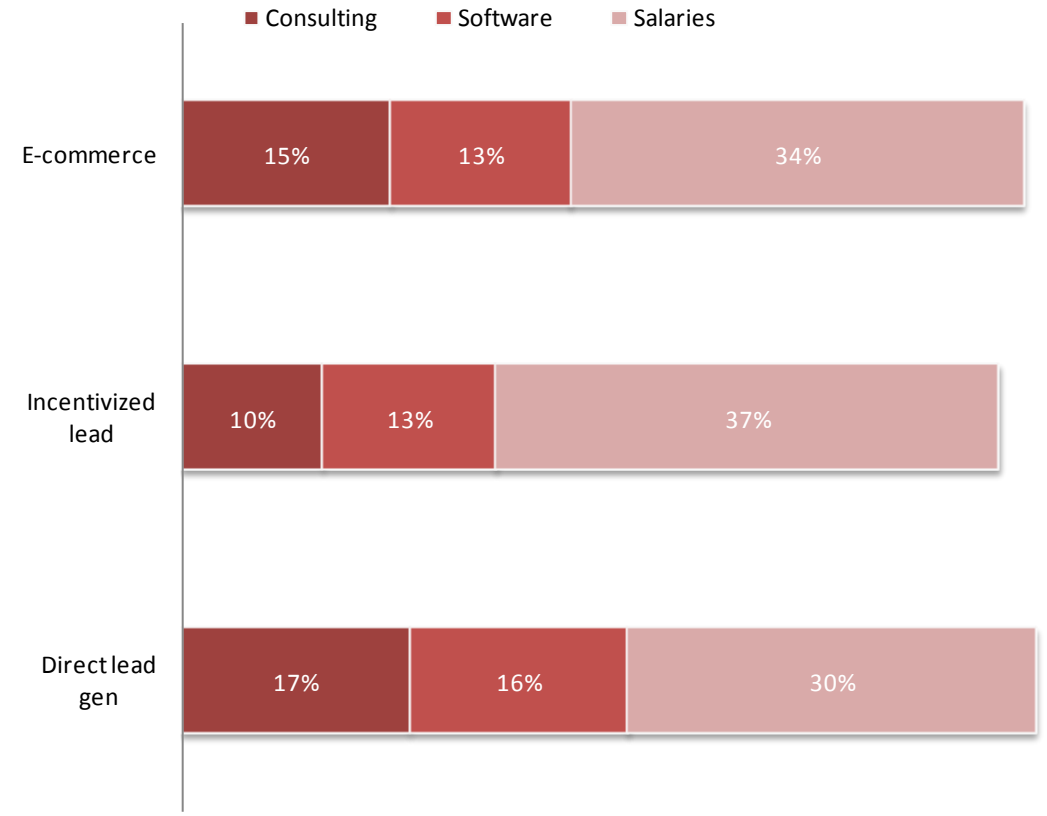


Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

While decreases are consistently infrequent across the board, the increases are most notably different between salaries and consulting services. Even though organizations that perform LPO tend to be growing year-over-year in terms of staff size, salaries appear to remain a relatively steady fraction of the total marketing budget, suggesting that the aggregate budget size is also growing. At the same time, expenditures on consulting services related to LPO are taking up a growing share of this budget, suggesting high hopes among marketers for the effectiveness of LPO consultants.

(Note: This is not just a difference between the previous two charts, which contain only averages. This data is based on pairwise subtraction for each respondent between 2011 and 2010 figures.)

Chart: Consulting, software, and salaries in the 2011 LPO budget, by website objective



Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

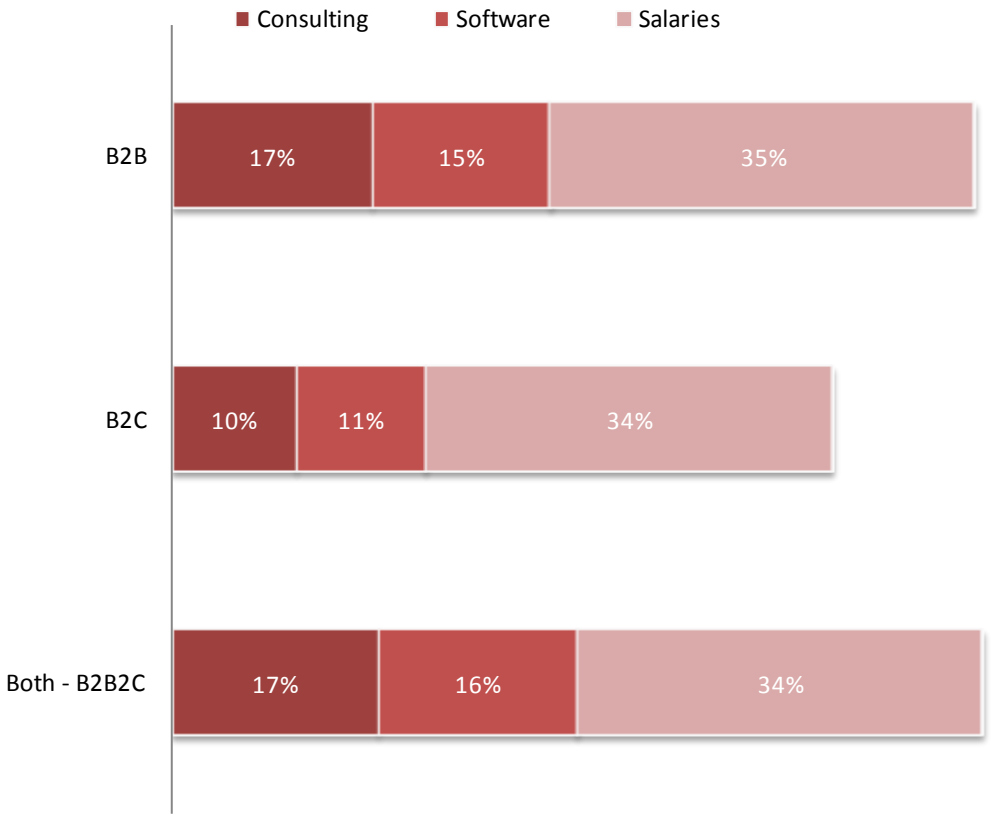
The slightly higher likelihood of incentivized lead marketers to spend less on consulting services and more on salaries may be explained by the fact that producing relevant content is not only resource- and knowledge-intensive, but also requires a high degree of familiarity with the company and its audience. As a result it may be more cost-effective to have more highly qualified in-house talent than to outsource this critical function to a third party.

Otherwise, the variety of different responses to this question appear to be keeping the aggregate figures close to the total average.

My main focus in hiring is out-of-the-box thinkers. I place more value on motivation creativity and passion than I do on formal education of my employees. I believe that a motivated person can more easily be trained than an educated unmotivated person.

- Marketing executive insight on hiring for LPO

Chart: Consulting, software, and salaries in the 2011 LPO budget, by sales channel



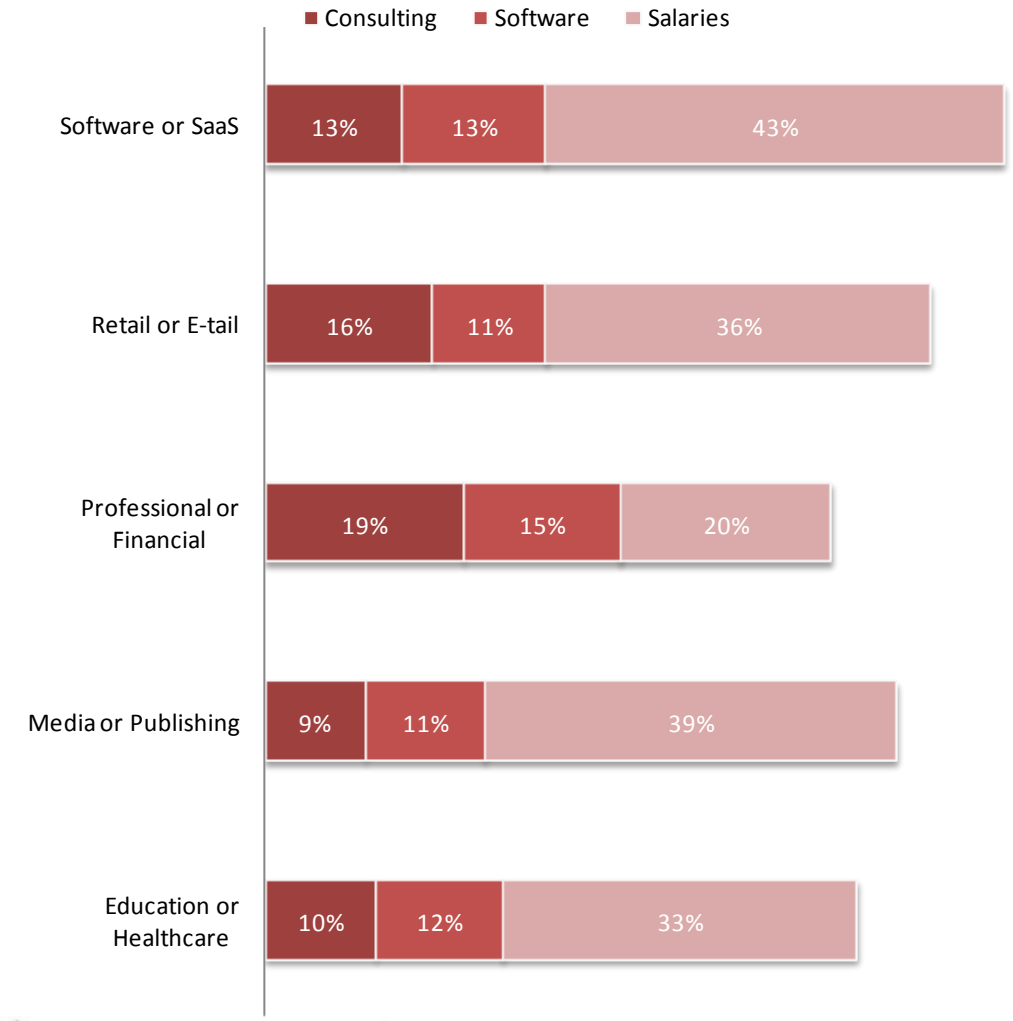
Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

B2B executives and managers tend to see more money spent on consulting and software tools than their B2C counterparts. This may be due to the smaller B2B addressable markets, which require special handling from the expertise and measurement complexity perspective. As a result, consultants and more expensive software may be the right solution for some. For instance, smaller marketing departments may find it too cumbersome to start developing in-house LPO practice, diverting sparse resources even to training a new employee.

Moving more (or all) budget to outside consulting. We have accepted that we don't have the expertise in-house nor do we plan to hire dedicated staff in the near future. We know enough to manage someone who knows it all.

- Marketing executive insight

Chart: Consulting, software, and salaries in the 2011 LPO budget, by industry



Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

Across almost all industries, executives and managers are reporting that human capital is the largest LPO-related expense in the marketing budget. This is understandable, as the practice is knowledge- and time-intensive.

With LPO proving itself as a reliable ROI driver, the number of employees with full- or part-time responsibility focused on optimization and testing has steadily grown since 2009 and projecting into 2011. This trend, demonstrated in the next chart, reflects both increased awareness and perceived value of LPO.

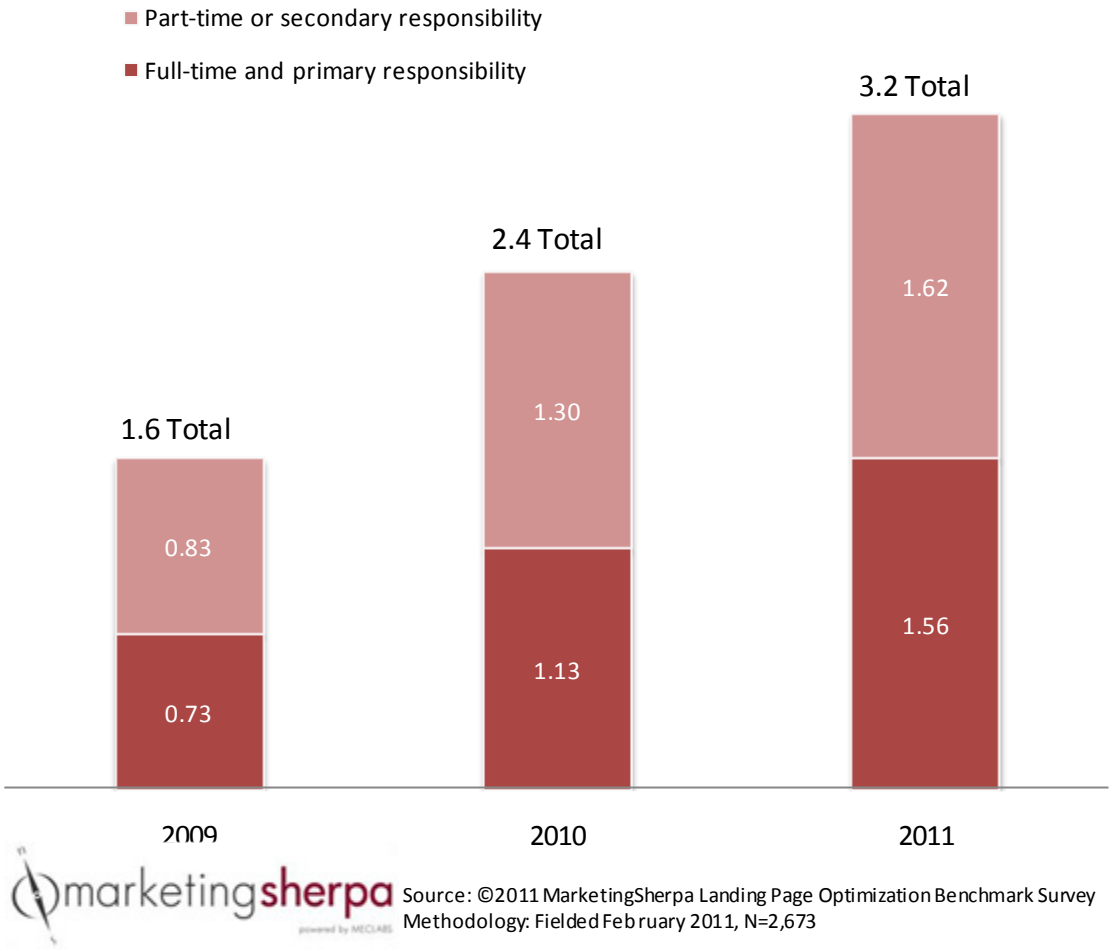
We need the hire first and then balance on what they believe they need to be successful vs. what we have as a budget to give.

- Marketing executive insight

STAFFING IS A KEY BUDGET COMPONENT RELATED TO LPO

Q. 32.0 - Please estimate the number of employees in your organization occupied with LPO since 2009, and going into 2011.

Chart: In-house staff associated with LPO functions grows steadily from 2009 to 2011



This chart provides a separate count of employees in full- and part-time categories, meaning that for each company, on average, the total LPO staff size is the sum of the two (the figure at the top of each stack). For example, a company in 2010 had on average 1.13 employees with full-time LPO responsibilities *plus* 1.30 employees occupied with LPO only part-time for a total of 2.4.

However, it should be noted that companies with zero employees involved in LPO are significantly *under*-represented in this survey, as they are less likely to respond (or provide you with valuable insights) on LPO. Had they been fully represented, these average figures would have been much smaller. This is likely good news for most readers from the comparative perspective. If you have at least one LPO employee by 2011, you are well in the game. If you do not, read on to discover key LPO challenges, best practices and outsourcing opportunities to help you plan your path ahead.

CMO INSIGHTS ON LPO BUDGETS AND ROI

Q. 63.0 - Where do you see the balance among media spend, salaries, and consulting fees in 2011?

CMO insights: balance among media spend, salaries, and consulting fees in 2011

Highlighting the diversity among budgetary constraints and philosophies, the quotations below from marketing executives represent some of the thinking and sentiment behind the data presented earlier. It should be noted that the responses below are from the more "vocal" group and should not supersede the more objective data in the charts above.

- Media spend rules the kingdom, driven by a mid range specialist.
- Media spend: 80%, with the balance to salaries and consulting.
- More media spend with consulting fees coming in at second.
- Media Spend 80%, Salaries 20%.
- Media spend>consulting fees>salaries.
- Flat for salaries, slight increase in media spend and consult fees.
- Media spend will likely increase while salaries and consulting fees will remain unchanged.
- Close to 1/3, 1/3, 1/3.
- Media 15% salaries 85% consult 0%.
- 60% Salaries / 40% media spend.
- Salaries will be primary spend.
- 20% Media, 74% Salaries, 6% consulting
- Media spend <5% consulting fees <10% Salaries 85%+.
- 0% media spend, 90% salaries, 10% consulting.
- Media spend down, salaries stable, consulting fees up.
- Need to spend more on digital marketing and SEO PPC in the future using an agency.
- Most on consulting.
- We are a "micro-sized" business. All functions are contracted. In this way, we meet the demands of our authors without the burden of G&A. More profitable / less hassle / really simple / and zero payouts in "benefits". . .
- We need the hire first and then balance on what they believe they need to be successful vs what we have as a budget to give.
- Integrated marketing activities from electronic and print advertising, direct marketing, loyalty activities, tradeshows and events.
- Ultimately, post-cost profit generation will determine whether the costs are worth it for any of these buckets.
- Staying about the same as 2010, except trying to put more into existing employee salaries and consulting fee coming out of salary freezes and consulting reductions during recession.
- Would like to see testing and optimization skills adopted by third-world countries faster, so we could outsource and minimize salary expense and spend more on media.

Q. 62.0 - What LPO-related skills will you seek in new hires in 2011?

CMO insights: Essential skills for new LPO-related hires in 2011

The common theme of looking for experienced professionals is hardly surprising here, and responses that emphasized that aspect have been redacted for convenience.

- Copywriting.
- Content strategy.
- Social media background.
- Multilingual Web marketing.
- Statistical techniques.
- Analysis.
- More statistical skills.
- Split testing and analysis.
- Analytics and statistics.
- Analytical skills to track through sales process.

- SEO/SEM experience, data driven decision making skills.
- Consumer Web skills; better testing skills.
- Help me quantify and explore by business units.
- Ability to set up tests and incorporate results.
- Strong statistical analysis capabilities, specific experience.
- Understanding of consumer purchase funnels.
- My main focus in hiring is out-of-the-box thinkers. I place more value on motivation creativity and passion than I do on formal education of my employees. I believe that a motivated person can more easily be trained than an educated unmotivated person.

Q. 65.0 - What are the critical factors in determining marketing budget allocation between in-house resources and outside consulting?

CMO insights: Critical factors in budget allocation between salaries and consulting services

- Time spent in-house vs. lost conversions.
- Reasonable costs for a small company on a tight budget.
- Outside still treated as discretionary.
- Moving more or all budgeting to outside consulting. We have accepted that we don't have the expertise in-house nor do we plan to hire dedicated staff in the near future. We know enough to manage someone who knows it all.
- Everything is contracted in the USA… the learning curve for foreign contractors is too great unless they are graphic designers - that's universal and inspired talent!
- Didn't consider outside consulting, tried to start in-house resources first.
- The potential ROI offered by outside consultants. The majority of the time outside consultants struggle to "walk the talk" with us as we have a lot of in-house experience.
- We are a small firm and are scared off by firms offering to address this issue ... So, we limp along and try to do what we can internally.
- Perception of marketing (particularly online) value by sales and marketing director.
- Our skills and the cost of how long it takes for in-house people to get it done vs. outsourcing it.
- In-house expertise, ideally we'd like to use in house resources but will go outside for specific projects.
- We are a Web dev. firm so these change depending on the client. We ourselves keep most PM, technical and SEO/ UX work in-house; copywriting and design are often outsourced.
- People. Achieving agreement throughout the organization.
- Responsiveness, cost.
- Ultimately, the amount of spend.
- No problem outsourcing when skill and experience dictate.
- Turn time and internal work volume.
- Magnitude of a project.
- Time/resources available internally vs. cost of outsourcing vs. perceived benefit.
- Can the outside guy do it?
- Success rates.
- In-house abilities, expected effectiveness, and cost-efficiency.

CASE BRIEFING: TARGETING LOW-HANGING FRUIT ACCELERATES THE PATH TO ROI

SUMMARY

Avis Budget tests pages on a fraction of site traffic and "as it turns out, when you haven't done this before and you start doing it, there's a lot of low-hanging fruit out there," says John Peebles, VP of online marketing, Avis Budget Group.

The vehicle renting team quadrupled its online revenue in the last five years, due in part to the team's optimization efforts. Online revenue now accounts for more than 20% of the company's total revenue. Along the way, they learned several important lessons about how to make the most of multivariate testing.

Lesson #1. Start with the most visited page

For many companies, your homepage is your most visited page. This traffic makes it a good place to find quick, big wins and to find out if multivariate testing will help you. Peebles' team tested many homepage design elements, including button size, color and design; newsletter registration link placement; taglines and headlines; and graphics.

"Within our first few months, we had tested about 20,000 versions of the homepage," Peebles says. Each improvement typically lifted performance by tenths of a percent. But those incremental gains quickly added up to more than $9 million in revenue.

Lesson #2. Test offline concepts

The Operations team wanted to test the price elasticity of ancillary products, such as GPS navigation, but they could not test it in brick-and-mortar locations. "We can't ask one guy in line, 'Hi, would you pay $20 for this?' and then ask the next guy in line, 'Hi, would you pay $22 for this?'"

Instead, the team tested price elasticity online by measuring how incremental price changes affected conversion rates. This revealed which prices could maximize overall revenue: "most of our products are highly [price] inelastic," so small price increases have almost no effect on demand.

Lesson #3. Apply lessons to other sites, but re-test

The team found that certain insights gleaned from tests on Avis.com were applicable to the other brands' websites (Budget.com and BudgetTruck.com), while others were not. "There are some things we're learning that are universal, regardless of the brand, and there are other areas where the brand might behave differently," Peebles says.

Lesson #7. Test the copy of your offers

Testing the wording, presentation and other elements of online offers comprised about 20-30% of all the teams' multivariate testing. For example, the team tested several different versions of a Web page where customers added products and services to their rental reservation. They wanted to test how to increase the number of customers who added GPS navigation without hurting reservation rates. The team tested four different creative versions and showed them to a limited number of customers. They lifted both the rate of GPS purchase (by 6-7%) and overall reservation rate (by about 1%) with two of them. They selected the page that generated the most revenue and added it to the site.

CHAPTER 4: MARKETING OPERATIONS AND LPO

This final chapter on the operational aspects of LPO begins the transition from the more general business concerns to more technical LPO subject matter. We saw in Chapter 2 that expertise gaps experienced by marketing departments across all industries are among the key problems that impede LPO implementation. In Chapter 3, we discussed both the ROI of optimization and testing, and the resources that delivering this ROI required – in particular, the organization's human capital, consulting services and software tools. In this chapter, we take a brief look at the fundamental operational aspects of LPO – whether it is based strictly on best practices or on actual tests, what functional roles are performed by the employees involved, the lifecycle of LPO projects, and some of the more popular software tools used for data analysis and testing.

As we learned in Chapter 3, organizations that performed testing as part of LPO were, on average, twice as likely to achieve a positive ROI, as compared with organizations that performed LPO based on best practices alone. Part of the reason was likely the more intrinsic ROI calculation capability involved in testing, which itself may be enough of a reason to ensure that testing is performed. However, even among the surveyed organizations that did not test, LPO has been shown to achieve a positive ROI, if calculated almost ubiquitously (Please note that this should not be taken to mean every individual optimization effort produces a positive ROI).

This track record of success implies that marketing organizations not engaged in LPO are missing an opportunity to deliver value, typically without additional media spend. Insofar as LPO is often used to fix the "leaks" in website conversion funnels, every day that LPO is not performed is a day that more sales and leads are leaking out. This is a lost investment into generating visits, and possibly the cause of shrinking market share. The data presented in this chapter is meant to highlight an area of opportunity for most marketers to make a positive impact on the P&L: For those that are already engaged in LPO based on best practices, to start testing; and for those that have not engaged in LPO, to start *something*.

Also, from a more personal career perspective, this chapter provides data about the job skills needed in different vertical roles to be an integral part of an LPO team. As companies continue to invest in human resources to replicate the LPO successes of their peers, these skills will continue to increase in demand. In Chapter 2 we discussed how marketers are closing the LPO expertise gaps, and here we will discuss where this expertise applies.

My main focus in hiring is out-of-the-box thinkers. I place more value on motivation creativity and passion than I do on formal education of my employees. I believe that a motivated person can more easily be trained than an educated unmotivated person.

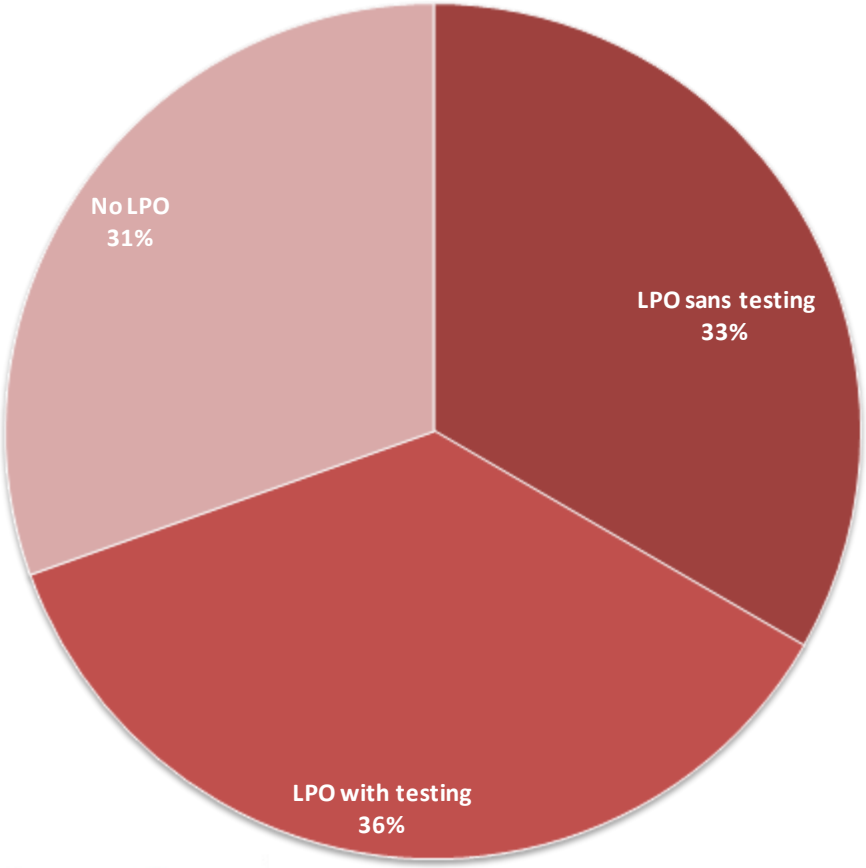
- Marketing executive insight

First, let us consider two simple questions: How commonly is LPO performed? And how commonly is testing used as part of it?

PROPAGATION OF LPO AND TESTING IN 2010 AND GOING INTO 2011

Q. 8.0 - What LPO efforts have been launched by your organization in 2010?

Chart: LPO performed in organizations based on testing and best practices in 2010

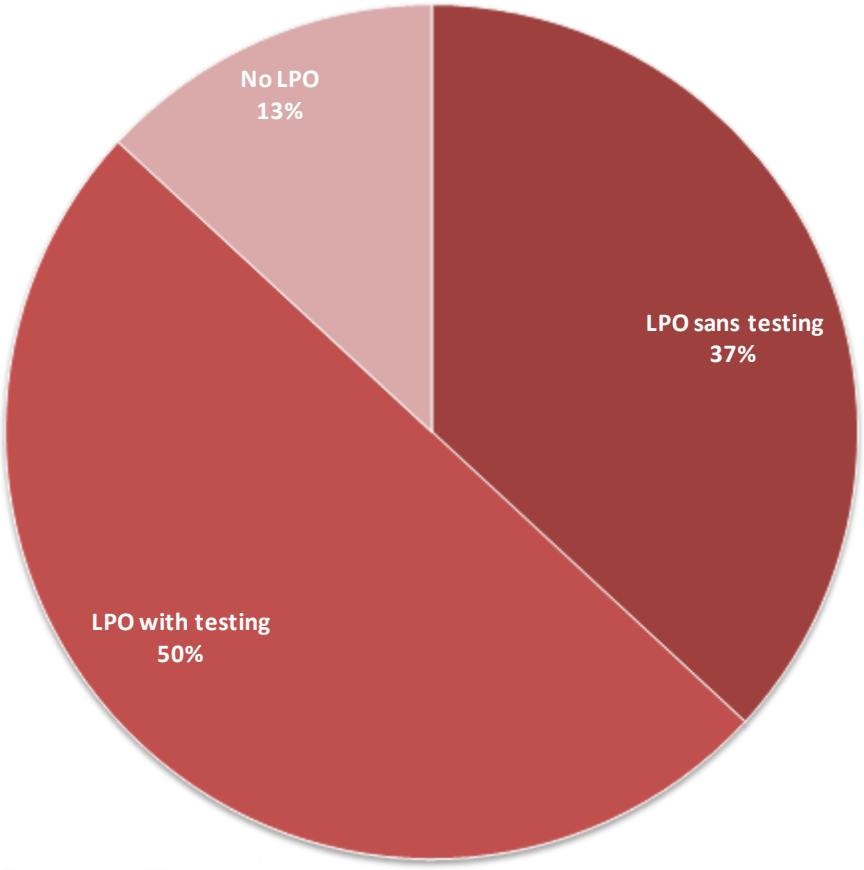


Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

Not surprisingly, more than two-thirds of survey respondents indicated their organizations were engaged in landing page optimization in 2010. As previously discussed, there is some bias in the survey data, as LPO practitioners were relatively more likely to respond in the first place. However, the 31% of marketers not engaged in LPO in 2010 demonstrate a high interest in the subject matter and a desire to get involved. The challenges discussed in Chapter 2, and especially marketer insights at the end of that chapter, speak to the difficulties that marketers had to address.

What is especially interesting is that among marketers that *were* engaged in LPO last year, almost half (33 out of 69%) were also testing. This connects well with the relatively lower incidence of challenges related to testing among survey respondents. It appears that once marketers start optimizing, getting into testing is not impossible. Still, more than one-half of LPO practitioners did not test.

Chart: LPO performed by consultants based on testing and best practices in 2010



Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

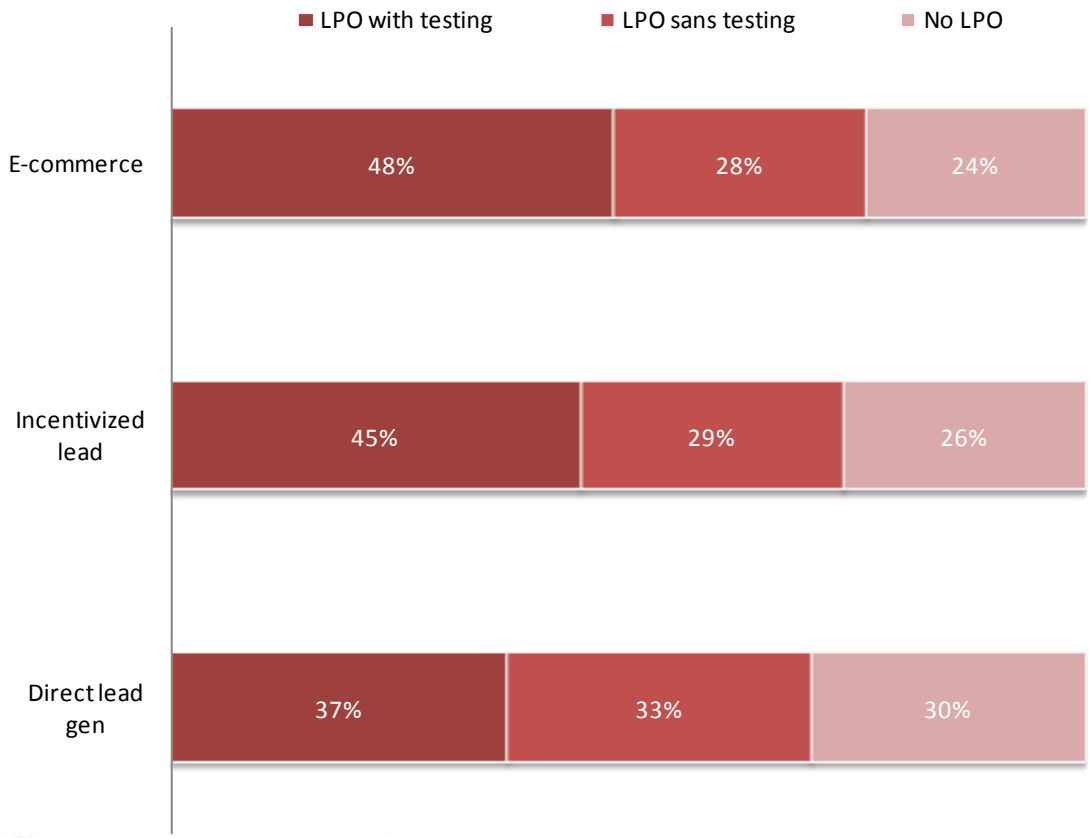
As they did on the ROI question, agencies and consultants that provide LPO services are demonstrating a higher degree of LPO sophistication. Fifty of the 87% that performed LPO made testing part of optimization work in 2010. With validated tests providing a higher degree of accountability on the one hand, and LPO projects that include testing demonstrating a higher incidence of achieving a positive ROI (see Chapter 3), it is not surprising that LPO consultants are more likely to test than not.

Sometimes you can't hit a home run with every test, but being able to trust the data coming from your optimization software is crucial. This data allows you to build upon the failed results and figure out what visitors didn't like.

- Marketer insight

Furthermore, the need for specialized expertise in data analysis, design of experiments and software tool management that marketing departments are struggling to meet in order to make testing a reality has given rise to the growing industry of new LPO consulting firms and new LPO practices in existing agencies. When these new business units are formed specifically to help corporate marketers solve the challenges discussed in Chapter 2, it makes sense for these agencies to hit the ground running with full testing capabilities that provide the greatest and most clearly demonstrable return.

Chart: LPO performed based on testing and best practices in 2010, by website objective



Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

Similar to the ability to calculate and achieve positive ROI, this data demonstrates that marketers who had been able to identify concrete website objectives are also more likely than the average to engage in LPO, and significantly more likely to perform testing. As discussed in Chapter 3 with respect to ROI, this indirectly supports the importance of explicitly defining a conversion objective.

Even though the degree to which data analysis and testing challenges were, on average, only slightly less frequently ranked as "very significant" by e-commerce and incentivized lead marketers (see Chapter 2), the one challenge that stood out for direct lead gen marketers was "Connecting Web analytics with offline transactions." This connection, which can be made tenuous as much by technology as by Marketing-Sales politics, is essential for making sense of test data, and may explain why this latter segment is lagging behind the first two in its adoption of testing, and to a lesser extent, of LPO as such.

This data also corresponds to the significantly higher sense of an expertise gap in the design and management of experiments, as well as data analysis, reported by direct lead gen marketers (see Chapter 2).

Chart: LPO performed based on testing and best practices in 2010, by sales channel

Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

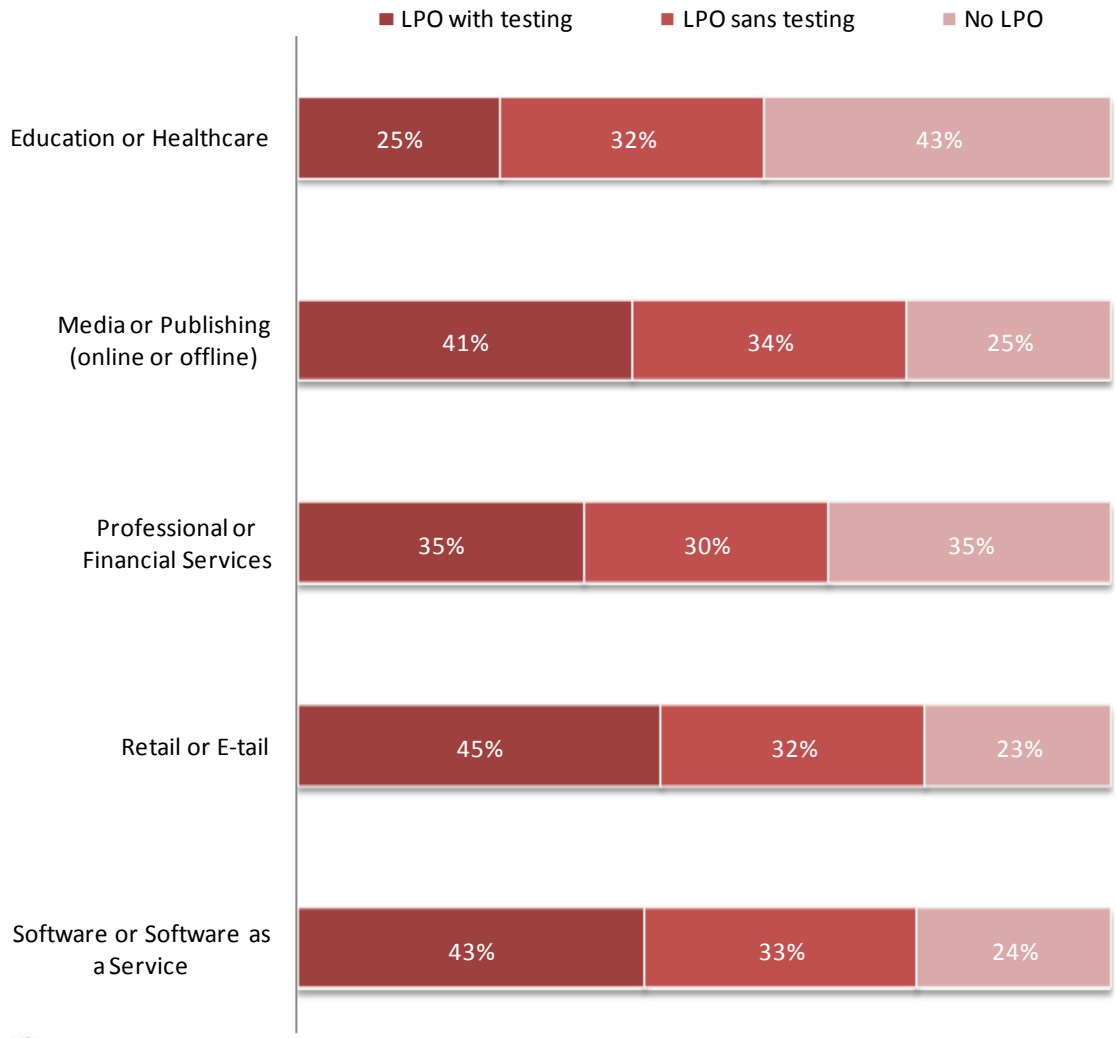
B2C marketers, who were shown in Chapter 2 to experience the lowest level of expertise gaps related to LPO in their organizations, are accordingly more likely to be engaged in LPO and much more likely to test. While demonstrating the ROI of LPO and the technology expertise gap were about as significant for them as for B2B and B2B2C marketers, they are likely capitalizing on experiencing much less of a challenge with having sufficient traffic for testing and connecting Web analytics with offline transactions, and general latency of conversions with respect to website visits (see Chapter 2).

This suggests that while the organizational concerns are important, it is the more technical and operational challenges that are more likely to determine whether an organization may or may not engage in LPO and testing.

I've realized that testing is important, and if we don't start making it a priority we'll never know what can be better and how much revenue we are missing out on.

- Marketer insight

Chart: LPO performed based on testing and best practices in 2010, by industry



Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

Across various representative industry segments, the level of outsourcing the design and management of experiments, as well as optimized page or process development (see Chapter 2) did not correspond to a higher or lower likelihood of testing. This connection may be tenuous, but it may suggest that agencies that offer these services are unsuccessful at helping their clients close the expertise gap.

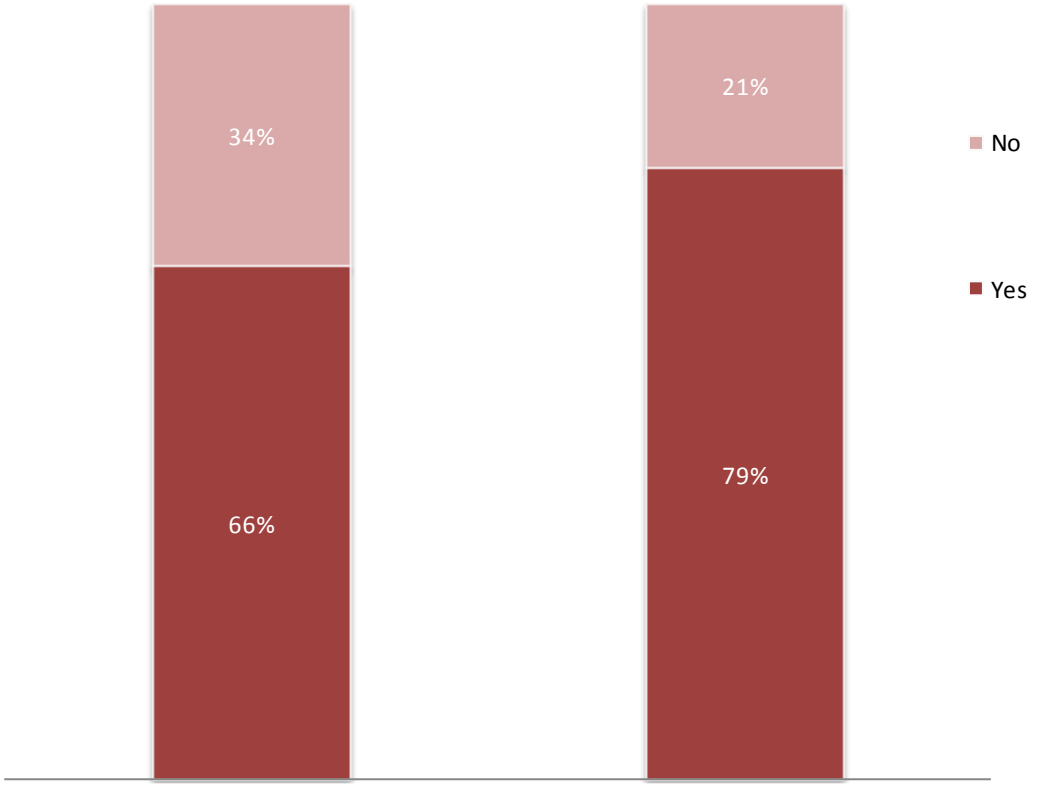
However, the agencies may not be at fault here – the higher incidence of bringing outside consultants on board may be an indicator of organizations having an especially difficult time solving certain technical and political problems. Therefore, where the data shows agencies having more involvement are the cases where the problems are already egregious. Consultants are sometimes brought on to fix problems that must be fixed from the inside, such as organizational alignment and buy-in from the top to engage in landing page optimization and testing.

Q. 26.0 - Does your organization plan to perform optimization or testing in 2011?
Q. 27.0 - Does your organization plan to perform any testing in 2011?

Chart: Plans to start performing LPO, and to add testing to existing LPO in 2011

If the state of landing page optimization and testing in 2010 is not enough to convince marketers tied down by other priorities (or simply lacking the human resources to implement LPO) to create the necessary capacity for LPO, the chart below should tip the scale.

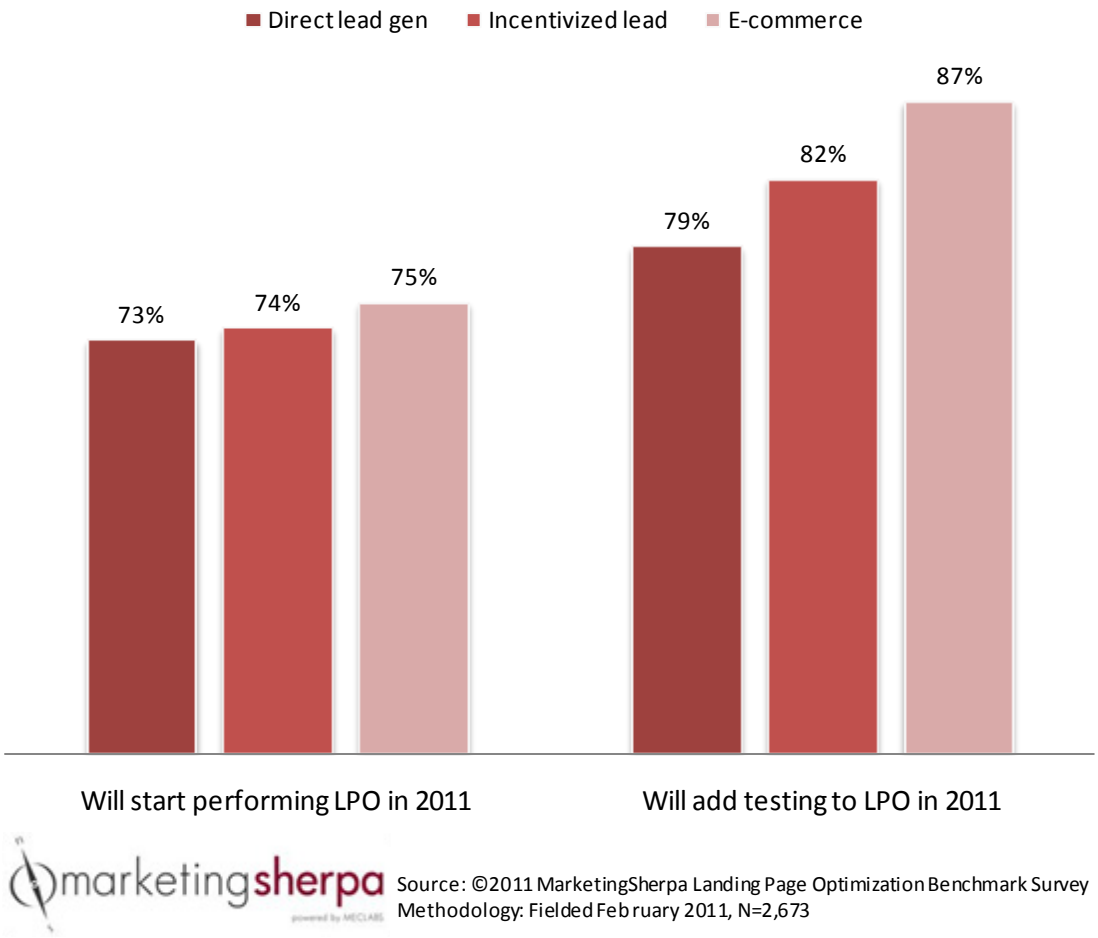
Among marketers surveyed, those that did not perform LPO in 2010, two-thirds responded that they plan to implement some form of LPO project in 2011. As with the hiring trend, the publicized (and privately shared) LPO successes have been luring ROI-focused marketers to post-click optimization. Moreover, those who performed best practices-based LPO were even more likely to take it to the next level – testing.



Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

While LPO based on best practices can provide significant conversion improvements, detecting its effectiveness without testing is not scientifically sound. In the world of best practices, it is easy to fall back on "marketer's intuition," which has been repeatedly undermined by proven test results. Furthermore, best practices are necessarily generic, and require tweaking (if not sometimes wholesale revision) in each scenario. The effectiveness of new changes then can only be evaluated with testing. Marketers dissatisfied with only following best practices in 2010 and ready to take on their competitors by creating their own "best practices" are in the majority, with only 21% unable or unwilling to step up.

Chart: Plans to start performing LPO and to add testing in 2011, by website objective

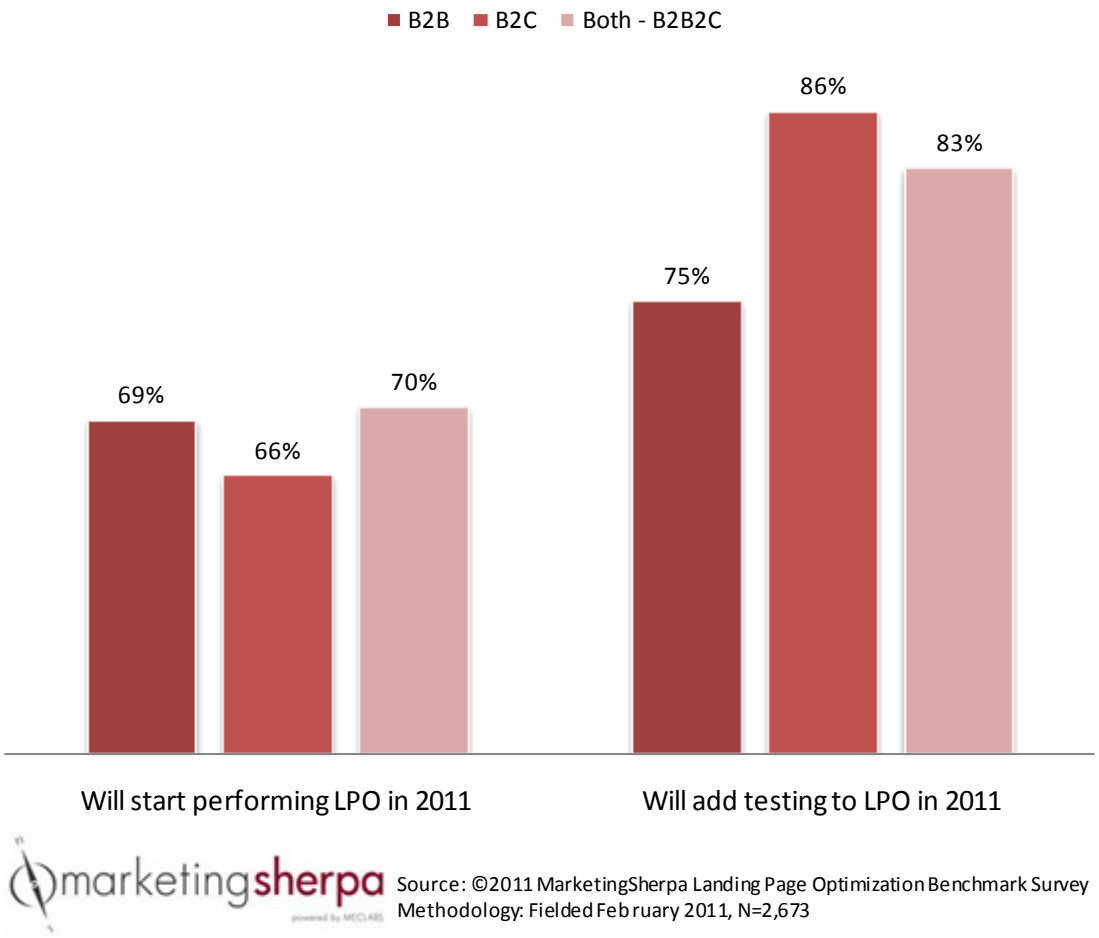


Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

Regardless of primary website objective, marketers that were not engaged in LPO in 2010 are about equally optimistic about the practice in 2011. However, among marketers that were already engaged in best-practices-based LPO in 2010, a higher percentage of e-commerce marketers plan to get into testing, as well. The less restrictive combination of challenges that e-commerce marketers experience – as demonstrated in Chapter 2 and discussed above with respect to the state of LPO propagation in 2011 – is likely responsible for this higher acceleration of LPO practice.

Yet again, we see that marketers who explicitly defined one of these conversion objectives are more likely than the average to demonstrate inclination toward landing page optimization and testing. Insofar as being able to identify the site and conversion step objectives is the first step in optimizing it, these marketers are on their way to LPO success.

Chart: Plans to start performing LPO and to add testing in 2011, by sales channel



Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

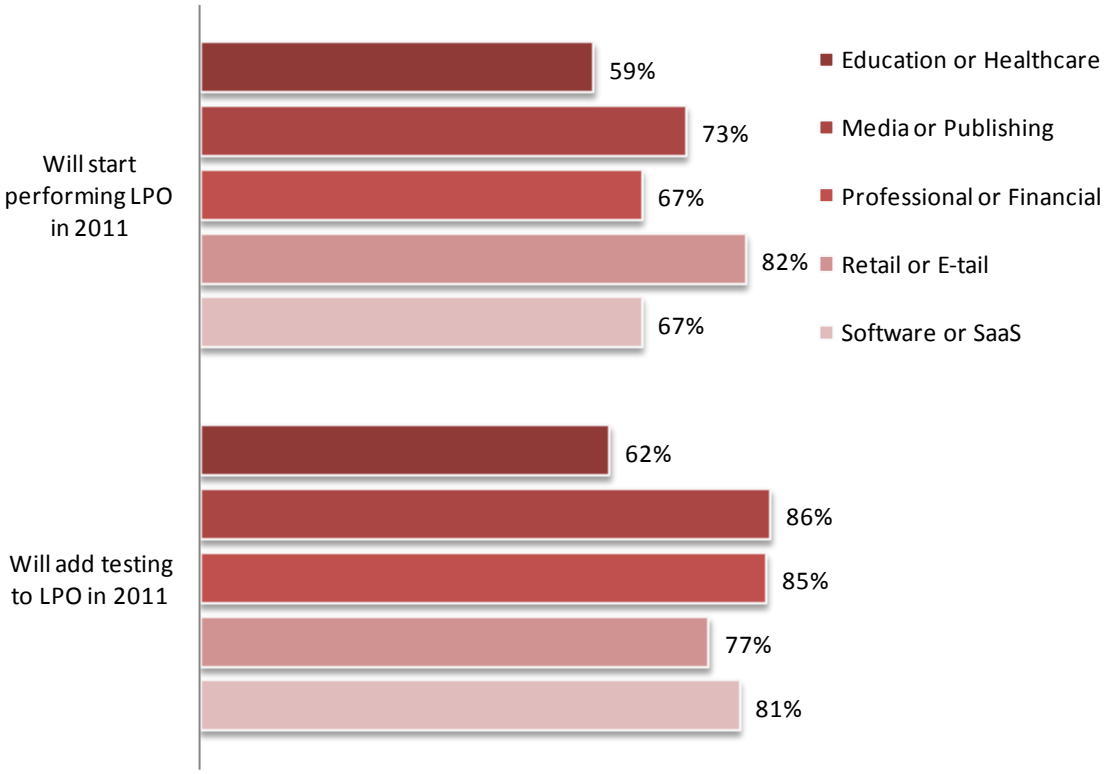
B2C marketers that were engaged in LPO using only best practices in 2010 are significantly more likely to add testing to their LPO operations than those in B2B. However, it is interesting that their counterparts that were not at all engaged in LPO in 2010 are slightly *less* likely than those in B2B to start optimizing. This trend may indicate that among the B2C marketers surveyed, a certain threshold of LPO interest and capabilities has been reached, and the rate of LPO propagation will slow down.

Need a lot of traffic, difficult for B2B due to low data rates and need to limit number of variables and test simple things first like bounce rates, rather than the entire funnel at once which requires a lot more time and traffic.

- Marketer insight

Since B2C marketers appear to be at the forefront in LPO utilization, we could expect the other segments to follow the same trend later. This should not be surprising, as these incremental numbers are making the totals for LPO and testing rapidly approach 100%. For example, an earlier chart shows that 33% of B2B marketers were not at all engaged in LPO in 2010. If 69% of this group does start optimizing as they have projected here, then the portion of B2B marketers *not* using LPO will shrink to less than 11% by the end of 2011. In other words, the propagation of LPO among B2B marketers in a year will likely be (even allowing for wishful thinking in the projected figures) greater than it is among B2C marketers today.

Chart: Plans to start performing LPO and to add testing in 2011, by industry



Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

Perhaps more than in other respondent data, there is significant optimism in these projections. Not only are LPO survey respondents by the very interest in responding are more likely to appreciate and be knowledgeable of the subject matter, they are also more likely to recognize the *need* for LPO in their organizations. At the same time, most respondents that were not optimizing or testing are also less likely to appreciate the weight of the challenges to LPO discussed in Chapter 2. As a result, their optimism about being able to engage in optimization and testing projects in 2011 may be somewhat unwarranted.

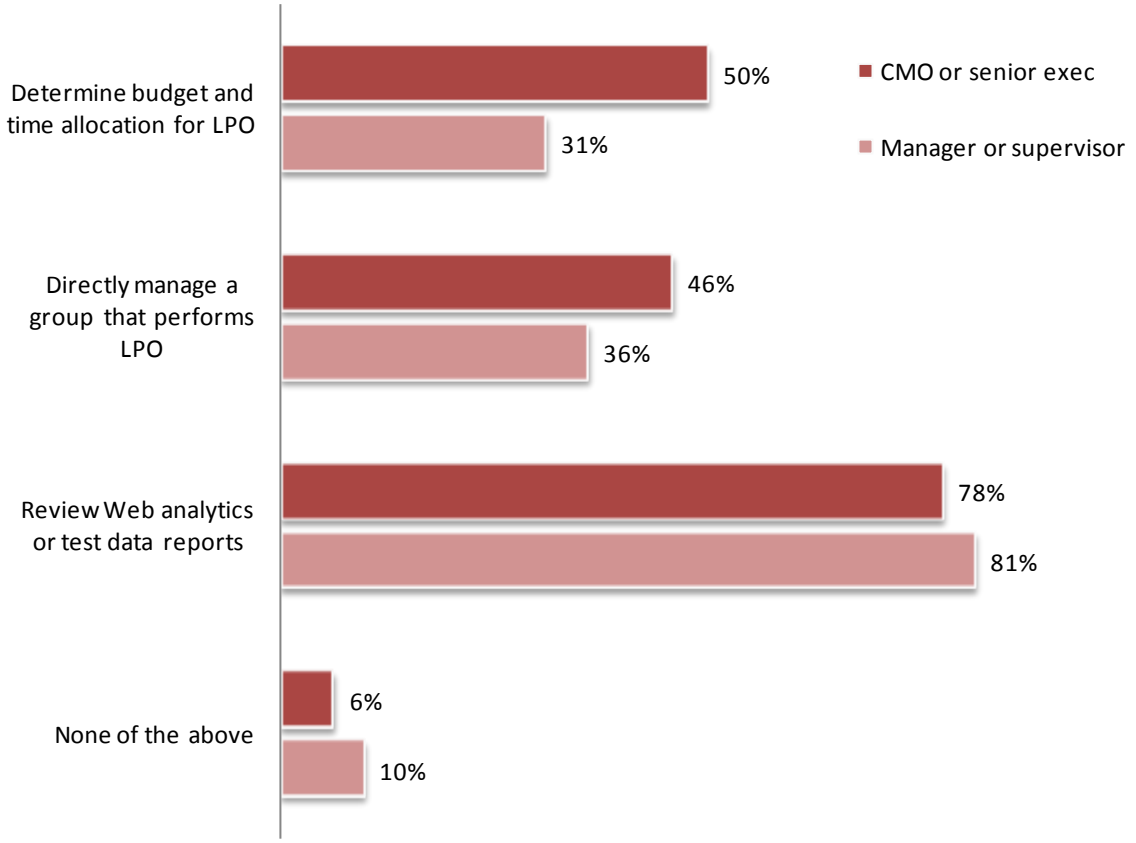
While the likelihood of these projections being realized may not be absolute, the sentiment is encouraging. This data supports the perception of LPO as an increasingly recognized critical marketing function. This growth spells opportunity for organizations to get in front of the challenges to immediately start improving the ROI of their traffic, marketers and agencies to acquire and utilize key LPO skills (close the knowledge gaps), and software companies to increase the efficiency of data analysis and testing tools.

FUNCTIONAL ROLES RELATED TO LPO

QQ. 14-17 What job functions do you routinely perform with respect to Landing Page Optimization?

To help marketers envision how their peers' LPO practice looks from the human capital perspective, we examine the job functions performed in each of the three broadly defined levels of authority (see demographic data in the Appendix). Note that this data only reflects respondents in organizations that were engaged in LPO in 2010.

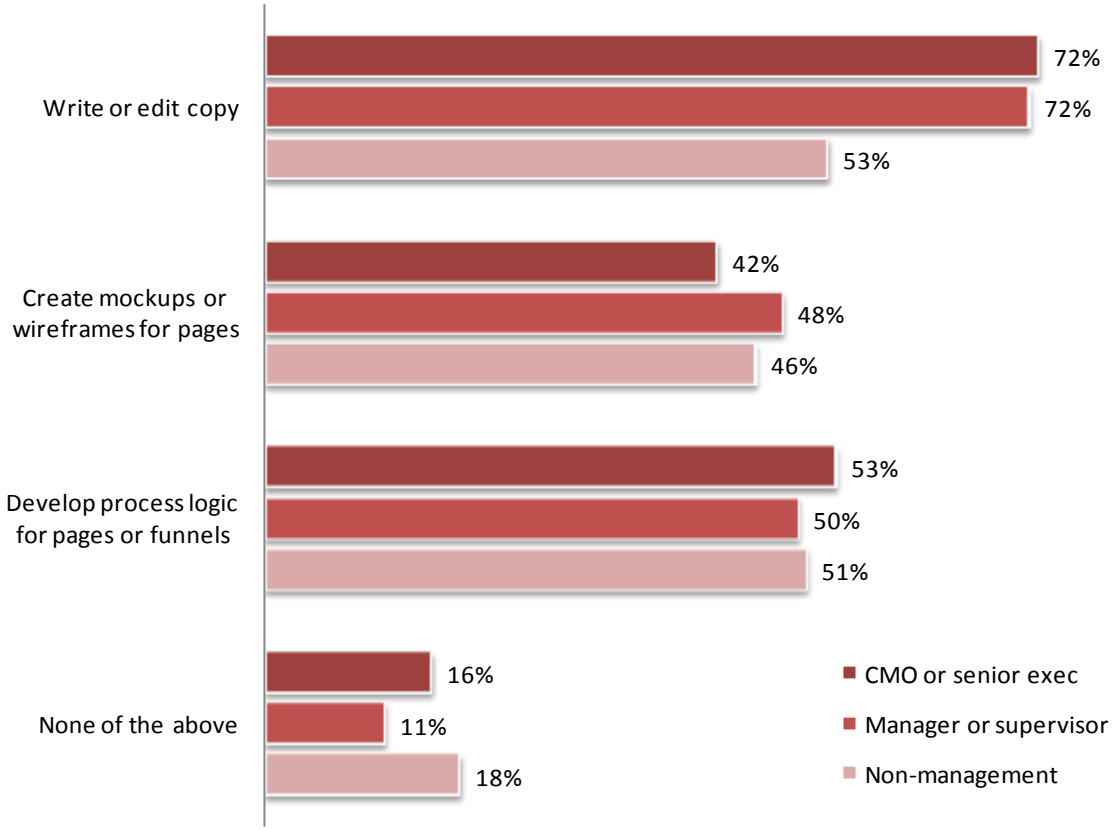
Chart: Managerial functions related to LPO performed in 2010, by organizational role



Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

Regardless of the level of authority, an overwhelming majority of marketing executives and managers in organizations engaged in LPO were personally involved in reviewing Web analytics or test data reporting. This is a healthy indicator of how data-driven marketing departments across the board has become. As we will see shortly, these marketing executives and managers are also rolling up their sleeves and getting data themselves out of analytics tools as well. In part, this trend is also a reflection of a large number of small marketing departments, where one person may be both CMO and data analyst.

Chart: Optimization functions related to LPO performed in 2010, by organizational role

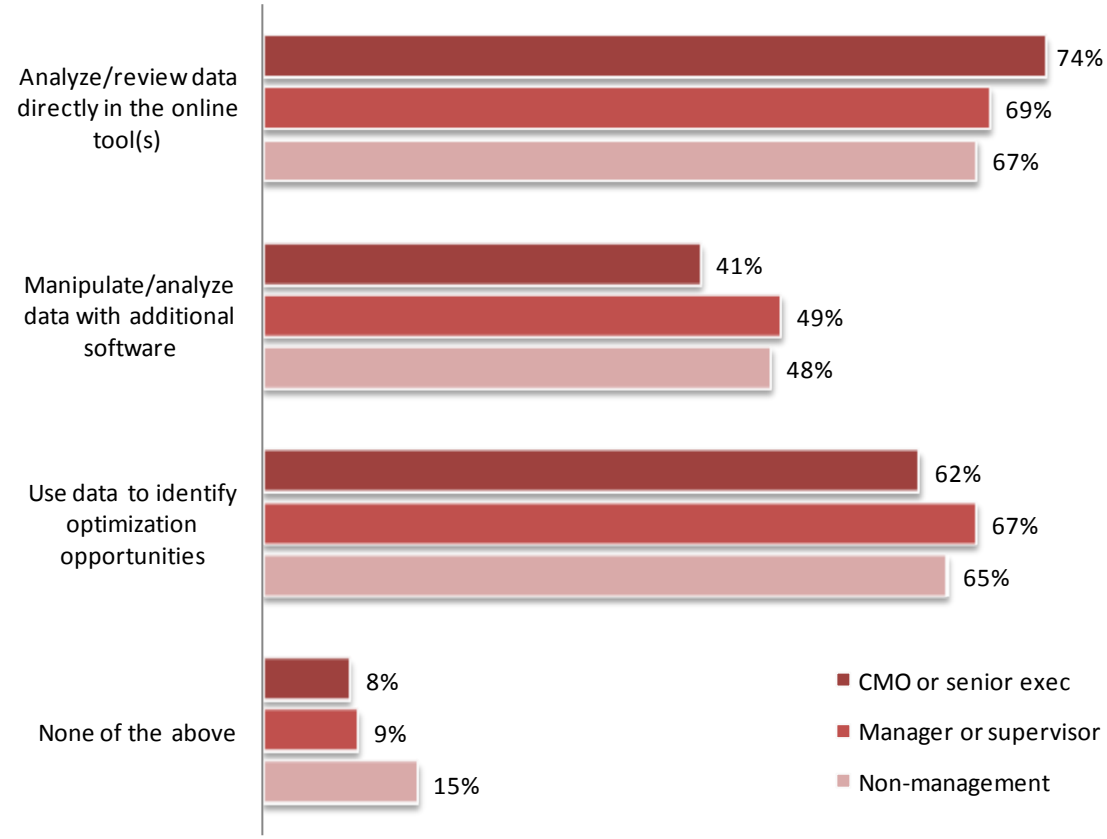


Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

Again, we are seeing marketing managers and executives, on average, wear many different hats. This agrees with our data on the number of LPO-dedicated employees discussed in the opening chapter. With an average of only 1.13 full-time dedicated LPO employees, companies expect a lot from each marketer to make LPO a reality.

In larger organizations, where there is more of a vertical separation between marketing roles, the personnel are more likely to specialize. Nevertheless, the data above shows that among these less technical optimization-related functions, only copywriting is showing signs of being increasingly delegated to specialists: 29% (not shown) of those who performed at least one of the three functions did not select either of the other two choices. Overall, 63% (not shown) of respondents reflected in the chart above reported performing more than one of the three functions.

Chart: Data analysis functions related to LPO performed in 2010, by organizational role



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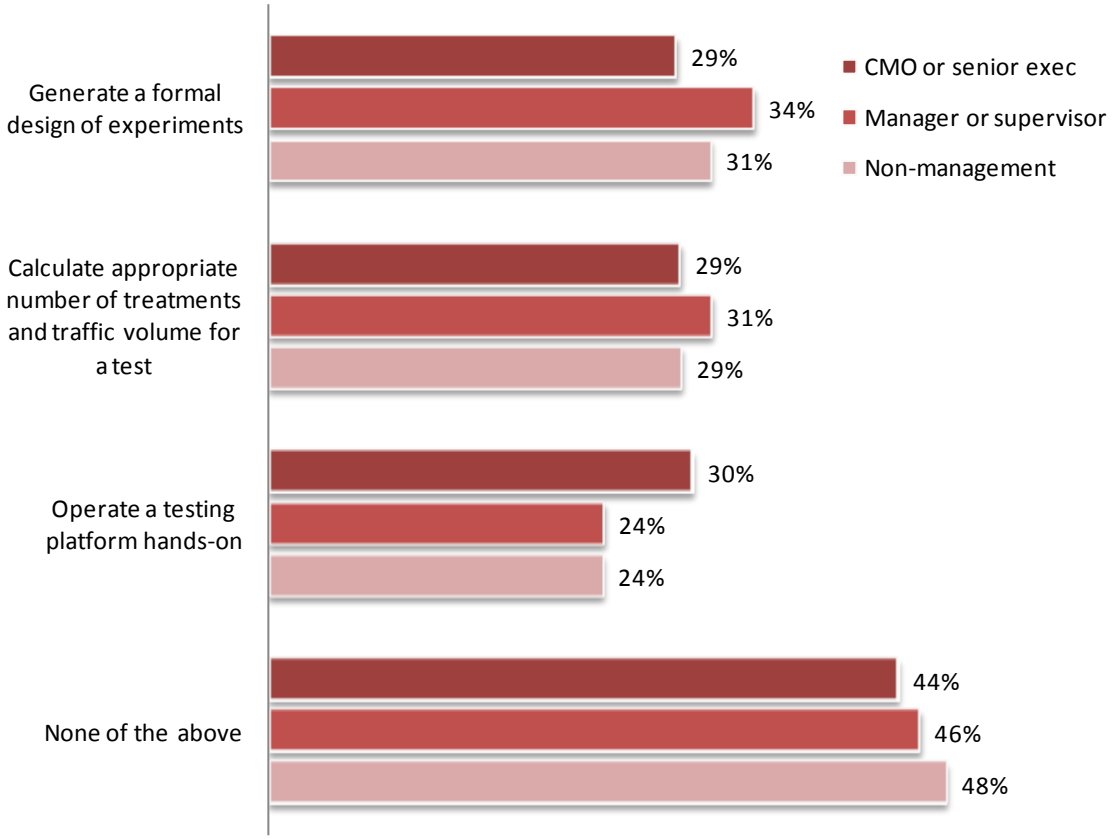
Methodology: Fielded February 2011, N=2,673

Similar to the non-technical optimization functions in the previous chart, data analysis functions are also performed across the vertical roles. Sixty-five percent (not shown) of those who performed at least one of the three functions selected more than one, and only 10% (not shown) of those who selected "…additional software" selected only that one function among the three. This indicates that using additional software is a skill typically possessed by marketers that are already heavily involved in other applications of data analysis.

Since these functions are significantly more technical, the relatively high degree of expertise among marketers engaged in LPO is reflected. However, the reader should keep in mind that this is data from marketers that had reported working on LPO projects in 2010, and therefore sets a relatively higher bar for LPO expertise.

Chart: LPO Testing functions performed in 2010, by organizational role



Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

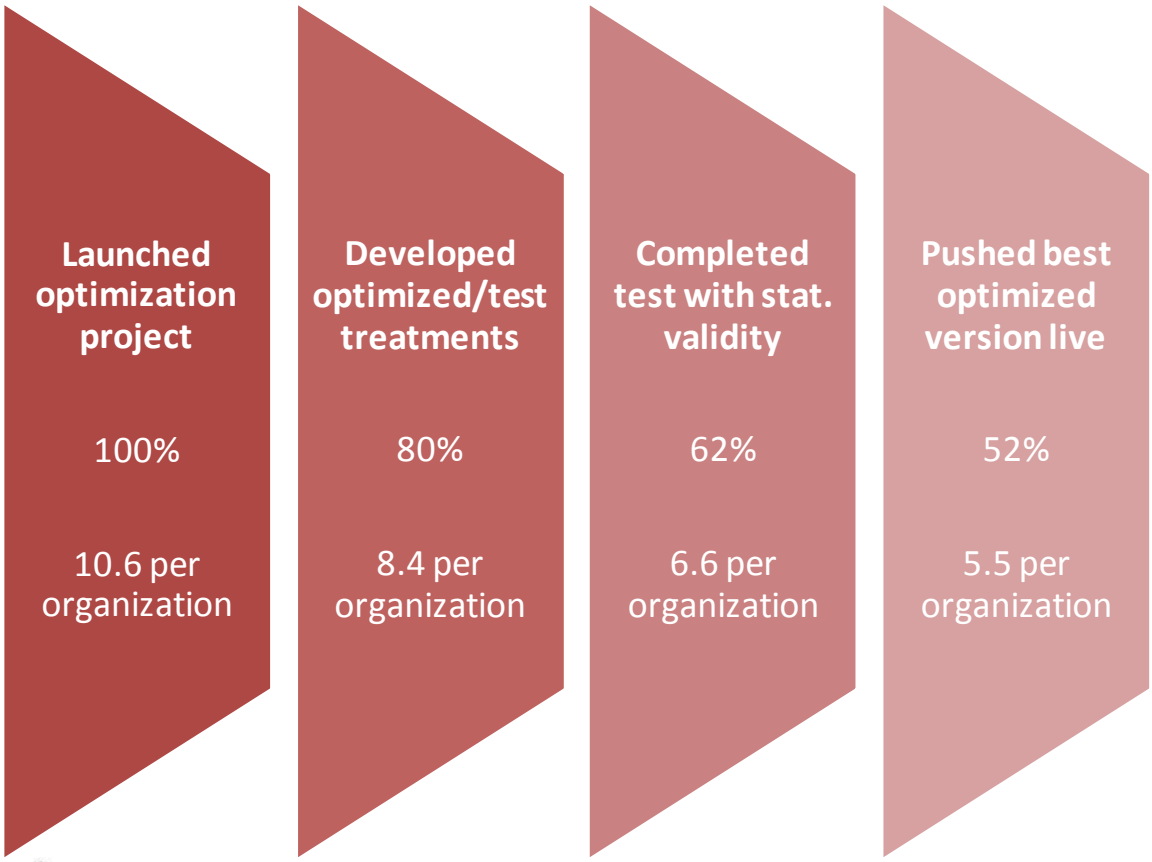
Finally, with testing functions, the level of specialization is significantly higher. Not only are the aggregate percentages of marketers involved in LPO low for these job functions, but also of those that did perform any one of them, only 44% (not shown) performed one or two more. This indicates that a full set of testing skills remains in the hands of relatively few, reflecting the expertise gaps that were examined as key challenges to LPO in Chapter 2. Otherwise, the operational challenges are simply not allowing marketers to exercise the testing skills they do possess.

It is interesting that 35% (not shown) of marketers that selected “operate a testing platform hands-on” selected no other option. Given how tests are typically run, this suggests that likely many of these marketers are testing without a formal design of experiments and without figuring out in advance how much traffic they would need or how many treatments they could afford to run. This suggests a great opportunity for marketers to become more advanced testers and close the knowledge gap in their organizations to get more out of their tests.

IMPLEMENTATION OF LPO PROJECTS

Q. 31.0 - Please approximate the number of projects in each stage, from launch to completion in 2010.

Chart: Testing project funnel from launch to pushing optimized pages live in 2010



Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
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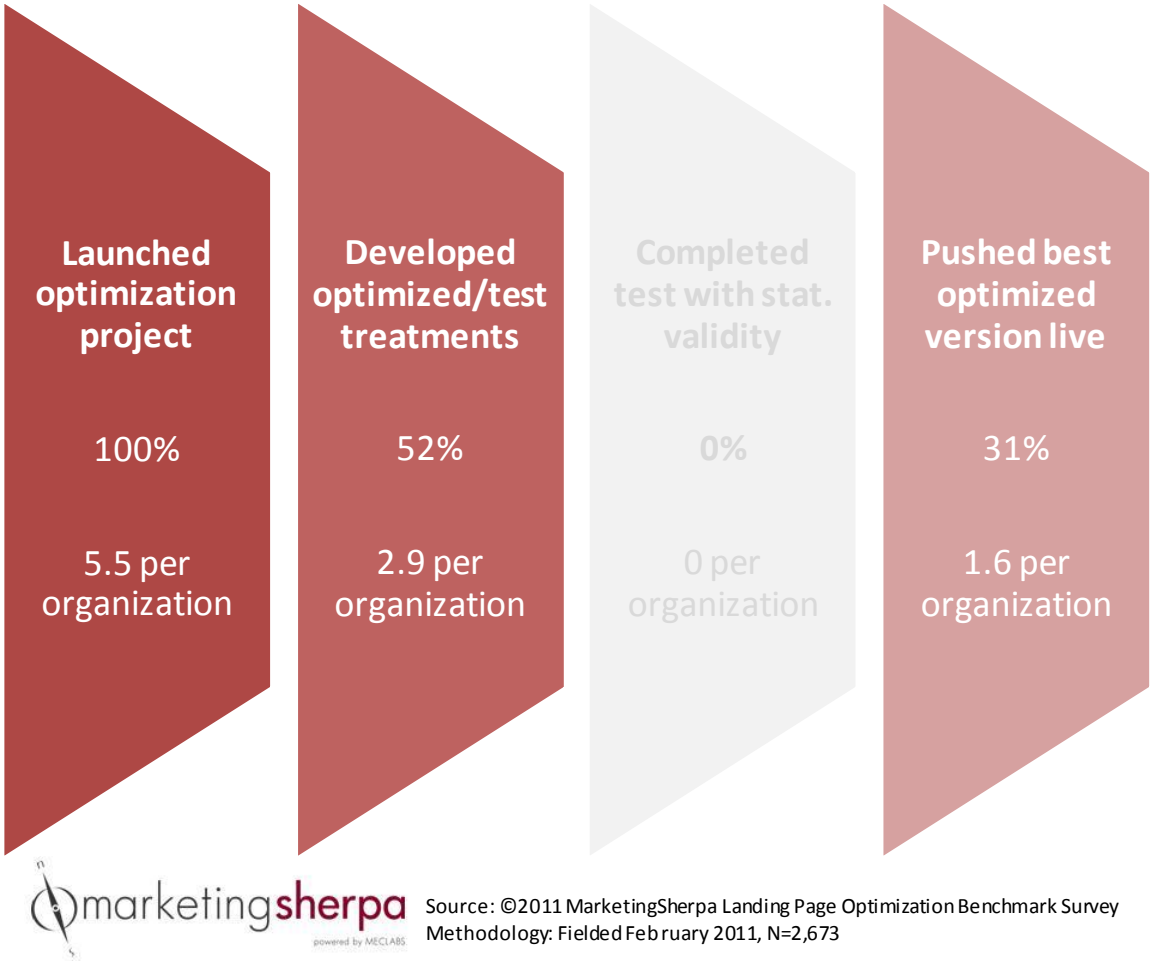
The life cycle of a testing project is not particularly complex, and we reduced it to just the four fundamental stages above to ask marketers to share how the number of projects tapers along the way. In addition, we calculated the number of projects per organization to provide a sense of the average annual test workload. From project launch to a brand new page replacing the original, it can take months – not just due to insufficient traffic, but because of all the challenges discussed in Chapter 2, plus the decision-making roadblocks discussed in the first chapter.

On average, almost half of the reported testing projects did not produce a change on the live website. This outcome is not surprising, as testing as such is not a guarantee of a win. However, by using insights from tests that resulted in a conversion decrease, marketers can increase the ROI of their testing efforts. As we saw in Chapter 2, the challenge of using previous test results to design new tests is reported among the least significant. It is possible, however, that marketers are simply not exhausting the possible uses of test results, and therefore not experiencing the corresponding challenges. For example, with hindrances like "creating meaningful segments" scoring high on the significance scale, interpretation of test results may not be able to serve its purpose.

Chart: LPO sans testing project funnel from launch to pushing optimized pages live in 2010



Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

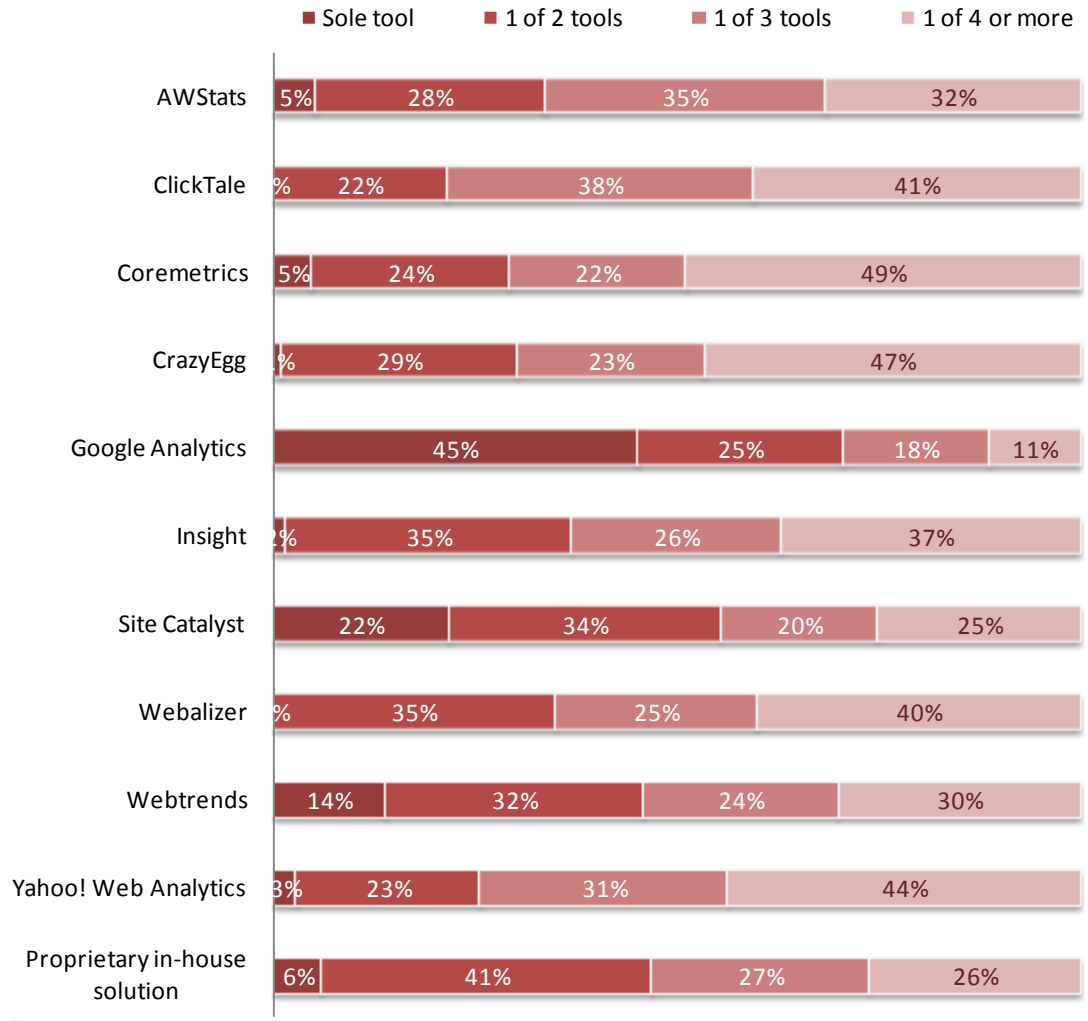
Among organizations that did not test, the average annual number of projects is cut in half, indicating that while testing is more challenging, those that do manage to overcome these hurdles may enjoy higher efficiency. This makes sense, since challenges such as expertise gaps only initially require the most effort to overcome, and require relatively less attention on an ongoing basis (assuming no turnover). Other challenges, like competing for IT resources, should also have much less of an impact after they had been resolved for at least one project.

Another stark difference from the previous chart is that the drop-off in the project funnel is much steeper here. Only half of the projects result in building out some sort of a prototype, and less than one-third in a published replacement to the original. This suggests that since without testing, it is impossible to identify the best performing page with statistical confidence (and sometimes not even *with* testing), an average LPO project may begin and end in debate, as discussed in Chapter 1, but not in any concrete changes to the site. If nothing else, test results may simply help marketers make decisions with less anxiety.

KEY LPO TOOLS: WEB ANALYTICS AND TESTING PLATFORMS

Q. 49.0 - Which of the following Web analytics tools did your organization actively utilize in 2010?

Chart: Most popular Web tracking and analytics tools among survey respondents in 2010

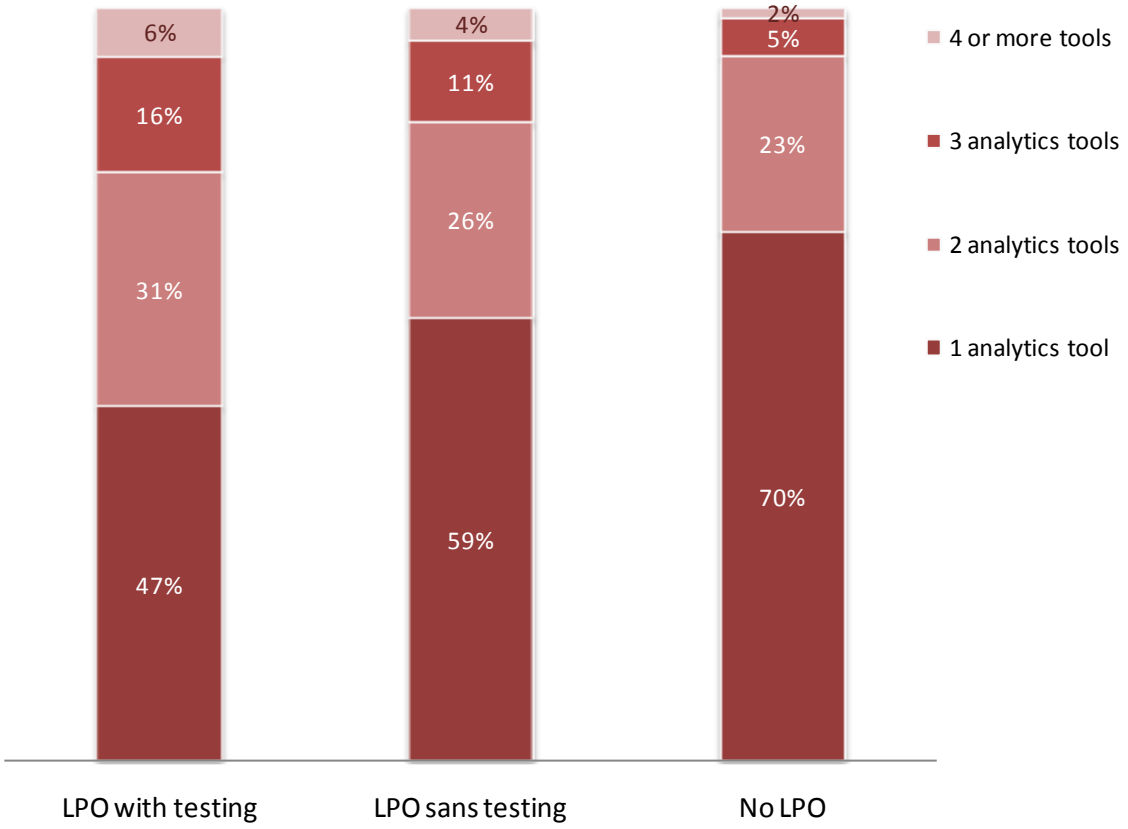


Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

It was easy to keep this report vendor-agnostic, as the number of available analytics tools available to marketers is easily in the hundreds, and even a survey as large as this cannot be expected to measure the use of each with statistical significance. However, the reader may not be surprised that Google Analytics, was in use by over 80% (not shown) of survey respondents. The chart above represents the top ten out of 25 selected testing tools plus the "in-house solution" option, and each tool's use alongside one or more of the other 25.

What this data indicates is that there is significant degree, to which marketers are utilizing multiple solutions simultaneously. While some tools complement each other's features, others may be used as back-up, as marketers are learning that no one measurement tool is perfect.

Chart: Use of multiple Web tracking and analytics tools in 2010, by LPO capability



Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
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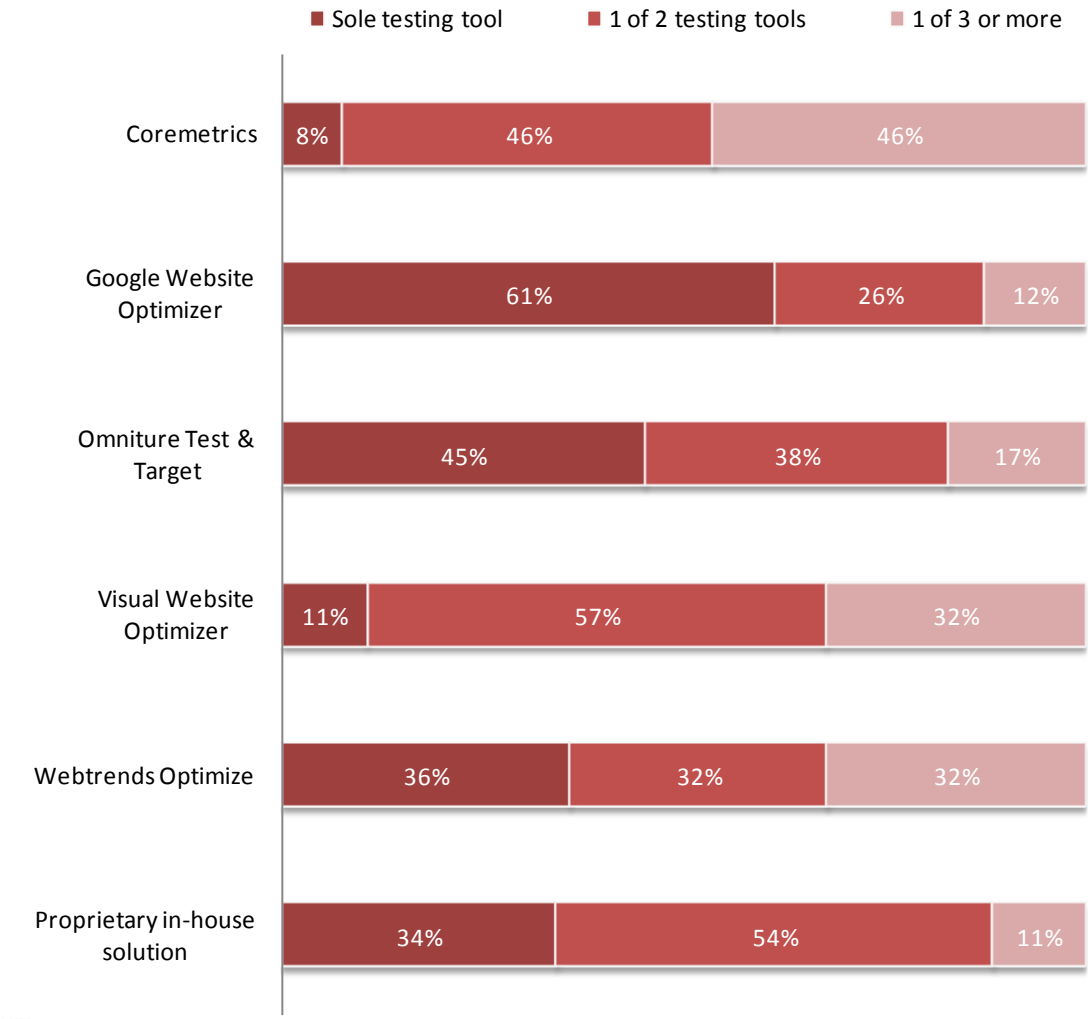
With greater engagement in LPO and testing, marketers also tend to employ more Web tracking and analytics tools. This trend notwithstanding, almost half of the respondents that were testing in 2010 were using just one tool. With data analysis posing one of the key challenges to LPO and testing, these marketers may be finding that dealing with a single system is more efficient. On the other hand, marketers with greater resources at their disposal may be able to integrate multiple data sources and use redundancy in their tracking to increase the depth and reliability of their data.

Working with technology vendors to understand their systems is critical to ensuring LPO success.

- Agency insight

50.0 - Which of the following testing tools did your organization actively utilize in 2010?

Chart: Most popular testing tools among survey respondents in 2010



Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

The number of available testing tools is certainly much smaller than that of Web analytics, but again the goal was not to determine definitively the usage of each one. As with analytics tools, Google's Website Optimizer was a favorite among survey respondents, but with a somewhat more tame 58% (not shown). Surprisingly, the runner-up was "Proprietary in-house solution." The chart above represents the top five out of 17 selected testing tools plus the "in-house solution" option, and each tool's use alongside one or more of the other 17.

Using more than one testing tool at the same time, on the same test, is generally difficult as different implementations can be a challenge to combine, unlike using multiple tracking and analytic tools. Therefore, the multiple-tool usage above likely indicates companies are trying different solutions. Running multiple tests on the same website is also not advisable from the scientific design of experiments perspective, as simultaneous tests may be impacting each other's validity.

CHAPTER 5: ACTIONABLE METRICS FOR LANDING PAGE OPTIMIZATION AND TESTING

The data deluge we are now experiencing, courtesy of technology innovation and proliferation, has created new demands on marketing professionals. If nothing else, the nascent privacy concerns associated with the use of online behavior data is a testament to how granular and "intrusive" these tools can be. While the privacy debate is legitimate, one takeaway for marketers is clear – they have unprecedented access to behavioral user data. Once the user self-identifies by logging in, making a purchase, etc., this data becomes personal – in other words, CRM – data.

Counting specific user actions, and even using derivative metrics like the ubiquitous conversion rate, is not necessarily in itself productive for a marketer. The problem is that it is difficult to assign value or importance to each of the multitude of possible user behaviors, which are being tracked and reported. While it may appear straightforward that "we need more sales," typically the picture is not that simple. There are many different kinds of visitor behaviors that can be counted as "sales," while many others cannot be, yet the value of each to the business bottom line exists. In fact, many websites "sell" nothing at all in the sense that they do not offer the ability to place orders or process payments. Sales may either precede or follow the online interaction. How, then, do we make behavioral data useful?

In Chapter 1, we addressed the broad definition of conversion as "any specific measurable user behavior (such as a click, a purchase, etc.), depending on the page or process," in contrast with definitions that focus on a narrow objective, like a sale. From the optimization perspective, conversion is simply the accomplishment of the objective of that page or process. This is the reason why defining the objective explicitly is integral to any optimization efforts. In this report, we look at the metrics that marketers have used to test the performance of different page types in 2010.

Our analytics tell us what type of site actions are most likely to produce the highest quality lead to pass onto sales. We analyze the pages that push users to those specific actions and the pages of those specific actions (i.e., price a package).

- B2B2C marketer insight

The data in this chapter should help marketers not only to think through the key performance indicators (KPIs) to use for testing, but also the strategic choices of KPIs to track the performance of Web pages and processes over time. This ongoing measurement is instrumental for determining *what* to optimize and test.

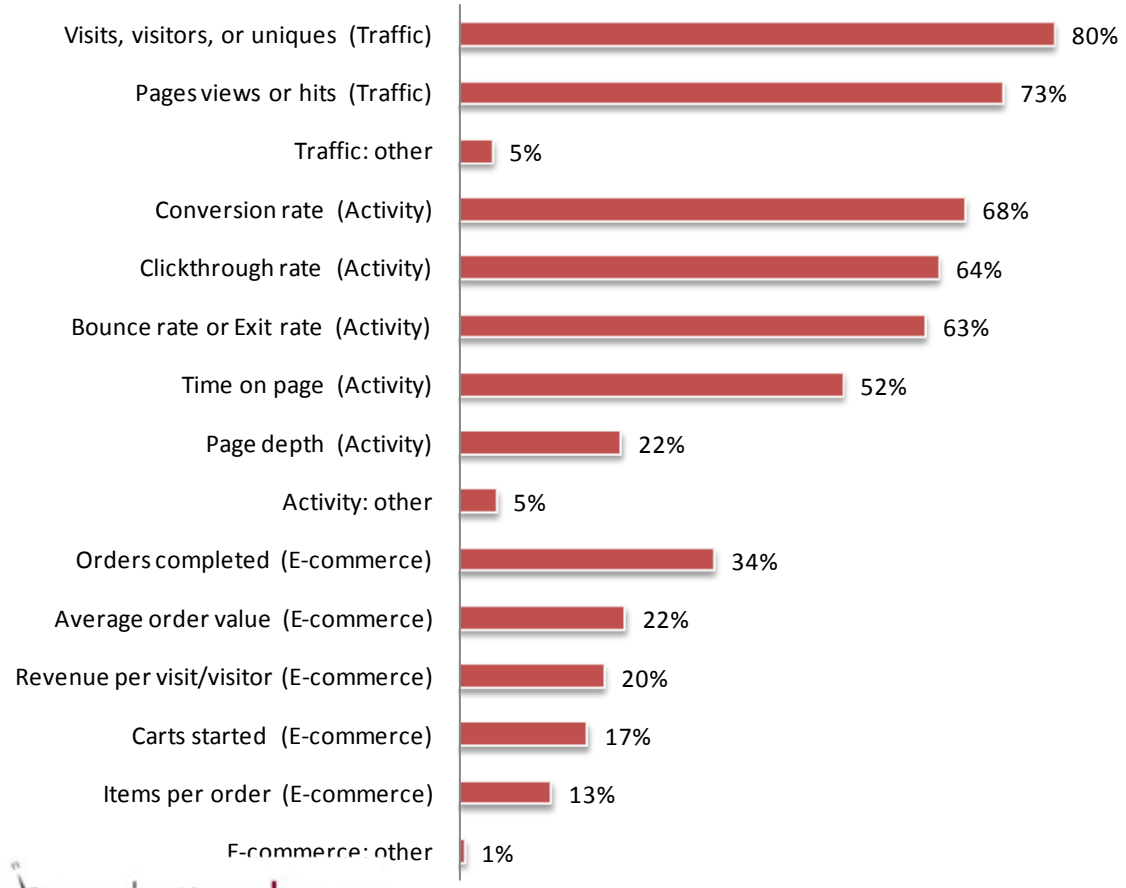
A large portion of this report is dedicated to showing readers what their peers have been optimizing. Identifying leaks in the funnel is one common model for determining what to test first (the answer is, "the biggest leak"). However, not every page or process can be treated like a simple shopping cart funnel, where the visitor moves in a linear fashion from step to step. Determining which metrics are important typically requires analysis that ties each possible visitor behavior to the ultimate website objective(s), and possibly to offline transactions, as well. This chapter is concerned with the metrics that marketers had analyzed to arrive at the decision what to test.

Importantly, the data used in this chapter comes from marketers who indicated that they personally perform data analysis functions as part of their job.

WEB ANALYTICS AND KEY PERFORMANCE INDICATORS

Q. 21.0 - Which behavioral metrics do you regularly monitor to evaluate and/or improve Web pages/processes?

Chart: Top LPO metrics tracked in 2010

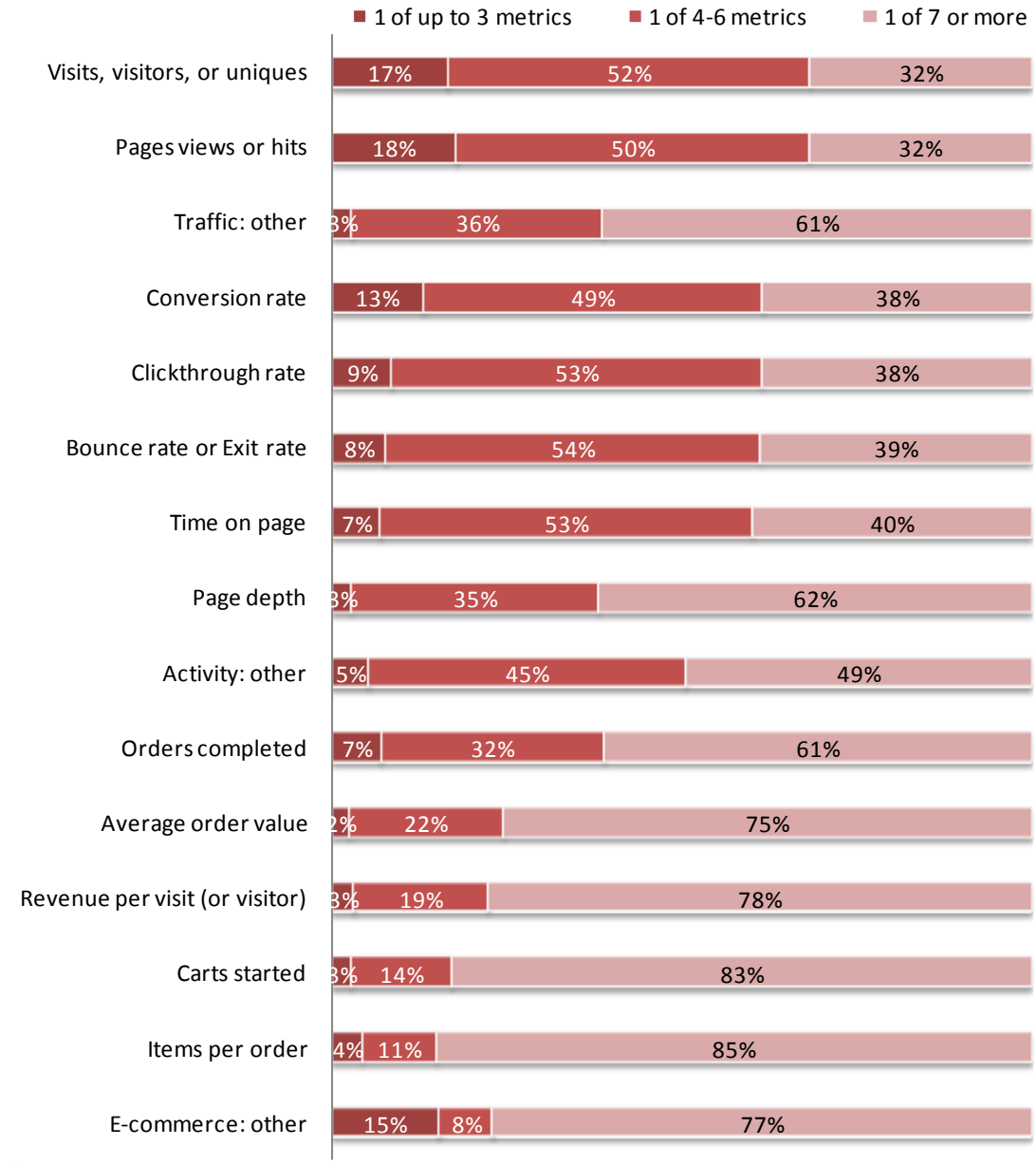


Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

To keep the survey size manageable, we surveyed marketers on a dozen of the more common and representative metrics out of the multitude available on Web analytics platforms. These metrics reflect three broad types of visitor behavior measurement: Traffic (simply counting, in different ways, how many visitors arrived), activity (actions of clicking, converting, staying, or leaving) and e-commerce (order contents and completion). Additional marketer insights for choosing the right metrics are provided at the end of this chapter.

While the chart above represents the frequency of each metric's use, it can look deceiving. Although the traffic metrics (visits, page views, etc.) are at the top, they are almost inevitably used alongside other metrics. As they are the easiest to measure, it is not surprising that they are used most frequently. However, it was disappointing to see that "conversion rate" was not at (or even close) to 100% – in part the result of the continued disagreement about the definition of "conversion" as discussed in Chapter 1. At the same time, it is important to consider that different metrics are relevant to different pages within the same site, and therefore may be used simultaneously, yet independently.

Chart: Degree of reliance on individual metrics, by top metric

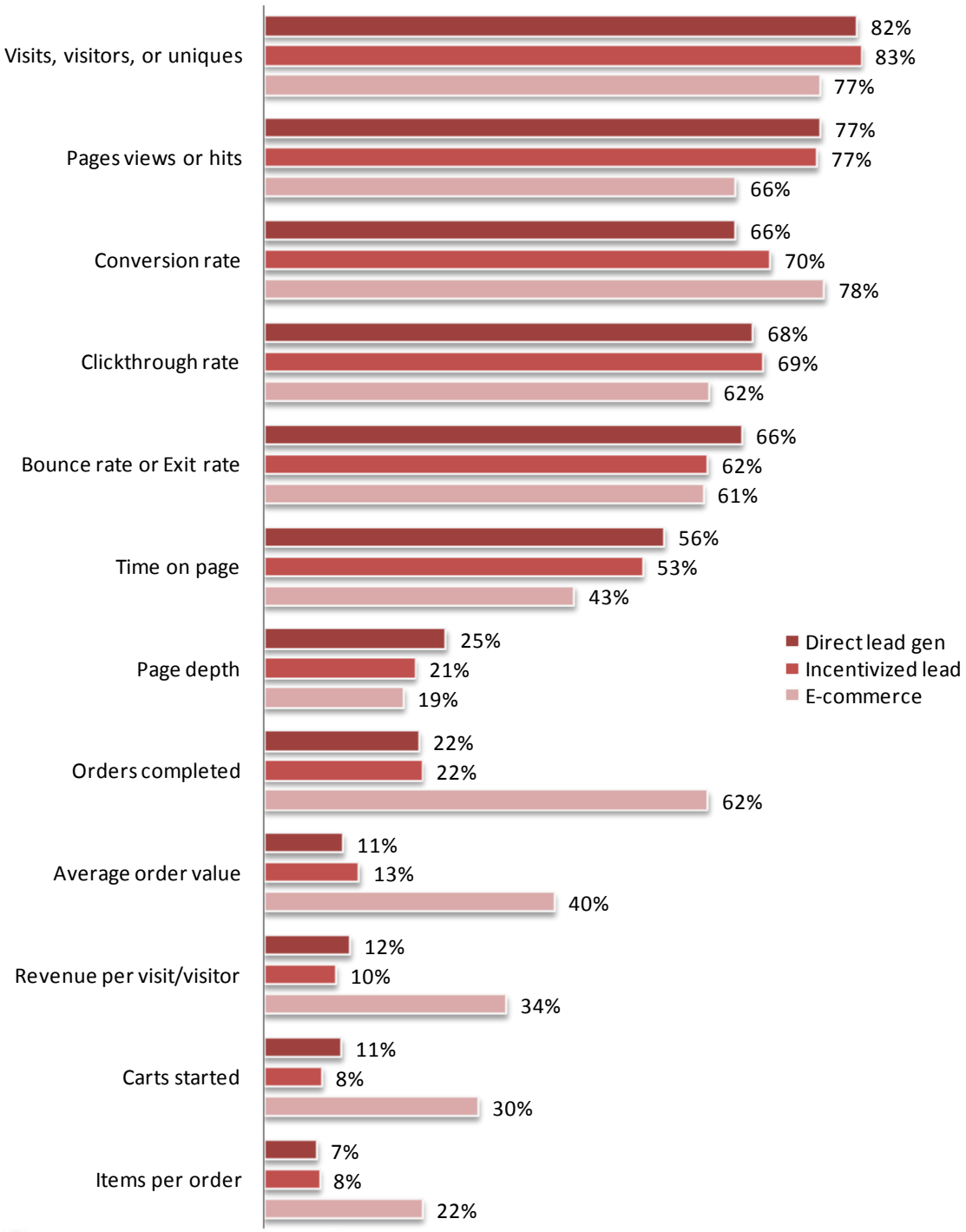


Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

The figures here represent not the popularity of each metric (as in the previous chart), but rather the likelihood of them being used alongside a different number of other metrics. Most importantly, this chart shows that a significant number of marketers use no more than three metrics.

Since the six e-commerce metrics were not meaningful to a large number of respondents, the "1 of 7 or more" segment is unsurprisingly smaller for the more popular metrics at the top of the chart. However, it should be noted that marketers who do use e-commerce metrics also inevitably track more data, as we will see again in the next chart.

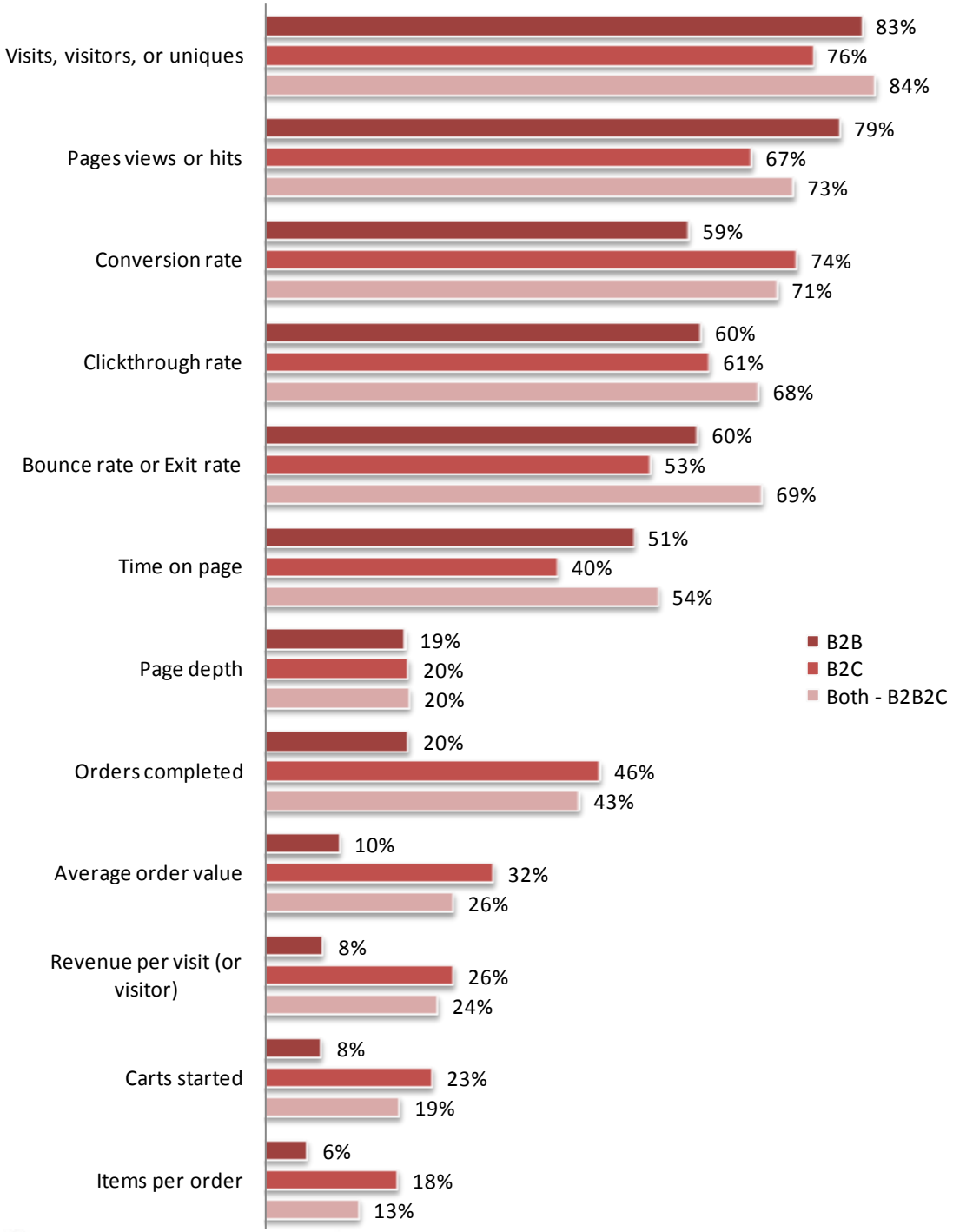
Chart: Top LPO metrics tracked in 2010, by website objective



Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

Not surprisingly, the e-commerce metrics are tracked most heavily by marketers, for whom e-commerce is a primary objective. However, the simplest one among them (orders completed) is the one primarily tracked, with revenue-related metrics tracked only one-half to two-thirds as often.

Chart: Top LPO metrics tracked in 2010, by sales channel



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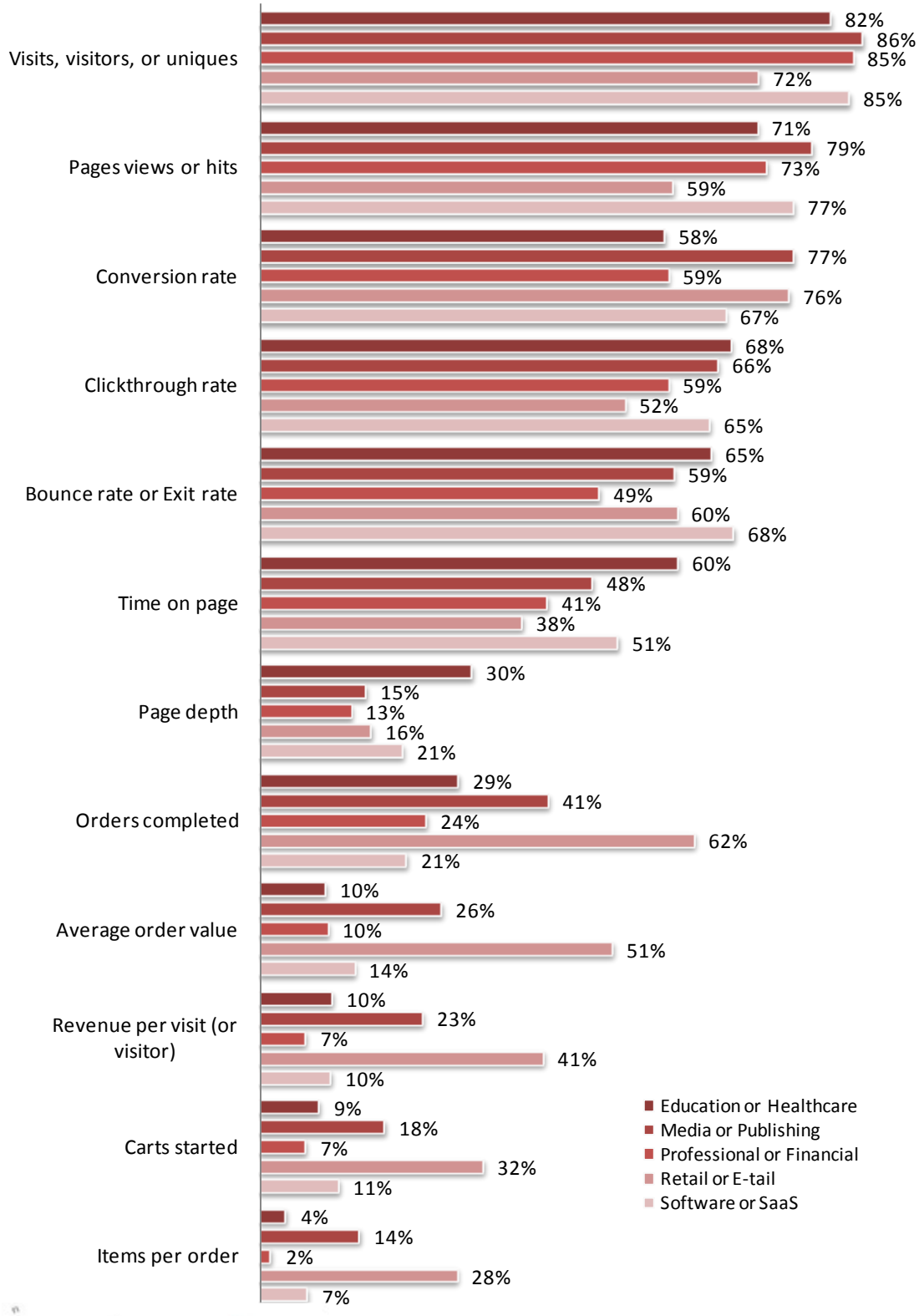
Methodology: Fielded February 2011, N=2,673

Regardless of the sales channel or industry (seen in the next chart), the popularity of metrics follow substantially the same trend as the aggregate, with predictable industry-specific deviations from the average.

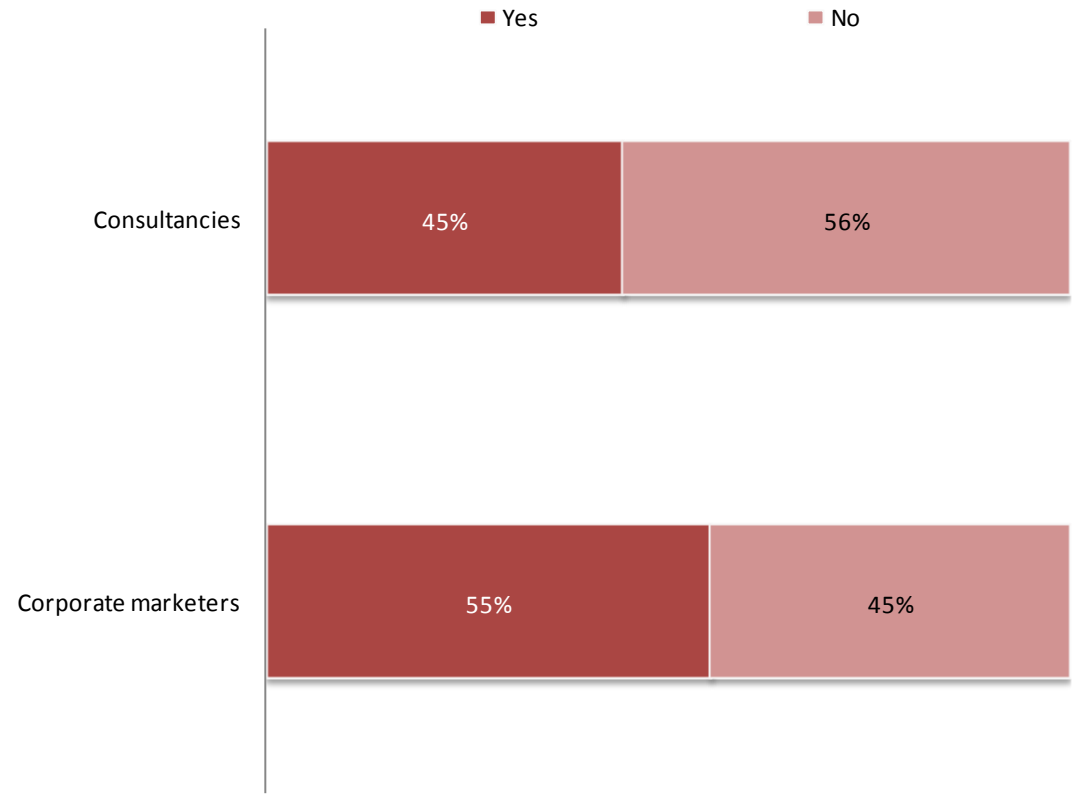
Chart: Top LPO metrics tracked in 2010, by industry



Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

*Q. 22.0 - Are there metrics you are **not** monitoring only because they are not set up properly?*

Chart: Metrics that are not tracked due to improper Web analytics setup in 2010



Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

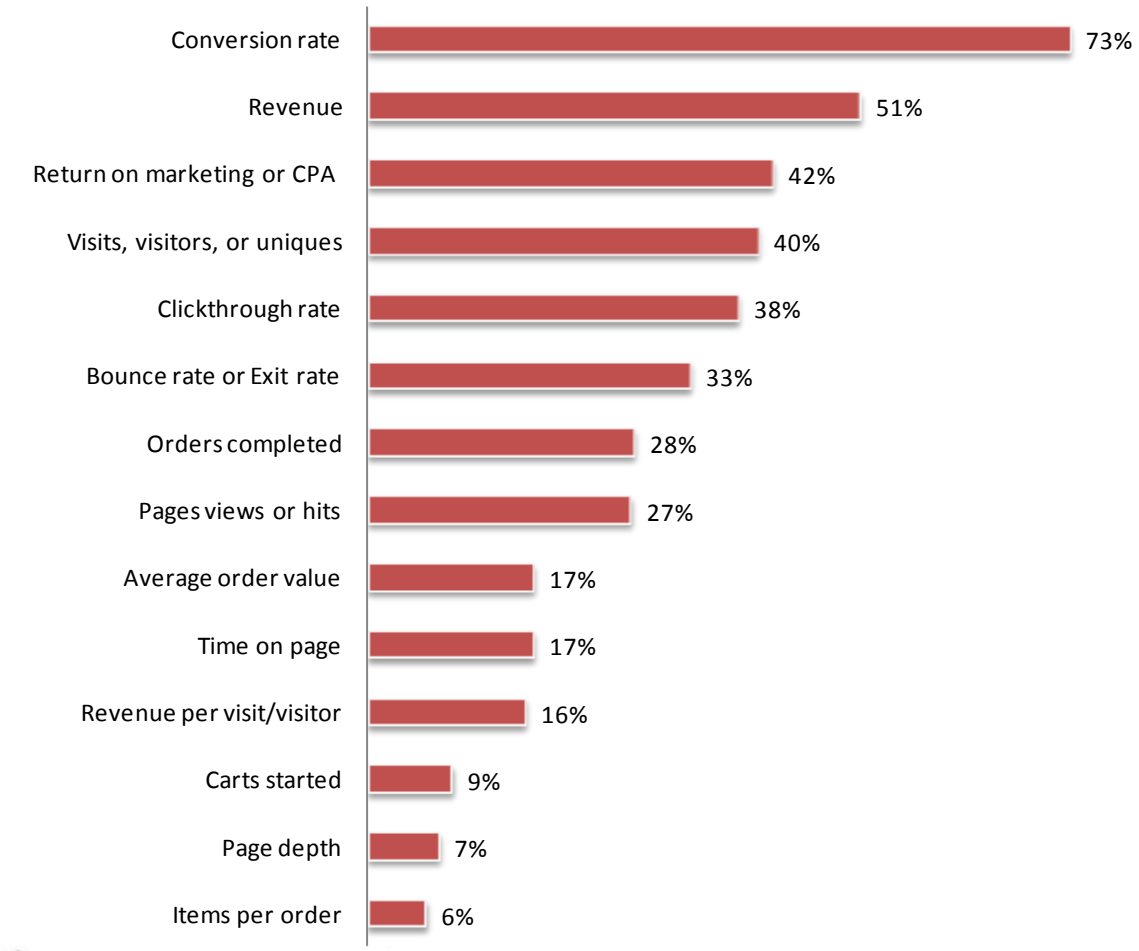
While the analytical reasons for tracking certain metrics are important, they are not always determinant of what actually gets tracked. Approximately half of all marketers responded that they are not tracking certain metrics only because the technology piece is broken.

This chart shows that in-house marketers are more likely to have to deal with poorly installed Web analytics platforms. Agencies and consultants, often themselves providing Web analytics installation services, are more likely to have the measurement issues under control, and perhaps are also more likely held directly accountable for them.

As Web analytics software providers are striving to make their products as IT-independent as possible, marketers may find that with only a small amount of training, they could deploy tracking without outside help. For enterprise-level websites, where all changes to the websites, no matter how small, must go through a lengthy approval process, this is likely less encouraging.

Q. 23.0 - In tests conducted in 2010, which of the following were used as "key metrics"?

Chart: 14 metrics used as test "key metrics" or KPIs by marketers in 2010



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In tests, *conversion* is most likely to be defined as the universal objective. Regardless of how "conversion" is defined by an individual marketer, the very notion of testing typically implies that conversion is the sought-after outcome. However, revenue and cost per acquisition (CPA) metrics are also at the top, indicating that marketers are highly interested in tying behavioral Web analytics data to bottom line results as directly as possible.

Note that the choices for this survey question were based on the previous response about metrics being tracked, plus *revenue* and *return on marketing or CPA*. This accounts for the large difference between the usage of *revenue per visit* and simply *revenue* as a key metric. Almost 80% (not shown) of the latter did not indicate that they were tracking *revenue per visit*.

Overall, the number of metrics in this section may be a bit overwhelming and the next three charts are presented for reference only. The following section narrows them down to seven per applicable page type to help the reader consider which metrics may be used together on a single optimization project.

Chart: 14 metrics used as test "key metrics" or KPIs in 2010, by website objective

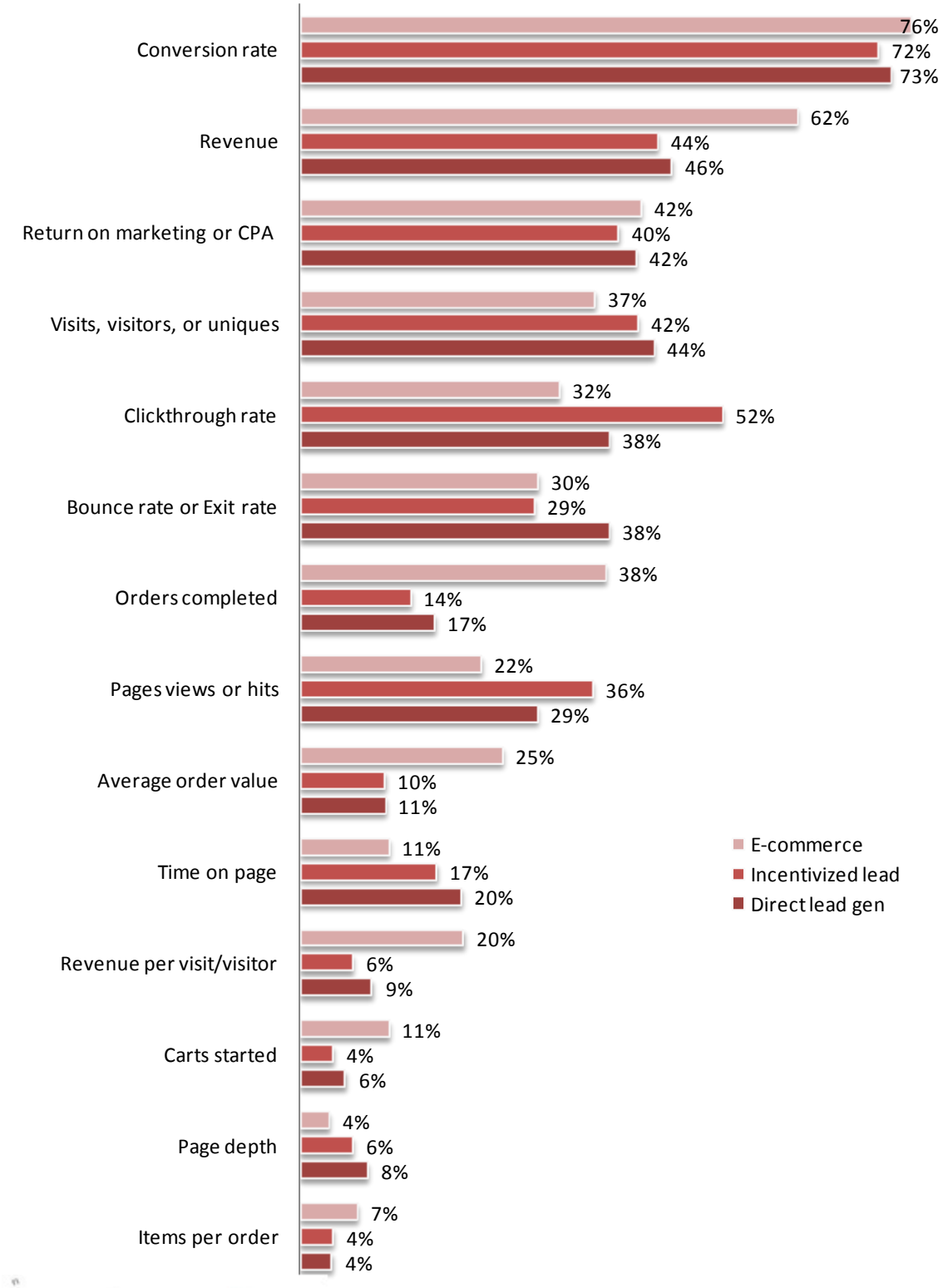

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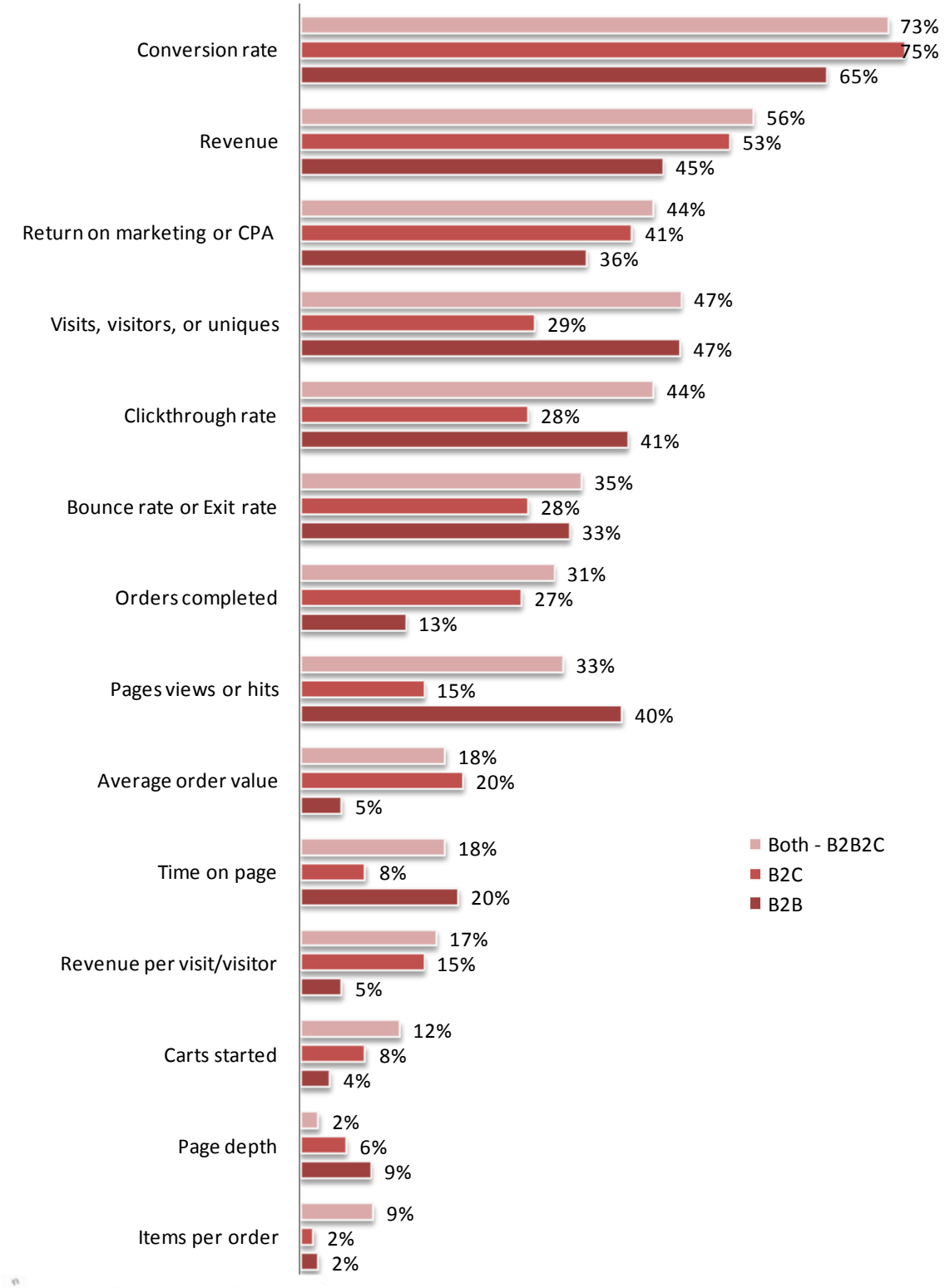
Chart: 14 metrics used as test "key metrics" or KPIs in 2010, by sales channel



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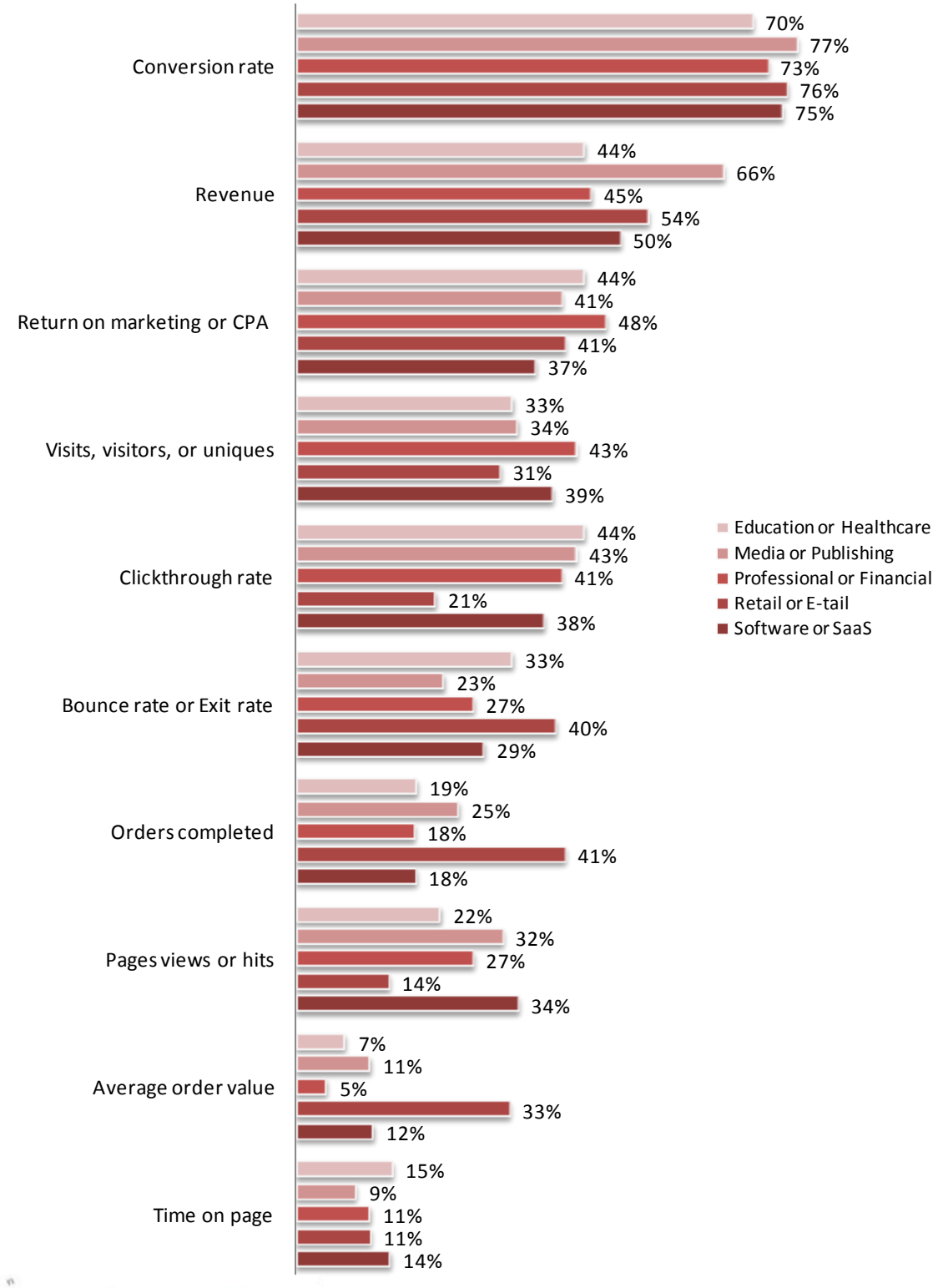
Methodology: Fielded February 2011, N=2,673

Chart: 10 metrics used as test "key metrics" or KPIs in 2010, by industry



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Methodology: Fielded February 2011, N=2,673

TOP 7 KEY METRICS FOR EACH OF 9 PAGE CATEGORIES TESTED IN 2010

23.1 - What was the key metric for each test you conducted in 2010?

In designing experiments, marketers need to define a single key metric, by which they would objectively judge the outcome. While additional metrics may be useful – often, essential – for proper interpretation of why one or another treatment performed as it did, marketers must invest significant time into determining the objective key metric. The following set of charts presents the relative utilization of test key metrics with respect to the pages that were tested by the respondents.

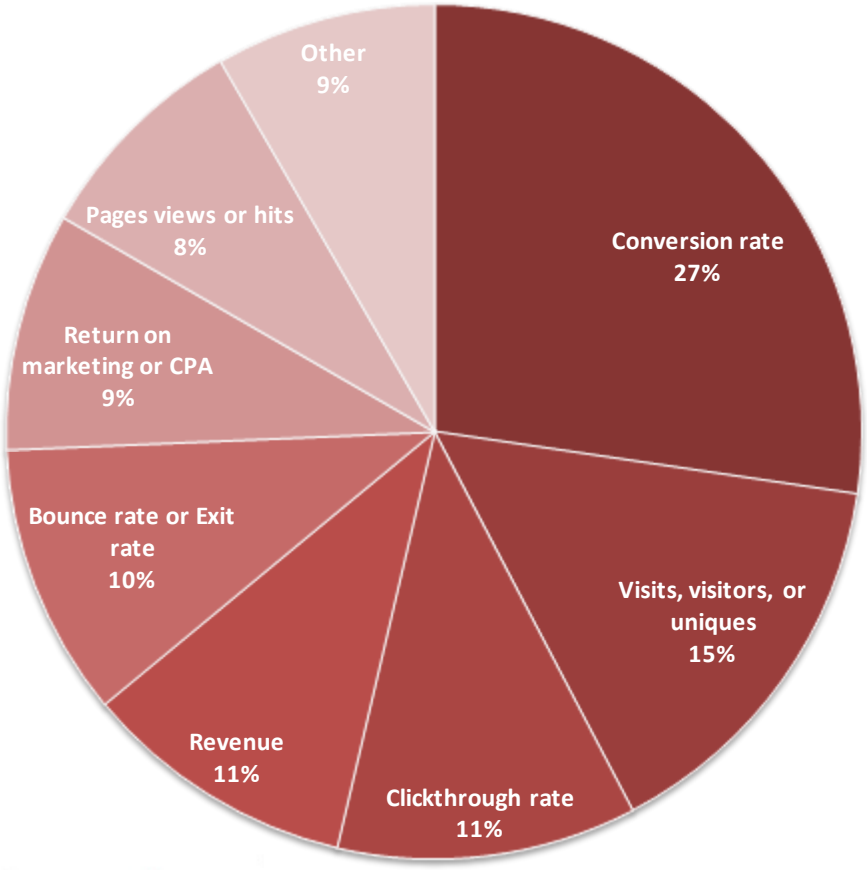
As discussed earlier, a "conversion" has various definitions by marketers, although it most often represents the ultimate action that the visitor is expected to take, such as a purchase, a sign-up or a download. Since the terminology has not fully standardized, the term "clickthrough" is used by some marketers to mean the same thing as "conversion" by others. In essence, it does not make a difference, as "clickthrough rate" normally represents a measurement of the desired visitor action on a given page (unless otherwise specified as "clickthrough on [fill in the blank]," which is not necessarily the most desirable visitor action). At the same time, marketers that define "conversion" in the broad sense of "any desired visitor behavior," would consider a desired click as a "conversion," and as such, there is an inevitable overlap between these two metrics.

Chapter 6 explores the key optimization strategy of segmentation and relevance, but here it is important to note that all metrics should, where possible, be analyzed with respect to identifiable segments of visitors. The aggregate test result figures may hide the true value of the test. For pages that receive multiple sources of traffic, a single treatment may not optimize them for each visitor segment. However, rather than build out separate pages for each segment, the marketer may be better served by creating several test treatments, and test them using traffic from all segments. The key is to track all metrics *by segment* to determine which treatment performed best for each.

A potential drawback is that breaking up data into too many segments will reduce the sample size of each, and consequently either reduce the confidence level or require additional test time. In this case, depending on the available time and resources, the test could be extended or some segments – re-aggregated. The advantage is that some segments (or combinations of segments) may quickly achieve statistical validity due to large key metric increases or decreases, allowing the marketer to make a decision sooner.

On the other hand, the source of the visitor can be essential to interpreting purely objective data. For example, pages that serve to direct the visitor, like the home and category pages, can be a useful indicator of the site's complexity, if visitors keep returning to them too often in relation to the number of options that these pages offer. Traffic to pages that serve to explain certain "fine print" issues can indicate where these issues bring about a high degree of confusion or anxiety. In such cases, simply optimizing these pages may not be the best strategy, and the marketer needs to consider the psychological reasons for the data to determine which pages need to be optimized first.

Chart: Key performance indicators for *Homepage (not itself a product page)* used in 2010



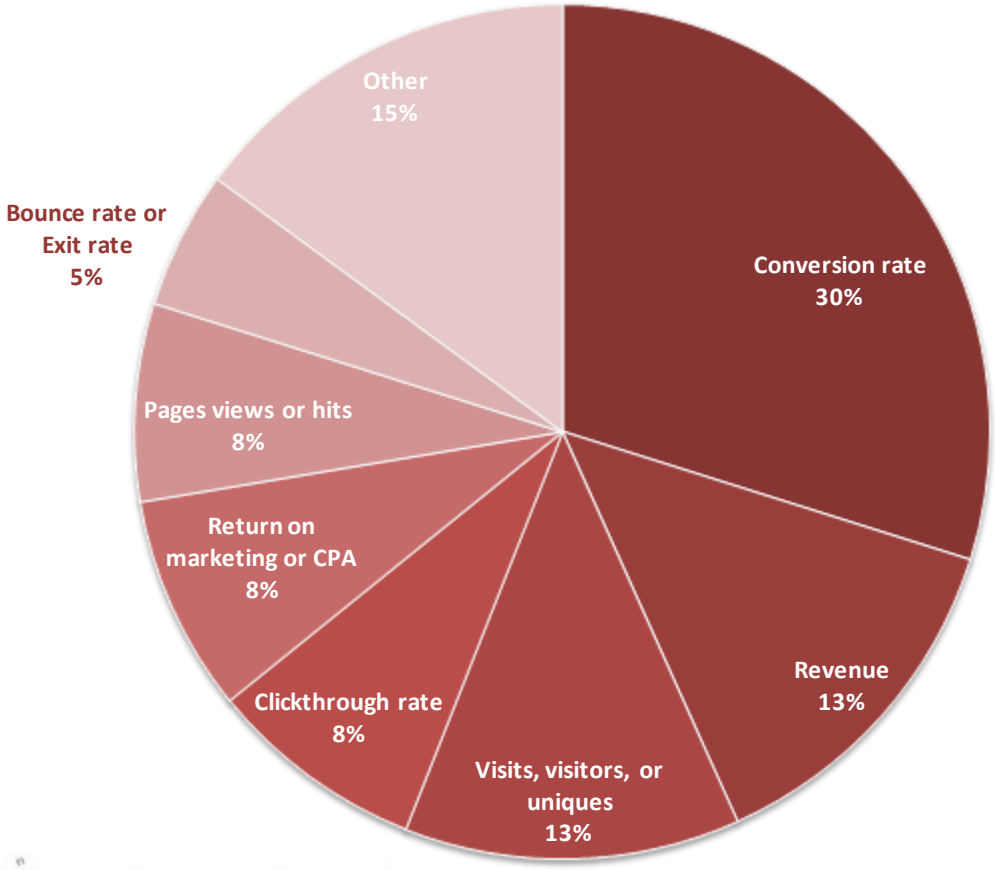
Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

The homepage is perhaps the most difficult page for designing a test because typically it must serve many masters and accomplish multiple objectives. As a result, bounce and exit rates (and their converse, the clickthrough rate) are prominent as key metrics, telling the marketer how well the homepage kept the visitor engaged while moving her/him deeper into the website.

Where the pages between the homepage and the ultimate conversion action are numerous, or take a complicated path, the conversion or revenue figures alone may not be useful as the objective key metrics, assuming that the marketer would continue optimizing for them past the homepage. For instance, if a treatment reduced the bounce rate substantially but also reduced overall website conversion rate, it may be better to identify the next leak in the funnel and optimize it in a separate test to increase the website conversion rate, rather than discard the lower-bounce-rate homepage treatment.

A critical issue becomes the *quality* of the traffic that the homepage sends into the website. The quality of the traffic is broadly the degree of match between the visitor and the offer – in other words, the predisposition to convert. Reducing bounce rate may be a short-sighted key metric if more visitors get through, yet those are not the visitors that would ever be interested in becoming customers. Dedicating significant page real estate to a $10 gift card offer can explode the clickthrough rate (and conversely, minimize bounces), but it may turn away visitors exploring a multimillion dollar RFP.

Chart: Key performance indicators for *Category, listing, or similar page*



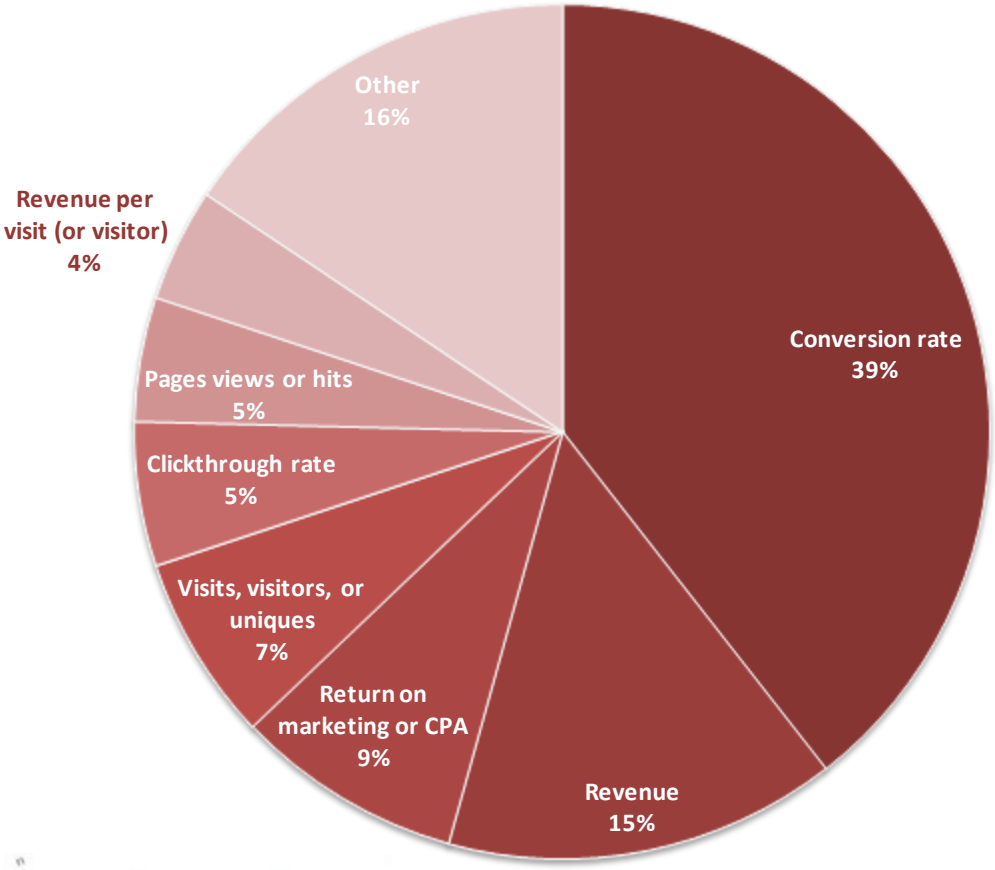
Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

A category page is similar to the homepage when its primary role may be to direct the visitor down the right path, rather than "sell" the category. In these cases, tracking the more basic behaviors, like clickthroughs and exits, may be more meaningful objective measurements of the performance of a category page than conversion rate or revenue per visit overall.

However, as with homepages, conversion and revenue metrics must be closely monitored. An increase in clickthrough rate on a category page may be the result of visitors misunderstanding the messaging and clicking for the wrong reason. In that scenario, an increased clickthrough rate may also depress site-wide conversion and revenue.

Marketers should be careful with the math here. For example, an increase in the clickthrough rate on the category page means that more visitors will land on the product pages. If the number of conversions across the category remains the same, then it will appear that the conversion rate measured *at* the product page (conversions divided by the number of visitors to the product page) will actually decrease. At the same time, the site-wide conversion rate would remain constant. While this purely mathematical drop in the conversion rate at the product page should not be a cause for alarm, it does suggest that the product page is a good next candidate for testing. In fact, it may be useful in this scenario to test category and product page pairs, technology permitting.

Chart: Key performance indicators for *Product, solution, or other offer page*



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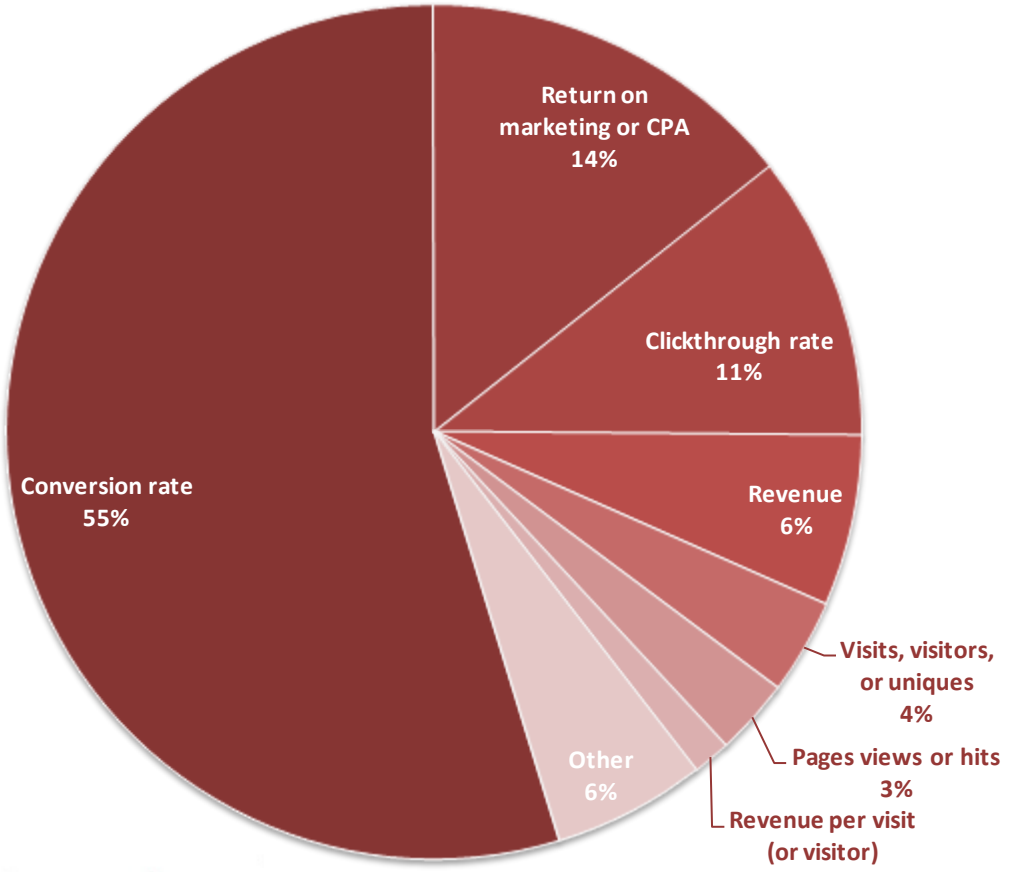
A product or offer page is typically the last point before the conversion action (or a dedicated conversion funnel), and therefore conversion and revenue data become much more immediately meaningful, as compared to its relationship with home and category pages.

At the same time, these pages are among the most sensitive to visitor quality, and secondary metrics like exit rate or clickthrough rate to links that do not lead to the conversion action need to be closely monitored. When visitors land on a page dedicated to a specific offer and click or exit without converting, they leave an important data trail for marketers to analyze. For instance, if the visitor returned to the category page, this may mean that there was simply a mismatch between the visitor and the offer, or the value of the offer was not communicated properly. However, repeat visits to the offer page may indicate a degree of confusion about what the visitor is expected to do next, and testing the calls to action could be the right next step.

Where a conversion action results in a lead, rather than an immediate purchase, it is critical that marketers assign financial value to the lead. Chapter 6 covers lead quality scoring and Chapter 7 discusses specific tactics related to lead forms, but it should be noted here that the amount of data collected can affect both the conversion rate and the value of a lead, and therefore testing for lead conversion must take into account both quantity and quality of leads.

Chart: Key performance indicators for *Free download, webinar, or newsletter form pages*



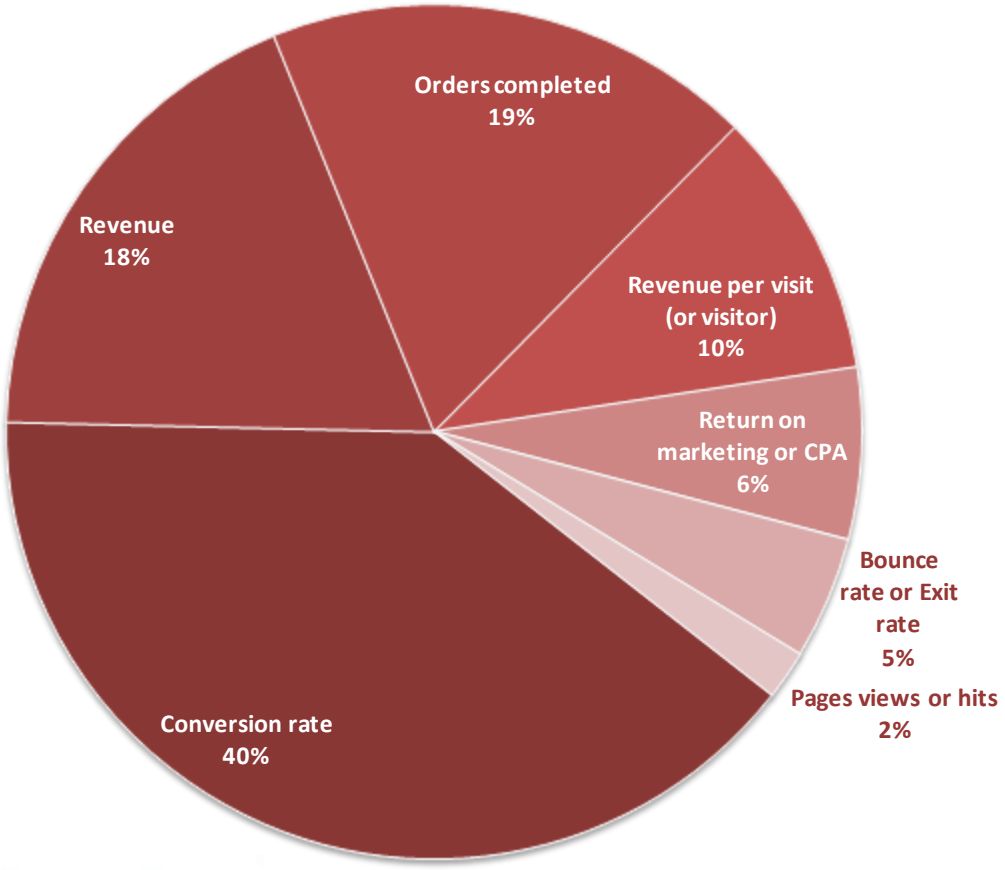
Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

A special type of offer page is where the offer is ostensibly free. However, marketers must be keenly aware that even on these pages, value is exchanged. The visitor provides valuable lead information in exchange for the "free" resource. Whether the visitor is consciously aware of the sales-related nature of this transaction (and the website visitors, especially in B2B, tend to be keenly sensitive to this) or is simply resistant to the effort required to proceed, the page must communicate enough value to get the visitor to convert.

With revenue not being as easily connected with the conversion (see commentary on previous chart with respect to the need to assign financial value to a lead), the cost associated with bringing a visitor to a form page is much more strongly felt by marketers, making the ROI and CPA metrics second only to the conversion rate itself.

Clickthrough in this case is either the very conversion action, or in the case of multi-step forms, the completion of the first step. The quality of visitors concern raised earlier (and to be discussed with respect to lead quality in Chapter 6) becomes important in multi-step forms, causing the same concerns about deceptive clickthrough or step conversion metrics that can belie broader meaning of the data. For example, an "easy" first step in a form can dramatically increase the clickthrough rate, but decrease overall site conversion by acquiring low-quality traffic and decreasing the interest of the more appropriate visitors.

Chart: Key performance indicators for *Shopping cart or subscription process*



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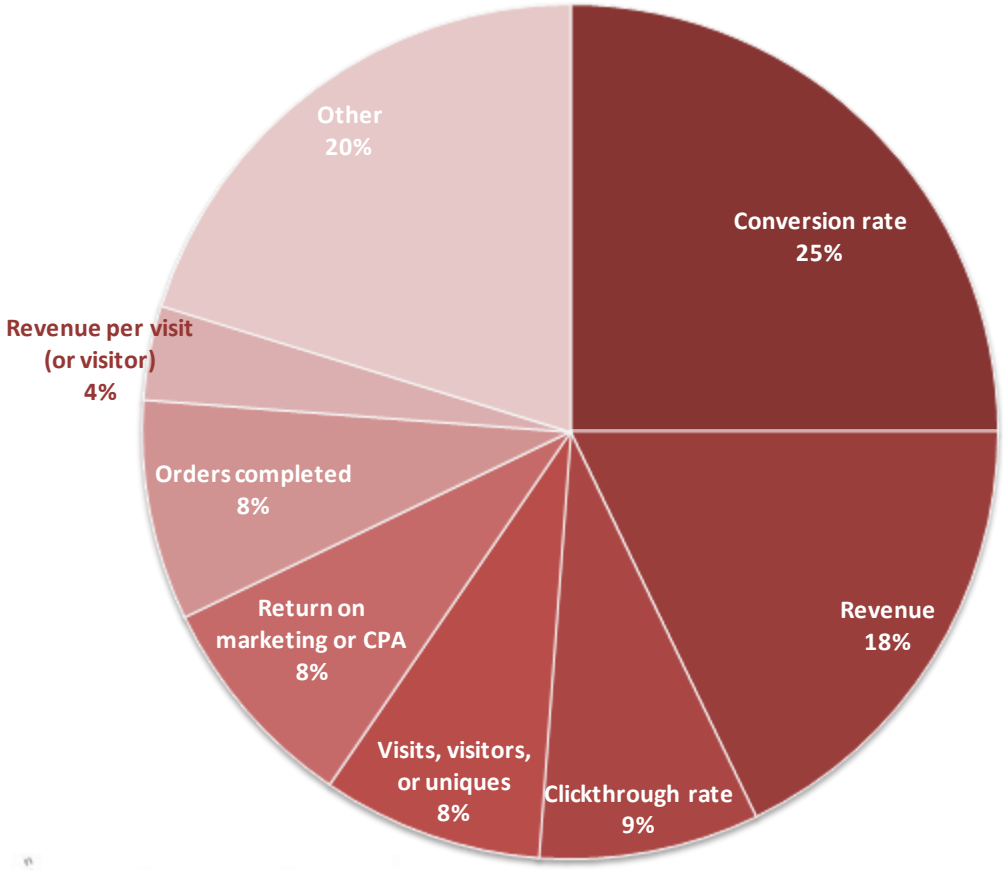
Once the visitor enters a shopping cart process, measurement may appear to be straightforward. Depending on the variety of price points, revenue and number of orders can demonstrate essentially the same objective results. However, when there is a variety of products and product combinations that visitors may purchase, using revenue per visit may be a more precise way to measure the effectiveness of a shopping cart or subscription funnel.

Being able to bring the cost side of the equation by also tracking the CPA of each visitor segment allows marketers to get a more complete picture when different sources of traffic (e.g., paid search vs. social) are involved. This is a staple form of measurement in search engine marketing (SEM) and display because the cost variable is highly visible and measurable.

However, marketers that want to maximize ROI need to extend this analysis to all ways of generating traffic. It not only helps test for the most optimized shopping or subscription process, but also provides data to determine the effectiveness of the traffic source itself – subject matter outside of the scope of this report.

Chart: Key performance indicators for *Thank-you page*



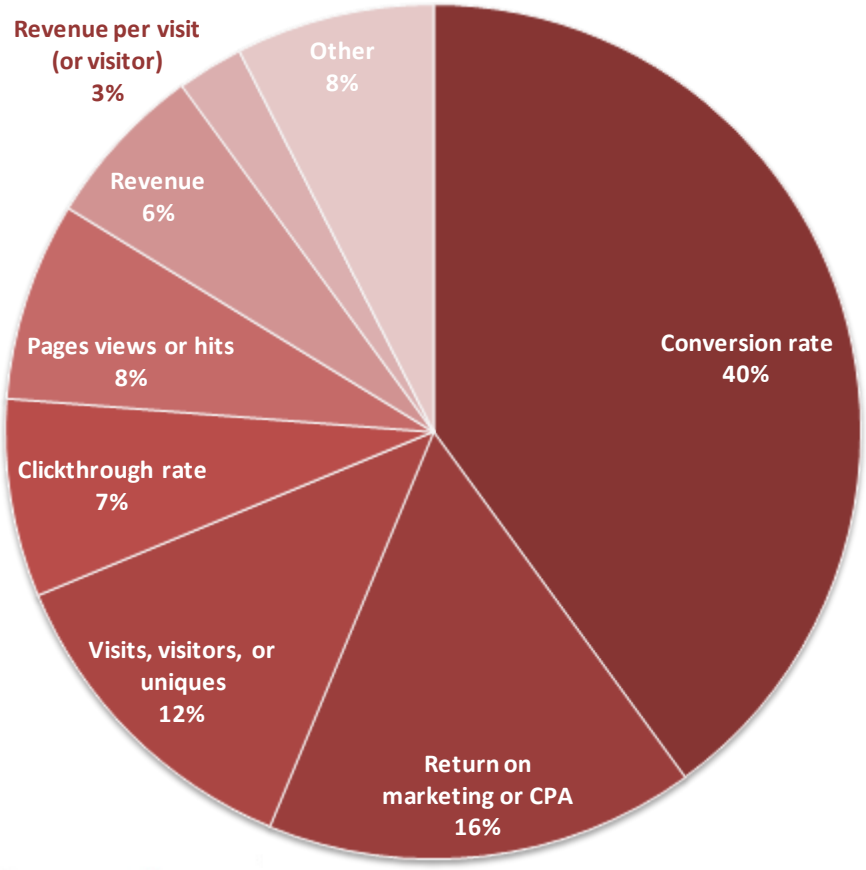
Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

The thank-you page is an often underutilized part of visitor experience, despite the spectacular examples in consumer retail, such as Amazon.com. By proceeding through the conversion process, the visitor signals certain preferences (interest in subject matter, product category or price point), as well as a degree of trust with respect to the website itself. In other words, marketers have significant data about this visitor and have an opportunity to act on it immediately, on the thank-you page.

When the thank-you page is used to upsell or cross-sell, revenue and conversion metrics, similar to the shopping cart metrics, can provide an objective measurement of the page's effectiveness. Similarly, the calculation of ROI using available CPA figures can extend to the thank-you page, as well.

Rather than serving as the end of a visitor experience, the thank-you page can become the start of a new one, and depending on its function (for example, to guide the visitor to a different area, pitch a different offer, etc.) the metrics to use would correspond to the metrics on other pages that have the same objective.

Chart: Key performance indicators for *Contact Us, About Us or similar page*



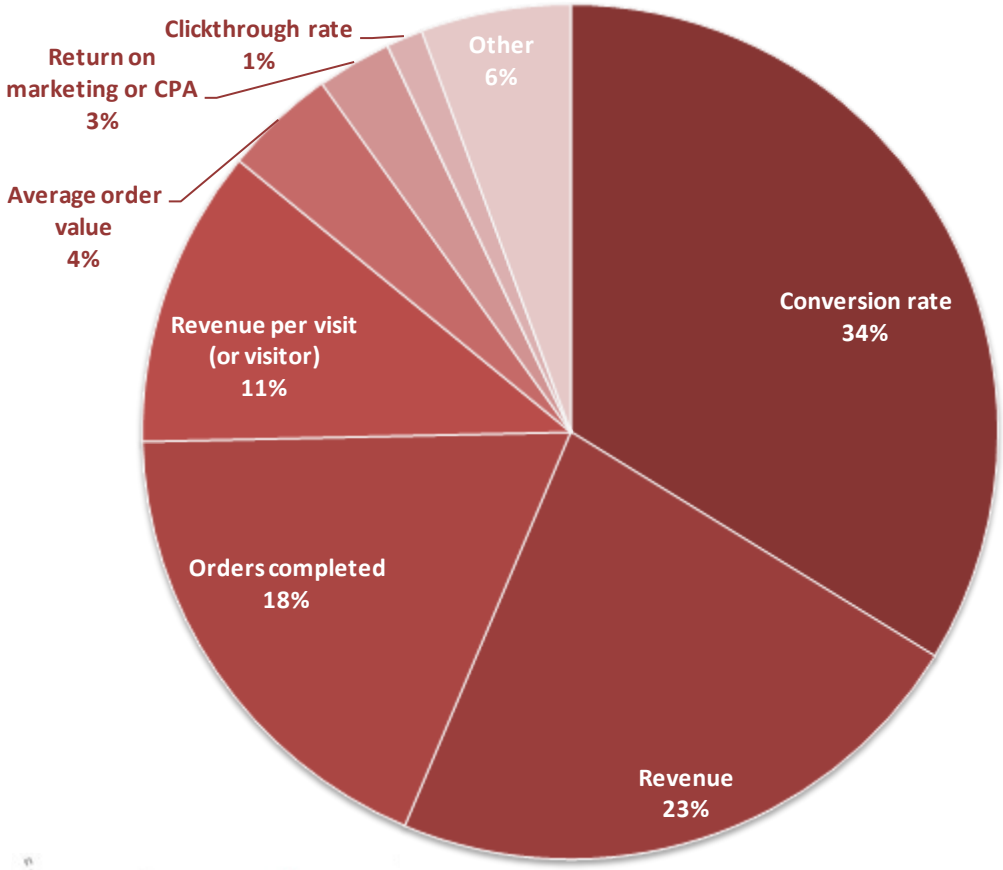
Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

Pages that lie outside the typical conversion funnel are often overlooked as areas for optimization. However, careful analysis of traffic to these pages may reveal their importance to the conversion process. Analytics platforms that allow marketers to create virtual segments based on pages visitors pass through (whether in a particular order or regardless of order) can generate invaluable insights into how pages that otherwise would be considered irrelevant are in fact helping (or inhibiting) conversions.

If the conversion action on such a page is not an objective in itself (typically, it is not, unless in a situation like optimizing the contact page for maximum customer satisfaction online and reducing call volume), then testing it requires using key metrics that measure the performance for the entire path, rather than the clickthrough rate on this page.

If an auxiliary page of this type does have its own objective, then the metrics would be localized to this page, similar to the offer page metrics discussed earlier.

Chart: Key performance indicators for *Payment page*



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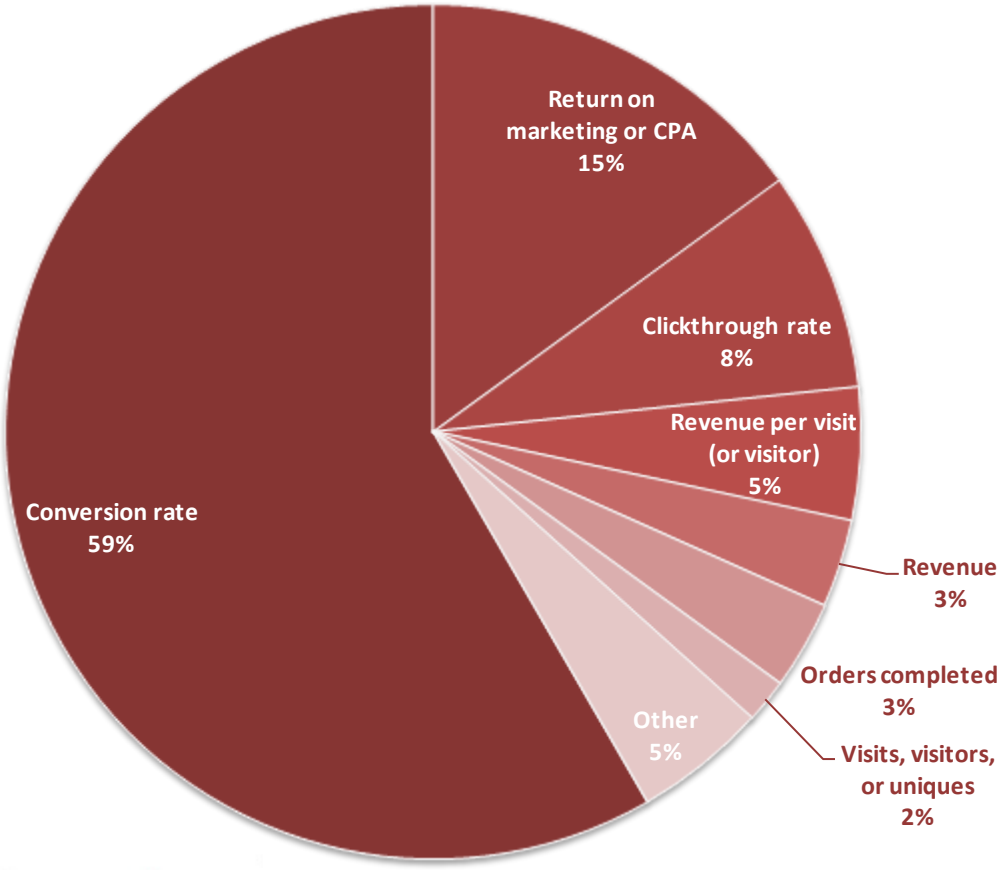
A narrowly defined payment page is typically measured up against its ability to help visitors complete their orders. Where marketers broaden the function of the payment page by adding upsell and cross-sell offers, this page can influence not only whether the order completes, but also its content. In this case, revenue metrics can provide a more complete view. Revenue per visit determines the payment page's effectiveness in converting each visit into a financial return.

However, using a secondary metric alongside revenue per visit, such as conversion rate or orders completed, can be highly useful in testing the payment page. For example, if a payment page starts generating higher revenue per visit, while the conversion rate remains the same, it can be interpreted that the upsells or cross-sells are working. However, if the conversion rate decreases while the revenue per visitor increases, it is likely that an analysis of the visitor segments will reveal significantly different types of visitors – for example, those that respond well to upsells, and those that are strongly repelled by them.

This analysis reveals an opportunity to create separate experiences for these two segments, if they could be identified before arriving to the payment page (e.g., if they can be traced to different traffic sources, or if their site browsing patters can be differentiated, as with virtual segments discussed earlier).

Chart: Key performance indicators for *RFP or other lead gen process*



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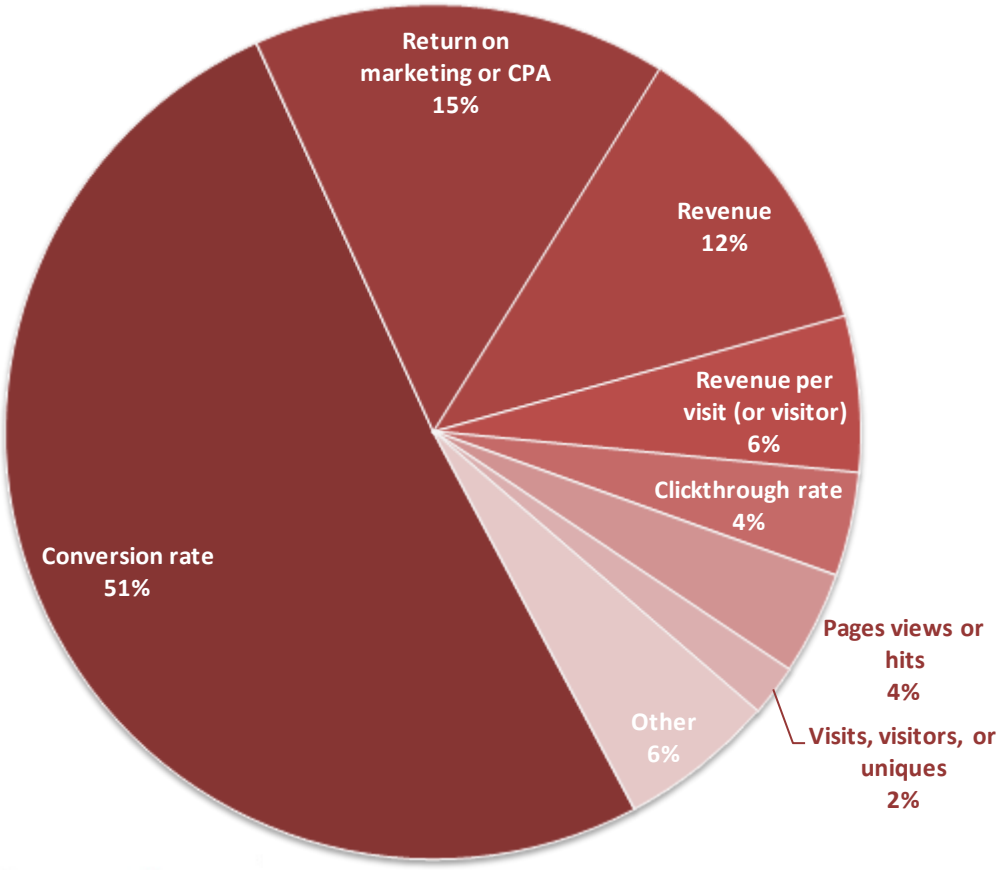
Unlike free resource offers in exchange for lead information, RFP and similar pages typically offer no value. They may offer an incentive, but ultimately the visitor's decision to convert (i.e., complete the form) is typically driven by a desire to explore a possible future transaction.

Therefore, the job of an RFP or similar direct lead generation page is to communicate the value of the offer, similarly to the product offer in an e-commerce scenario. On the other hand, similar to the lead generation pages that offer a free resource in exchange for the visitor's information, direct lead generation pages often are not measured using revenue metrics because the connection between the lead and the subsequent sale is not established. As a result, cost-related metrics such as CPA are more often used, because the cost of driving traffic to the lead form is more accessible for marketers to calculate.

Again, lead quality becomes a critical aspect of measurement: converting more visitors on the form may not mean a P&L success if the additional visitors do not become customers. Conversely, converting fewer visitors may in fact translate into better company performance if it reduces the cost of sales, while keeping the sales volume at least close to constant.

Chart: Key performance indicators for *Free account setup (no payment involved)*



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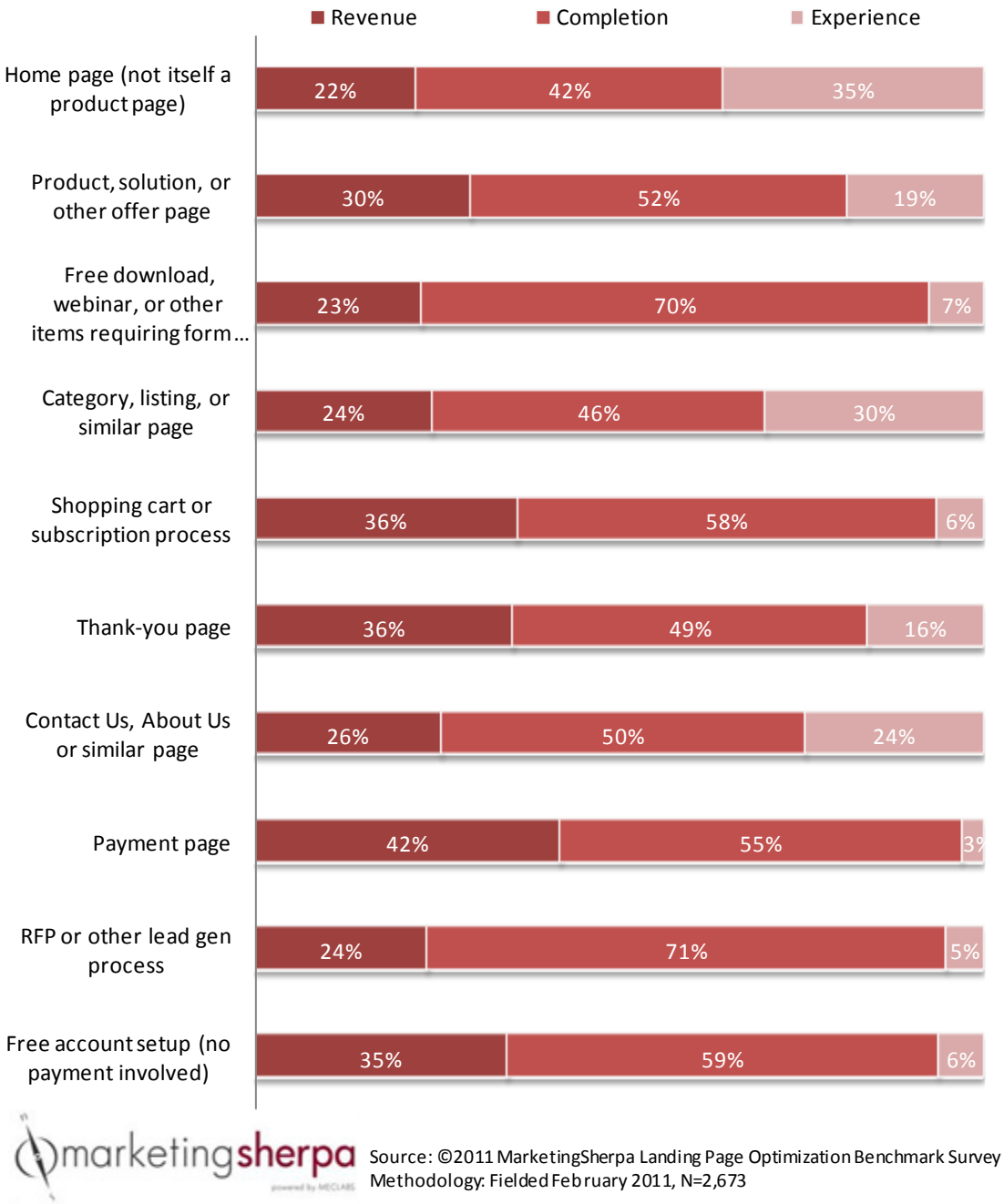
The utilization of different metrics as KPIs is almost the same here as in lead generation pages (whether those offering a free resource or the more direct RFP-type pages). In both cases, marketers are keenly aware of the cost associated with generating visits in the first place.

Since account setup is more often multi-step, as compared to lead gen forms, the clickthrough rate is much less often utilized as the key metric, since it doesn't provide an assessment of the entire account setup process. However, it is an important secondary metric to evaluate the performance of each step and determine the greatest "leaks" in the account setup funnel.

Regardless of how the user account is monetized (whether as another form of lead generation, or an engagement mechanism that brings the visitors back to the site to generate ad impressions or purchases), marketers able to assign a financial value to each conversion are in a position to calculate the ROI of their optimization efforts and prove their P&L impact.

Chart: Three categories of key metrics defined with respect to the P&L, by page or process



Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
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The preceding analysis of different pages and processes, and the key metrics marketers used to evaluate them, suggested a useful broad categorization of metrics with respect to their relevance to the P&L. Revenue-and cost-related metrics are the closest ones to the P&L, next are completion metrics like conversion and clickthrough indicating either final or intermediate steps toward a sale, and experience metrics like visits or page depth indicating the level of engagement only directly connected with the conversion process.

This chart indicates the relative usage of each category of metrics for each page type analyzed earlier.

MARKETER INSIGHTS ON KEY PERFORMANCE INDICATORS FOR LPO

Q. 21.0 - Which behavioral metrics do you regularly monitor to evaluate and/or improve Web pages/processes?

The following are metrics suggested by marketers outside of the multiple choice responses analyzed earlier in this chapter. Note that all data in this chapter was collected from marketers that had indicated they performed data analysis functions as part of their job. In other words, these are not just ideas, but metrics in active use. While many of these metrics may not serve as KPIs, they add invaluable analysis of different segments and insights into the motivations behind visitor behavior.

Some redundant responses were redacted for conciseness, but others retained to allow for differences in the terminology used by marketers. The three categories are also loosely defined for convenience.

Marketer insights: Other traffic metrics

- Pages visited
- Referring sites
- Referring source
- Visitors from which country
- Cities
- Geographic location
- Traffic: location metrics for geographic targeting
- Service provider
- When people came by
- Originating source
- Origin, source, browsers
- Funnel path
- Reverse path
- Social, mobile
- Followers
- Segmentation of three primary traffic segments
- Segments: geo, new vs. returning, mobile, campaign, source (esp. search), medium
- Ad view versus sales (we can identify a conversion from a user who's been exposed to an ad but didn't click it)
- Content engagement: pages/visit to a section
- Traffic by medium/source
- Page visits from SEM / contact form completions
- Repeat visits
- New and repeat visitors
- CPC, avg. position [in SERP]
- Entrance and exit pages
- Keyword type
- Non-paid traffic
- Organic, direct
- New vs. returning visitors
- Email opens and clicks
- Pass-through rate on lead-gen pages (did not convert but still went to site)

Marketer insights: Other activity metrics

- Movement of leads to other revenue-generating activities for our company
- Post-lead value data
- Enrollment post lead (after follow-up via phone, email, etc.)
- Content visited
- Indexing content to KPIs
- Pages read per visitor
- Product views, page reloads
- Goal completion
- Conversions by source
- Share, ask for more info
- Mobile conversions
- Registrations
- Registration for our conferences
- Beta registrants
- Form completes
- Free trials
- Free download volume
- Download time
- Downloads of resource
- Amount of free quotes requests
- Demo request
- Newsletter download
- Newsletter signups and catalog requests
- Signups for free e-newsletter
- Account signups
- Customer registrations, catalog requests, email subscribers
- View account, update profile
- Unique logins vs. History of logins (percent of registered using site on regular basis)
- Inbound links
- Facebook impressions
- Facebook like button clicks
- Social media interaction
- Engagement

- Short URL sharing and clickthrough
- Video: Plays, time
- Email list sign-ups
- Navigation through site
- Time on site
- Who took action?
- Path analysis: Are our designs shifting behavior?
- Errors and hacking attempts
- Task completion (4q)
- Live chats
- Chats started
- Generate inbound calls
- Phone calls
- Unique toll-free tracking

Marketer insights: Other e-commerce metrics

- Lots more than you've given space for
- Average lifetime of customer
- Goals reached (thank you page)
- Trials completed
- Repeat sales
- Leads generated, accounts opened
- Profit margin
- Cart removals, checkouts started
- Purchases
- Total revenue, ROI
- Call center orders
- Offline orders

MARKETER INSIGHTS ON IDENTIFYING OPTIMIZATION OPPORTUNITIES

Q. 71.0 - How do you decide what page/process to focus on (next) in your optimization and/or testing?

Agency insights: Using data and experience to identify optimization opportunities

- A combined estimate of volume and impact.
- Ad hoc - no real science to the decision.
- Amount of traffic and potential ROI.
- Analyzing our own conversion data against published industry results.
- Based on past work with clients, what worked, what didn't work and capacities with existing technologies.
- Based on previously defined objectives.
- Based on success of previous campaign.
- Based on that pages percentage of the business pie. The biggest parts of the sales vehicle get optimized first to move the revenue needle then it moves in succession from greatest to least impact on revenue.
- Based on the revenue stream via a particular segmented audience.
- Based on traffic - we test the pages with the most visitors/traffic.
- By product/market segment with the highest opportunity for new sales.
- By what topic and information is most important or relevant at the given moment.
- Conversion rates are dropping.
- Customer interest. This is all relatively new to us so we're probably limited value in our feedback. We've only recently started to look into LPO, but intended in 2011 to heavily increase knowledge of this and social media marketing. Keep up the great work!
- Decision based on customer's primary need. Mostly lead generation.
- Depends - lowest performing, new initiatives, long term planning of priorities for a roadmap.
- Discussion, not science.
- Either: Client request - intuition – data.
- Funnel analysis.
- Highest bounce rate, most traffic, key page in conversion process.
- I'm actually working on my first client who is willing to pay for more than just traffic improvement. Owner feedback is important as knowing which product lines will give better ROI and may be easier to sell. From there we will look at which products get the most traffic. As the website is being completely redone, all pages will be optimized as the product is loaded.
- Discussions with the owner and his sales staff will generate info on the brick and mortar sales funnel, so we can mimic and test that to see what works best.
- It's always the page with greater impact on revenue.
- Look for highest potential opportunities based on Web analytics data. Balance that with consideration of organizational priorities.
- Most important for us is the most relevant based on where users go after initially getting to the site. We've chosen the top three and will start there.
- Page view activity.
- Page where we have the largest fall off of visitors.
- Primary landing pages then call-to-action pages (forms, downloads listings...)
- Simply focusing on where the traffic is highest, or the particular funnels where we want it to be higher. Follow the money.
- Spend, traffic, performance (high bounce), campaign/promotion, executive interest
- Starting with the most popular pages, we try to figure out how to funnel the most likely prospects from there to the RFQ page or call us page.
- There is content delivered to help channel sell, and there are new revenue streams for client to make the site pay for itself. Now that seller support in place, focusing on ad revenue derived from site.
- Those most related to lead generation or online sales.

- Through monitoring performance, considering seasonality of market, client feedback.
- Top landing pages report in Google Analytics. Pick them off one at a time.
- Top PPC LPs - To improve conversion rate Organic / Website - Based on high $Index value and high bounce rate pages.
- Trends in the industry but we feel like we're being to general or just "following" what everyone else is doing.
- Use a disciplined, focused approach. Determine how to improve one area and determine how it impacted other measurements.
- Usually based on results from the first page tested. For example, if optimizing the homepage shows we have a large segment clicking "products" page, we'd probably optimize the products listing page.
- We focus on the lower performing pages first and try to see if we can flip the conversion numbers ... Mainly on transactional triggers...
- We start testing pages as first which are directly generating revenue (checkout or subscription page).
- We're project-based, so it's a combination of potential impact on KPIs and project's budget. Unfortunately, it's not uncommon for projects with a lower potential ROI to get prioritized ahead of projects with a much higher potential ROI.
- Where the greatest opportunity exists, which is a shared conversation between client and agency; once a consensus is formed based on applicable metrics, we move forward.
- Where the greatest opportunity exists, which is a shared conversation between client and agency; once a consensus is formed based on applicable metrics, we move forward.

B2B insights: Using data and experience to identify optimization opportunities

- Absolutely pure and unabashed firefighting! Typically we wait until something blows up to address it. I'm not proud of this fact; it's just a reality of our resources-to-activates ratio.
- Based on a metric that combines page traffic and relevance to conversion step.
- By pulling reports from our analytic data and focusing on pages that have dropped down in clicks and make changes.
- Conversion funnel analysis, entry and exit pages.
- Cost: We spend a lot on PPC; so obviously, those landing pages are out top priority. Potential Revenue: We prioritize our other landing pages based on the potential revenue impact.
- Depending on the campaign, its breadth and the amount of resources involved.
- Determining which landing page template works best, then segregate to audience. After optimize images then copy.
- Developing business rules and processes for measuring and optimizing our audience engagement is a company-wide initiative for 2011.
- Exit pages.
- Follow the path from the homepage to most important landing page in descending order of importance.
- I am responsible for producing global lead generation assets on a quarterly basis so I am testing the landing pages introduced in that quarter.
- I haven't decided anything. Although tentatively in charge of marketing, very few of my suggestions or ideas are acted upon. Considering the current financial climate and where we as a company are, I plan on trying to push my ideas and plans a bit harder this year in the hopes that we can move forward with the technology available and in turn, get more hits and a better dollar amount out of our website.
- I review the site visually and keep a running list. I prioritize somewhat arbitrarily what to do next.
- If connected to a critical purchasing process, and either bounce rates are high / sales could be higher or internal disagreements for what is the best solution

- Erratic demand of management with long spates of disinterest and lack of support for coordinated approach.
- It is not a pretty process - look at homepage and main program pages.
- Keyword value as determined by Google Analytics/Insight.
- Monthly reporting Number of enquiries Scheduled content review.
- Most visited pages and those most important to generating revenue.
- Mostly driven by marketing campaigns; also by traffic/bounce rates.
- Product sales and customer feedback from call center.
- We are just starting this process formally, so our process is undergoing creation and review. Right now we aim to use conversion data on landing pages to drive decisions: higher conversions get more resources or focus and lower conversions get less or get replaced with next priorities.
- We base decisions on prior results and don't really have the time or budget to do discrete testing on a consistent basis.
- We brainstorm and vote as a team.
- We have yet to tackle that from a company as a whole, so we are starting with basic Web pages that we can incorporate into a wider Web-based project.
- We look at the hot topics that impact our clients.
- We typically focus on all advertising landing pages to perform A/B tests. For other pages like the homepage or product page, we do User Testing with real users (we give them a set of tasks and record their interaction with the website pages, to determine what changes need to be done to optimize the page)
- We're just beginning to actually test, so focusing on conversion areas: contact us pages, location of the PDF download on the page.

B2C insights: Using data and experience to identify optimization opportunities

- Assess traffic, bounce patterns, primarily on upper tier (funnel) pages.
- Based on conversions, bounce rates and traffic per page.
- Based on my visitor data and which pages are most effective.
- Based on sales and traffic.
- Browsing competitor and similar sites. Watching online optimization seminars.
- Continue to focus on taglines and call to action and seasonal relevancy to products featured on homepage banners.
- Current deals to attract new visitors.
- Current traffic volume from organic sources is the deciding factor for pages.
- Data analysis through Coremetrics for non-lead gen pages. Lead-gen testing is executive mandate.
- Decide based on overall organization goals.
- Driven by department - who advertized or needs the most visibility/help.
- Focus on seasonal products, highest traffic pages, best profit margin product pages.
- Highest volume/lowest conversion rate.
- In order of performance, starting with the worst and ending with the best.
- Look at the pages most visited and least visited.
- Look for the holes in the bucket and try to tape them up as much as possible through the funnel.
- Processes that bring in revenue pages that are considered 'high-profile' within the organization.
- Review the pages that most closely align with the organization's overall goals.
- Using data from GA to see which pages need the most work - i.e. leak the most customers.
- We attempt to determine which page might have the largest impact with regards to increasing revenue.
- We start with the page types with the highest entry points and work our way down that list.

B2B2C insights: Using data and experience to identify optimization opportunities

- 1. When my revenue or hits on my page take a downward turn. 2. When my competition is edging me and I need to change things to garner more traffic and more conversions.
- Amount of traffic (page views) Place in conversion funnel.
- Audience segmentation and metrics.
- Based on click rates on various links in stand-alone landing pages.
- Based on past campaigns.
- Current business needs and campaigns.
- Flip a coin!
- If we're not happy with the results a page is producing (bounce rate), we optimize the page.
- Low-depth pages, high traffic volume pages.
- Mainly concentrate on copy and what is the oldest page on site.
- Our analytics tell us what type of site actions are most likely to produce the highest quality lead to pass onto sales. We analyze the pages that push users to those specific actions and the pages of those specific actions (i.e. price a package).
- Product priority.
- Reducing high bounce rates is my first task item, if a page is under performing in attracting the right kind of traffic. And then looking for ways to keep visitors on the site and exploring - so exit pages - how visitors are losing interest and what will keep them hooked / funnel them in the right direction.
- Those which are directly revenue generating are the priority. Also those where there is an unexpected high bounce rate.
- Traffic.
- User feedback.
- User research: usability testing, search analytics, Web traffic analytics.
- We have to do everything over, so start with our best selling products and work backwards to the products of lesser-importance.
- We review our Web analytics pages report to see which key pages in a conversion path have a high bounce rate or exit rate.
- Which having high bounce rate.

CASE BRIEFING: CLICK PATH ANALYSIS REVEALS A MAJOR CONVERSION LEAK

CHALLENGE

Website analytics are a critical source of information about opportunities to improve performance. Custom Direct upper management demanded that something be done about the conversion rate for GigglePrint, the company's B2C website for custom-printed products. Click path analysis revealed a shopping cart glitch, resulting in 43% more conversions for new visitors. Sharon Mostyn, Internet Marketing Director, decided first to dig into the site's metrics to identify steps in the purchasing process that might prevent a visitor from converting into a customer.

CAMPAIGN

Step #1: Get in-depth reliable metrics
Working with GigglePrint's IT team and a provider, Mostyn analyzed a score of metrics. Most important for her was the ability to segment website visitors in two ways:

1) By the steps visitors took, by page, toward purchasing

- Logged in
- Went to the shopping cart
- Selected shipping
- Entered payment information
- Clicked to final preview

2) By the steps visitors took, by conversion action, toward purchasing

- Browsed - looked at products
- Shopped - added products to a cart
- Bought - purchased a product
- Bought x2 - purchased more than one product

Step #2: Set up a click path for analysis
Since every customer must create an account and login before viewing a cart or purchasing, she started the click path at the customer login page. The click-path analysis gave all visitors to the login page 100% at the start and reported the percent who continued on to the next steps. Mostyn and her team looked for the spots where a high percentage of visitors abandoned the process.

-Step 1: Login page 100.0%
-Step 2: Homepage 51.63%
-Step 2: Shopping cart 37.01%
-Step 3: Shipping 32.51%
-Step 4: Payment 24.15%
-Step 5: Final preview 17.64%

The percentages showed that more than half of the visitors at the login page moved to the homepage. That did not seem right to Mostyn and her team. They also found that almost 44% of visitors who went from the login page to the homepage left the site entirely.

Step #3: Uncover the cause
The team found that when returning customers entered their usernames and passwords, they were promptly taken to a cross-sell landing page. When new customers logged in, however, they were dropped on the homepage. In short, this technical glitch took new customers from the online cash register and placed them outside the front door.

RESULTS

Working with the IT team, Mostyn was able to direct new customers from the login page to the same cross-sell page that GigglePrint had been using for old customers, with four related products and accessories dynamically chosen based on other customers' purchases and the design elements of the selected product.

Mostyn and her team did not have to create a new cross-sell page to boost conversions; they just had to make sure every customer saw that page. The change immediately lifted new visitor sales on the site – 43.4% more of them started buying.

CHAPTER 6: KEY COMPONENTS OF LPO STRATEGY

Optimization must have an objective. Chapter 1 examined primary website objectives, which are used throughout this report to segment marketers' responses on operational, strategic and tactical issues. On one hand, the objective of landing page optimization can be defined in terms of the target business outcome – generating a lead, closing a sale, etc. On the other hand, the same objective can be framed in terms of the human behavior that results in the target business outcome. In other words, LPO is optimization of websites for specific human behaviors.

In contrast, search engine optimization (SEO) is optimization for computer (search engine crawlers and ranking algorithms) behavior. While search engine architects want to emulate human preferences as much as possible, SEO is still largely a battle of man against machine. The objective of LPO, however, is always a human behavior.

Getting a human being to behave in a certain way requires pulling the right psychological levers and setting off appropriate triggers. Within the context of optimizing websites, this means communicating the offer in a way that matches the visitor's preferences and motivations both for the offer itself and for the process by which the visitor can accept the offer (make a purchase, fill out a lead form, etc.). "Relevance" is a term, with which marketers are familiar, but typically it refers to the match between Web page subject matter and the visitor's expectations. In a broader sense, LPO is about creating a match with visitor preferences and motivation, not only in the subject matter, but also in the value being offered, the way that value is communicated (messaging), and the process by which the interaction between the website and the visitor unfolds (experience) to increase the likelihood of conversion.

While this makes sense in theory, the reality is that creating this match demands that marketers obtain, analyze and apply deep insights into the website visitor preferences. Understanding the visitor to create relevant and valuable experiences becomes the foundation of an LPO strategy.

Marketers have many ways of learning their visitors' preferences. Competitive research reveals competitive messaging and experiences, to which their website visitors are exposed. Focus groups and surveys provide an aggregate view of preferences that exist in the marketplace, which could be further analyzed to produce possible segments or "personas" of hypothetical visitors to the website. However, marketers also have a wealth of data they can obtain about each individual visitor, based on the source of the visit, interactions with the website, and even personal information if the interactions include submitting it through forms. Especially when multiple visits can be traced to the same individual (e.g., when a visitor is required to log in), the marketer's ability to provide the most appropriate experience is magnified.

It would certainly be highly inefficient to analyze each individual's preferences. Instead, marketers define segments deductively based on visitor behavioral patterns and other "data exhaust" that Web analytics or similar software can identify. While some tools are becoming available to create these segments in real time, analyzing historical data using regression or other correlation-based analyses are more common ways to arrive at meaningful segments.

However, as discussed in Chapter 2, data analysis is one of the major challenges faced by marketers. Perhaps the most accessible form of segmentation is to use immediately available criteria, such as visitor source. Knowing where the visitor came from is more valuable than it may appear. By clicking on an ad or referring link, the visitor had signaled interest in the messaging that had led to the click. If the ad said "click

here for $20 widgets," the visitor had indicated interest in $20 widgets by clicking, and the marketer must furnish a page that offers precisely that. If the ad appeared on a board game enthusiast website, the marketer can use that information as well, and so on. However, the messaging and the source context may not be instantly obvious. Segmentation analysis of Web analytics data will show whether visitors from a particular source tend to behave similarly with respect to achieving the conversion objective. The likelihood of a particular visitor segment to generate conversions is often referred to as its *quality* or *motivation* level. This concept is critical for using conversion and other data to build an optimization strategy.

Infographic: The ultimate conversion rate benchmark

Humor is difficult to inject into a research publication, but this was too appropriate to ignore. Thousands of marketers routinely raise the question of what the "right" conversion rate should be. The savvier of them narrow the question down to "conversion rate for X industry," etc. The painful truth is that there is no such thing as *the* right conversion rate.

Different sources of traffic and where on the website this traffic lands, seasonality, balance of new vs. returning visitors, concurrent marketing campaigns (own or competitors'), and the definition of a "conversion" itself all vary wildly across websites and individual marketers' purviews within each organization. Then adding different industries and product categories, different price points and payment options, and different methods for incorporating offline transactional data (e.g., phone or physical store sales resulting from landing page interactions) produces dozens of dimensions to classify a conversion rate average.

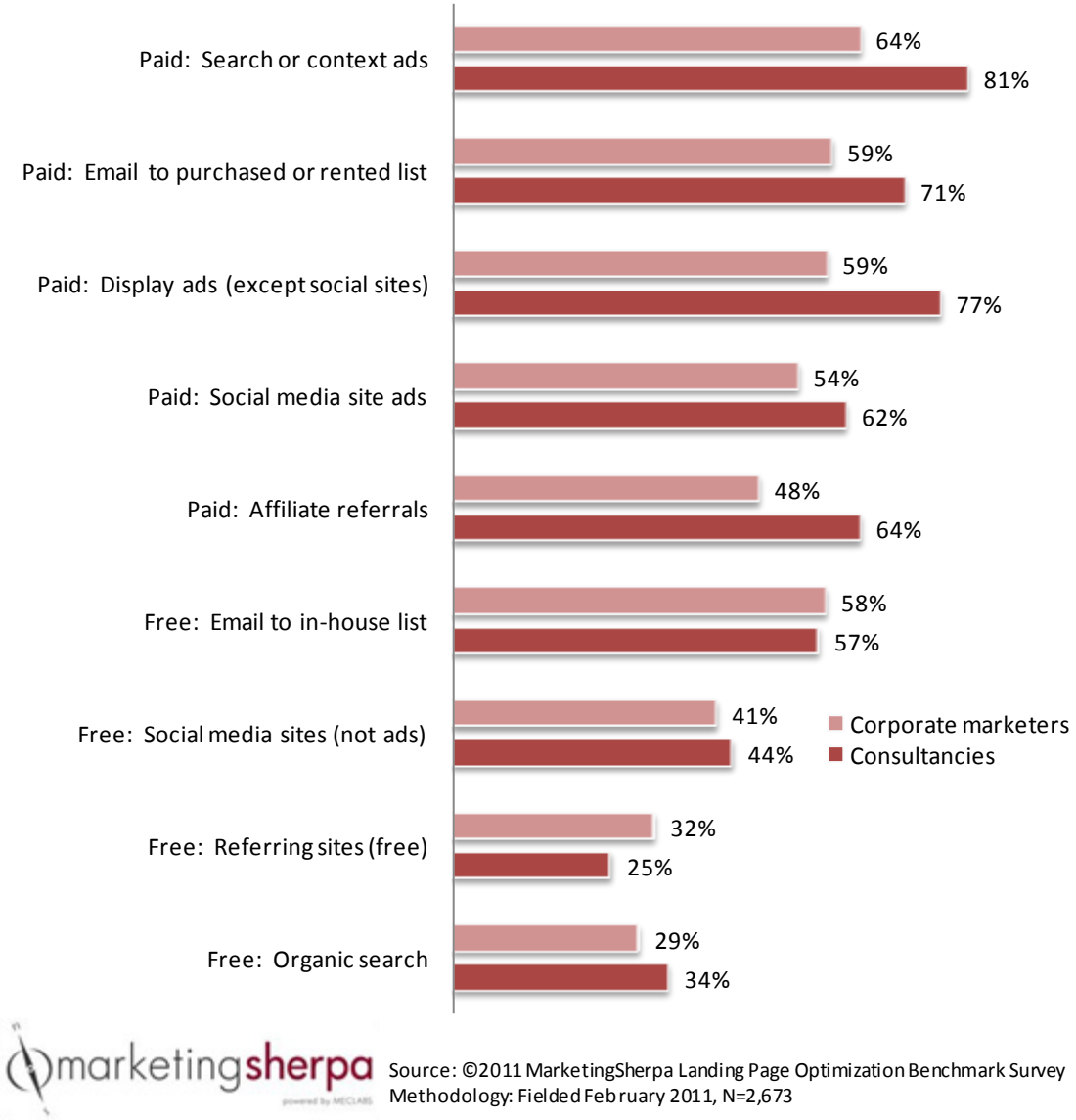
Moreover, many of these dimensions vary significantly *within* a single website. This makes the question "what is the conversion rate on *my* website" almost meaningless without first defining the specific visitor segment. A given page may receive multiple types of traffic, each with different quality and motivation. The optimization tactics may need to be different for each segment and require altogether separate experiences using dedicated landing pages. To determine this, marketers must look at the analytics separately for each known segment, and to look for new meaningful segments based on correlations.

The preceding chapter discussed how different test metrics can reflect the quality of visitor traffic in tests. This chapter is focused on different methodologies marketers employ to determine visitor motivation, generate relevant experiences, and, where possible, create a model for evaluating it in quantitative terms. Next, chapters 7 and 8 provide specific tactics that LPO marketers employ in optimization and testing.

DEDICATED LANDING PAGES VS. DEFAULT WEBSITE

Q. 44.0 - For which traffic sources do you use customized or dedicated landing pages?

Chart: Usage of customized or dedicated landing pages for each source of traffic in 2010



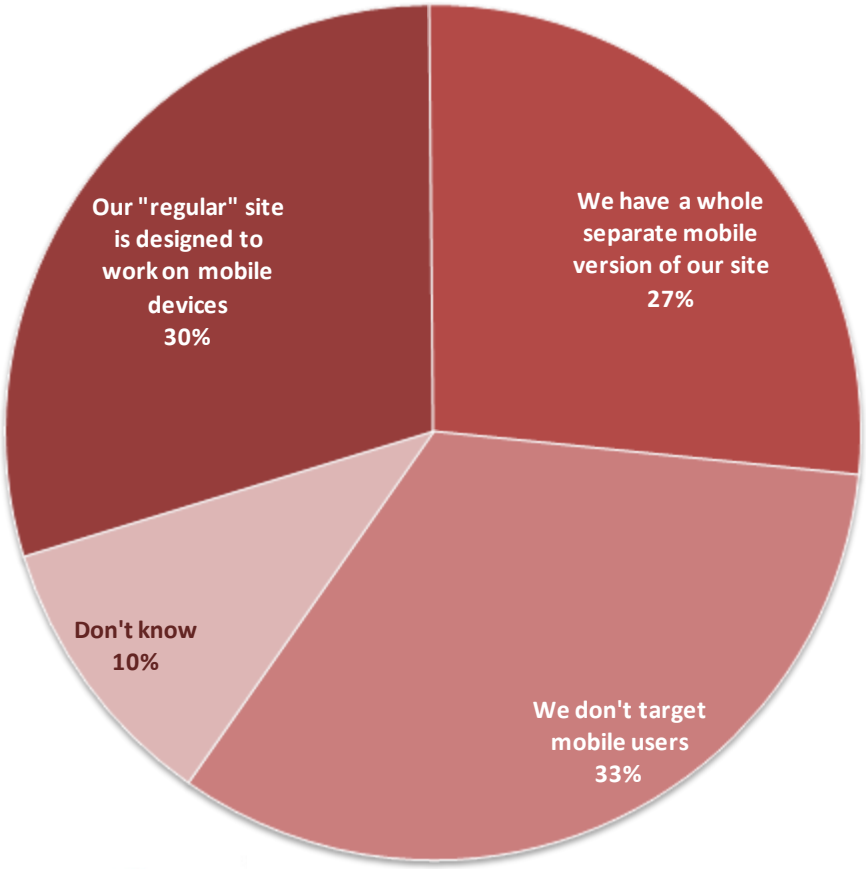
Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

Dedicated landing pages (DLPs) provide the most straightforward way to serve select traffic segments with targeted, relevant messaging and experiences. Typically, DLPs are utilized to receive traffic from separate advertising campaigns. Dedicated pages provide instant segmentation, since the marketer can more easily deduce visitor preferences from the messaging that would trigger the visit. When the marketer controls the messaging, as in the case of email, ads, etc., the marketer then indirectly influences traffic quality.

The term “landing page” comes from SEM, and not surprisingly, paid search traffic is most likely to be directed to a DLP. Email is the next most likely campaign type to use DLPs, and the balance between what content goes into the body of an email message versus which content appears on a corresponding landing page is a typical subject for optimization testing.

Q. 53.2 - As of 2010, was your site optimized for mobile devices?

Chart: Usage of dedicated pages for mobile traffic



Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
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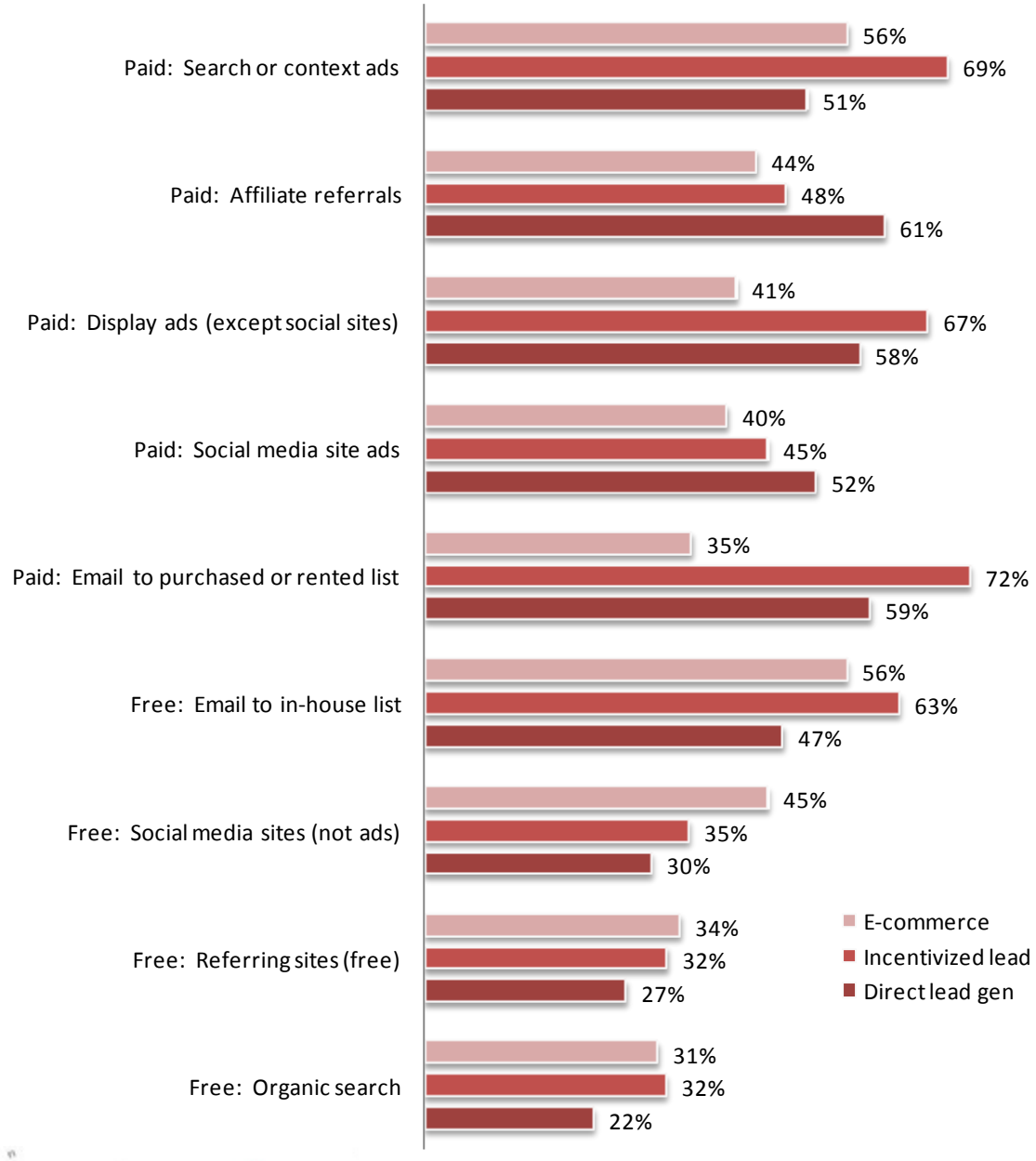
Mobile is a major separate topic that will warrant its own benchmark study, and is certainly not at all well served in a single chart. Insofar as it can be considered a special case of dedicated landing pages – the segment being broadly defined as smartphone users, but could potentially be further broken down based on behavior, platform type, etc. – it is presented here to illustrate marketers' awareness of the category and involvement in it.

While a majority of marketers have invested in providing a more optimized experience for mobile device users, there are still questions about the viability of mobile websites in comparison with dedicated mobile apps – a debate outside of the scope of this report.

Chart: Usage of dedicated landing pages for each source of traffic, by website objective

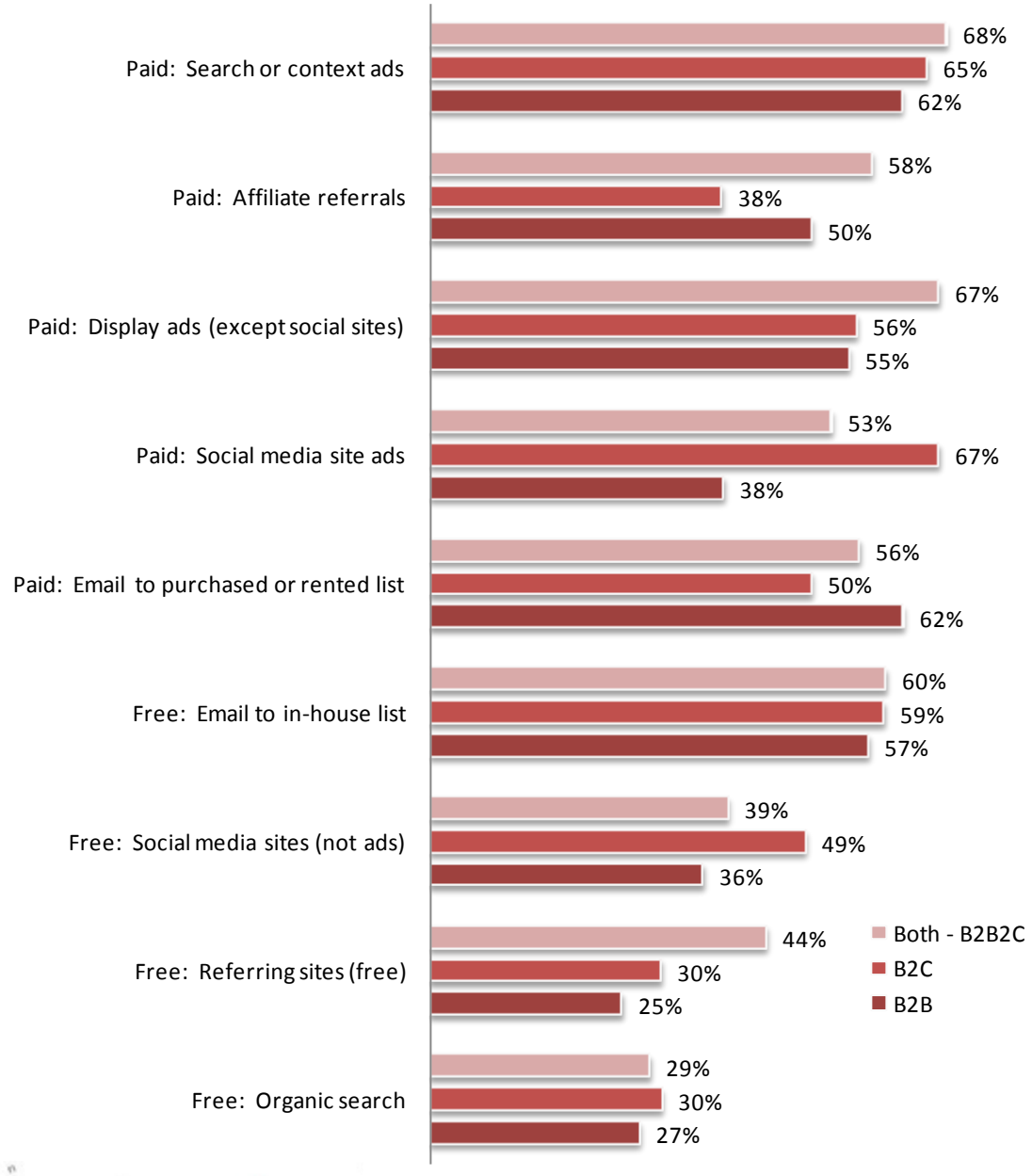


Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

Note that the charts on usage of DLPs represent the average likelihood that a given type of traffic is sent to a DLP, calculated as the percentage of marketers using them *only* among those receiving this type of traffic. Therefore, the lower figures signal areas of opportunity to use a proven tactic others have missed.

Since the difficulty of creating DLPs varies little with respect to traffic source (perhaps it is easier to direct email blast recipients than a PPC campaign to a DLP, but not significantly), this and the following two charts are formatted with DLP types on the category axis to compare the opportunities for using DLPs that exist across corresponding segments, rather than comparing types of DLPs within each.

Chart: Usage of dedicated landing pages for each source of traffic, by sales channel



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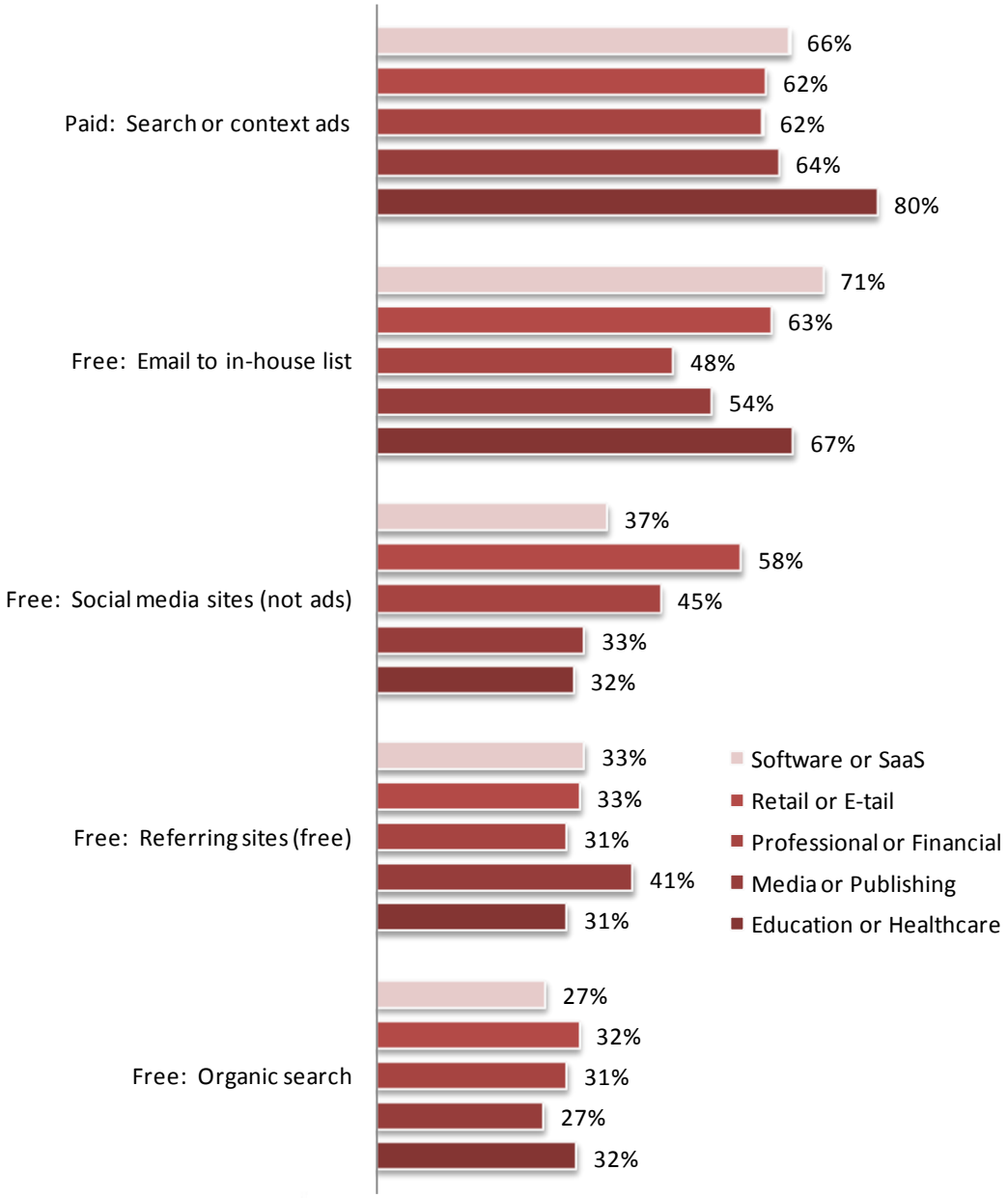
Dedicated "organic search" DLPs are likely authority sites that marketers create outside of the primary corporate website to provide an unbiased platform for visitors to discuss subject matter relevant to the company's products or services. Using in-house expertise in their own core offering, marketers can launch effective content and engagement campaigns, and then use display or contextual advertising to drive traffic back to the corporate site. The competing school of thought is to keep content marketing on the corporate site to boost its own search ranking, which likely accounts for the low incidence of sending organic traffic to a DLP across segments. The low rate of using DLPs for other traffic sources primarily has to do with the degree of control that marketers can exercise over the pre-click messaging – a key to DLP effectiveness.

Chart: Usage of dedicated landing pages for selected sources of traffic, by industry



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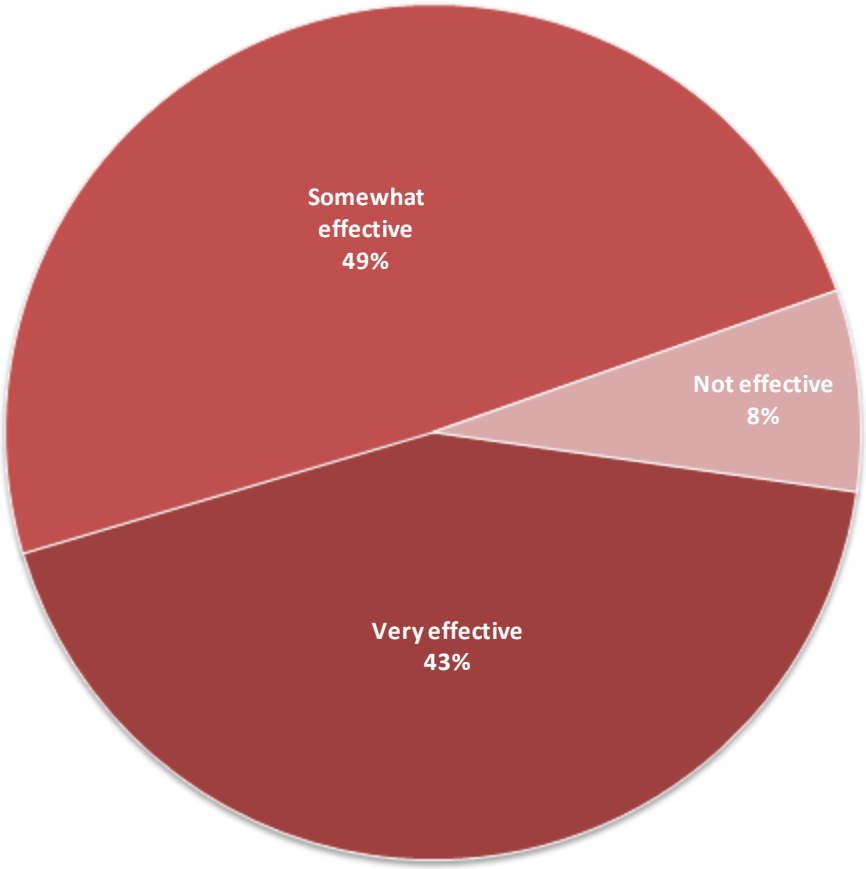
A similar trend exists across different industries, with the traditionally DLP-oriented campaigns at the top. For marketers that generate the traffic types described in this section, but who do not use DLPs, it will be important for them to re-examine their strategy and consider the costs and benefits of using (or not using) dedicated landing pages. While there is an investment of resources, the effectiveness of the corresponding marketing campaign can be magnified significantly. To win the necessary resources for creating DLPs (and eventually, make it a regular part of launching campaigns), marketers may need to demonstrate ROI with a pilot project. To help the reader justify DLPs and determine the best opportunities for using them, the effectiveness rating for DLPs in general and for each traffic source category is provided next.

Q. 45.0 - Compared to sending traffic to the default site, how would you rate using dedicated landing pages?

Chart: Effectiveness of using dedicated landing pages



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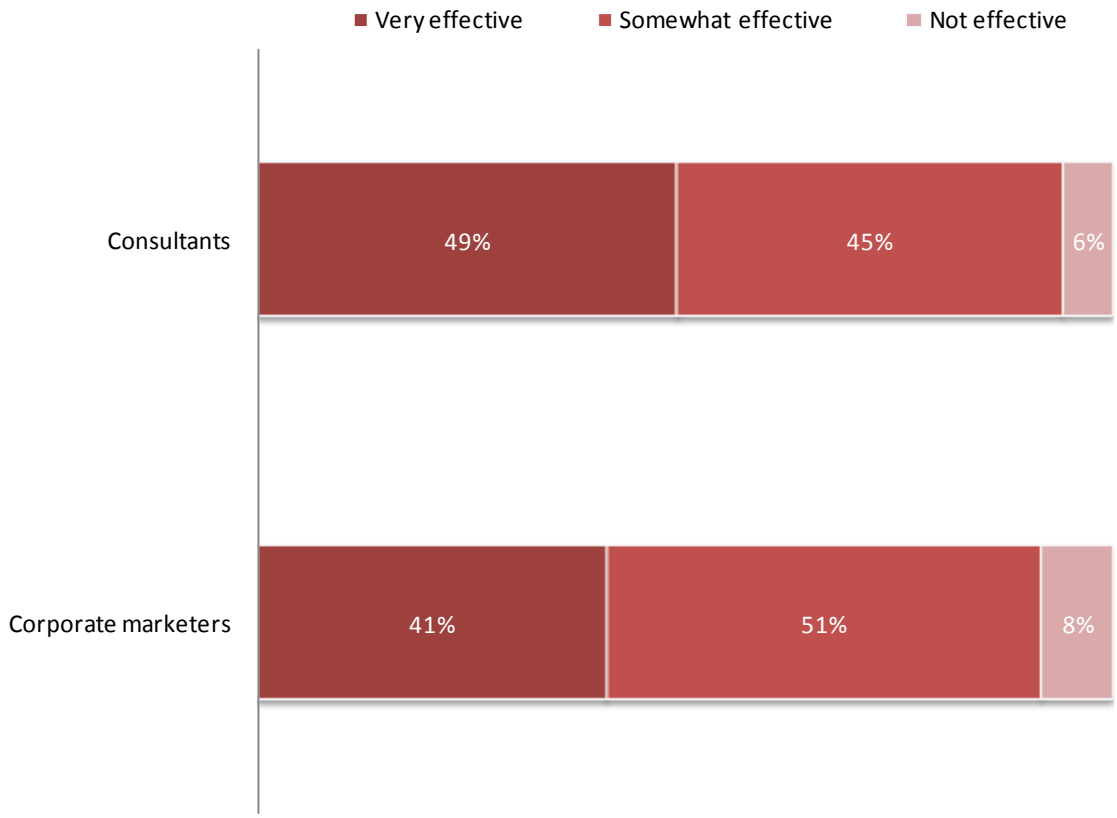
Overall, dedicated landing pages are clearly effective. Depending on the scale of the campaign, their effectiveness can appear lesser or greater. At the same time, as with many other tactics presented in this report, the reader should keep in mind that benchmark survey respondents are likely on average more experienced and successful LPO practitioners, and therefore their results are above average.

The key takeaway from this simple chart is that close to half of the marketers that used DLPs found them to be very effective – definitively showing that the opportunity does exist.

Chart: Effectiveness of using dedicated landing pages, by corporate vs. consultants



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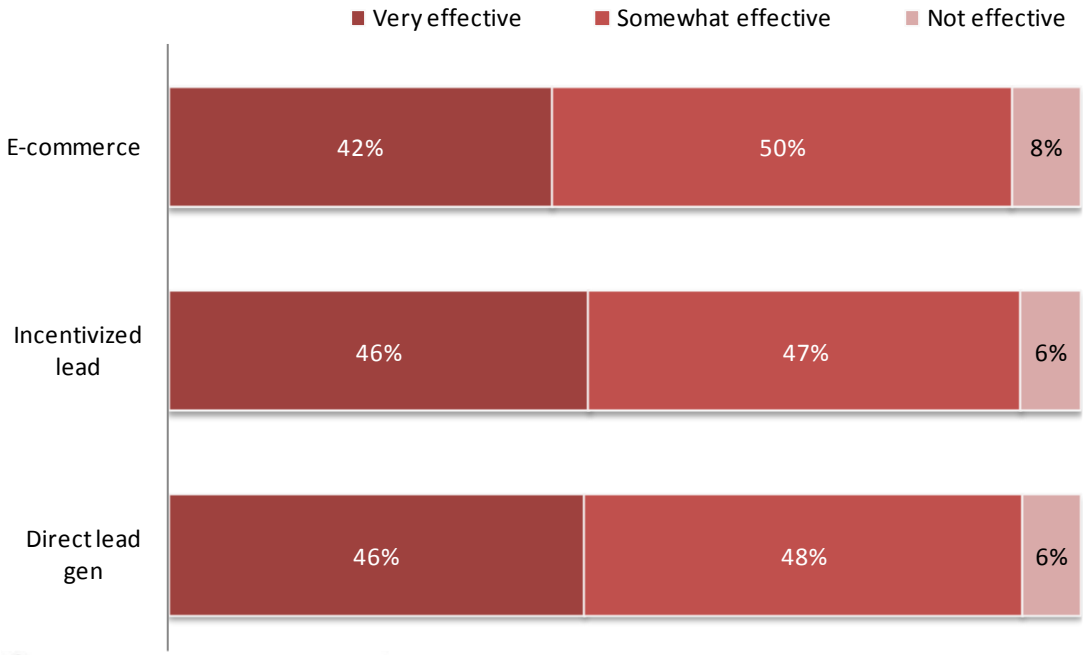
Both in-house marketers and agencies offering LPO services are finding similar levels of effectiveness from using DLPs. In contrast, we saw in Chapter 3 that agency consultants are more likely to produce positive ROI from optimization and testing, suggesting that consultants providing dedicated LPO services are typically more experienced and successful in the field. The similar rating of DLPs as effective then represents relatively lower variability in the expertise level required for capitalizing on dedicated landing pages. In other words, the very use of DLPs is more auspicious than LPO in aggregate across different tactics, with less dependence on the marketer's LPO expertise.

This makes the use of dedicated landing pages an outsized opportunity for the budding LPO practitioner to start optimizing with the highest likelihood of project success. The typical attributes of DLPs – narrow focus on a single offer or category, removal of unrelated content and navigation options, and a single call to action – can be easily developed by most marketers using existing corporate website assets.

The following two charts show a roughly equal success rate with using DLPs across website objectives and sales channels, again demonstrating that this tactic has little variability in its application.

Chart: Effectiveness of using dedicated landing pages, by website objective



Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
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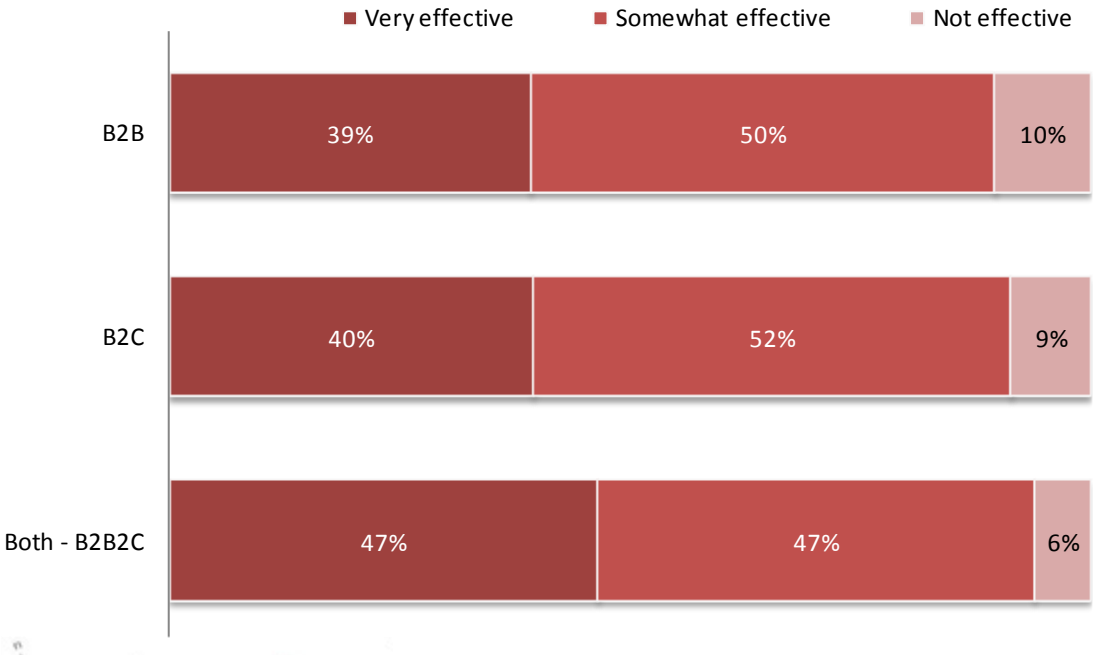
Chart: Effectiveness of using dedicated landing pages, by sales channel



Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
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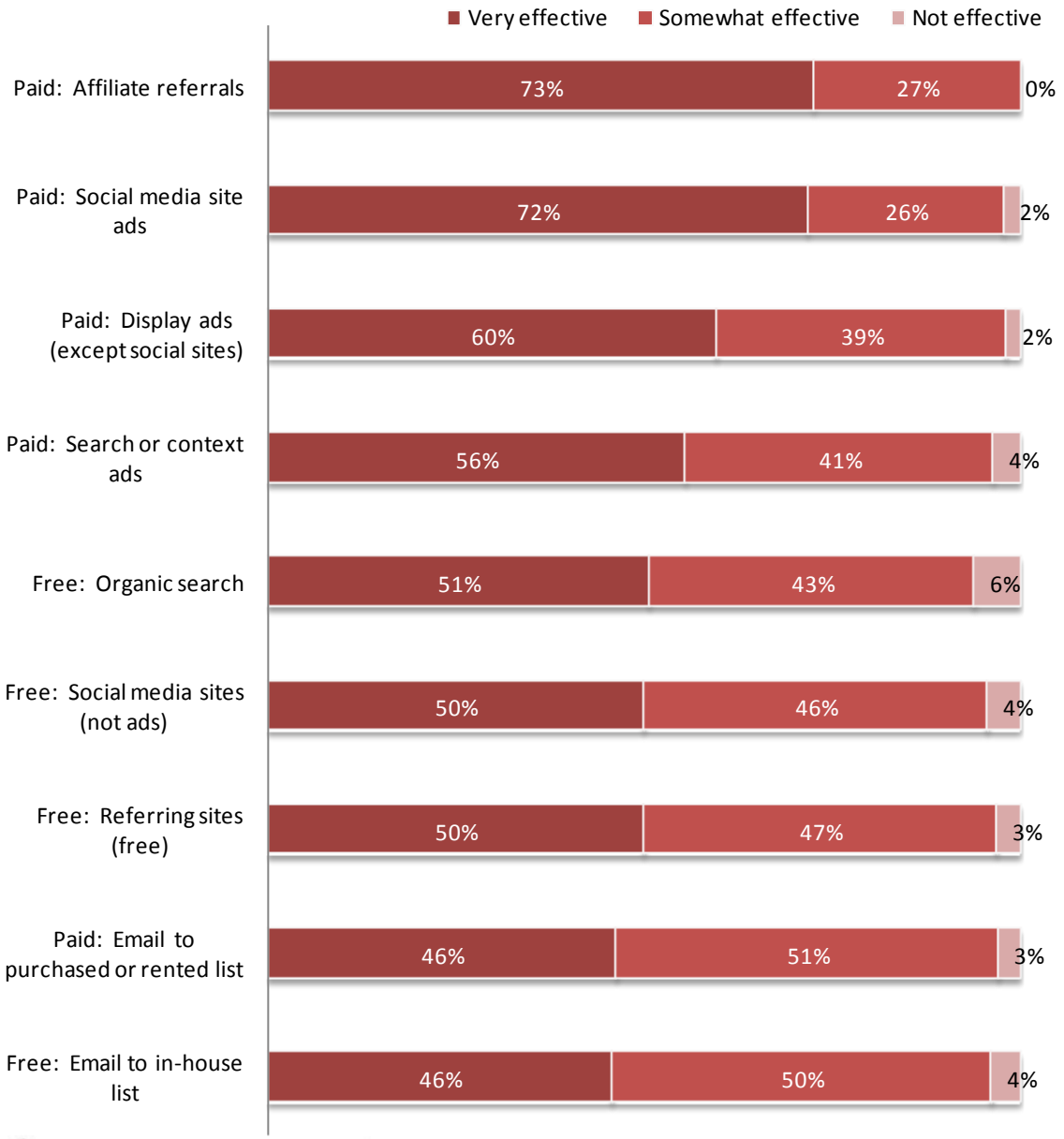
Chart: Effectiveness of using dedicated landing pages, by source of traffic



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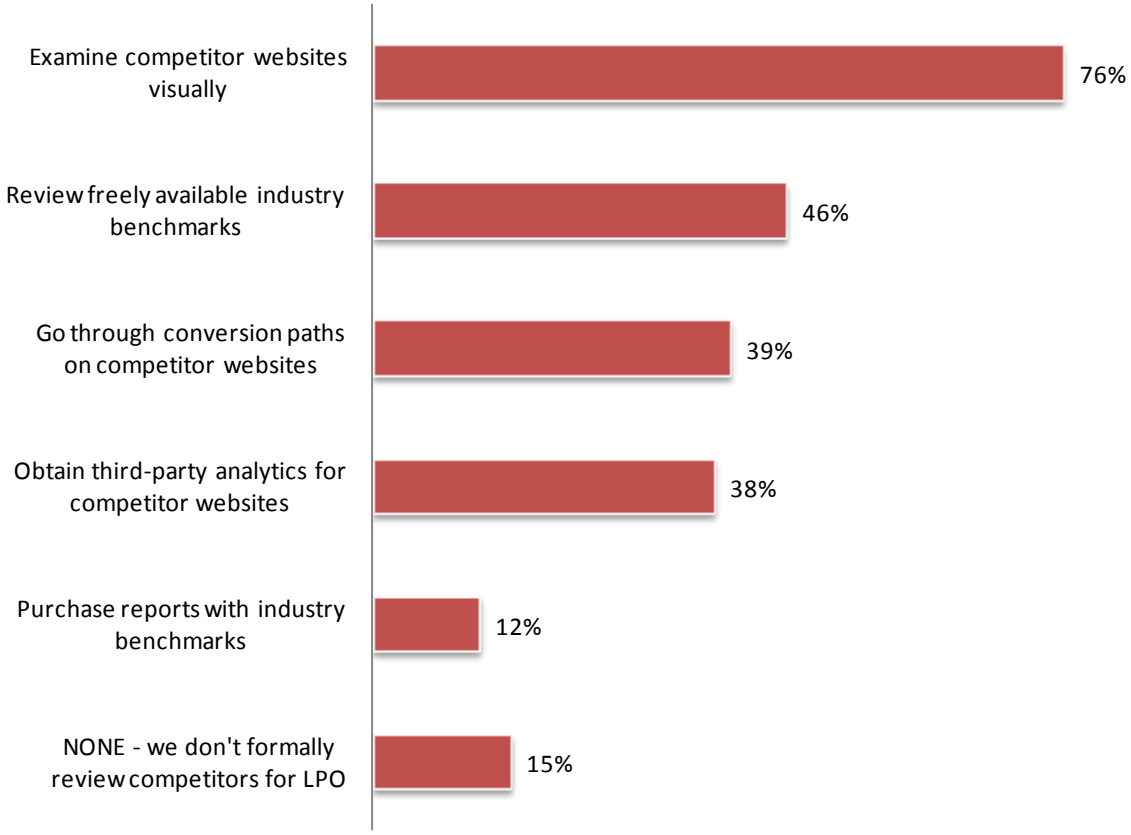
The uniformity of DLP effectiveness across different website objective segments, as well as in B2B and B2C segments, suggests that the primary drivers of perceived DLP effectiveness are related to the quality of the traffic itself. More content-rich traffic sources likely deliver higher-quality visitors, making the corresponding DLPs appear more effective. On the opposite end of the spectrum are the email channels, which, while effective at delivering high-quality visitors, are more likely judged on a per-email-sent basis, reducing the perceived conversion rate. Surprisingly, there is similar performance between DLPs for in-house and rented email lists, since the former typically generate much higher response. This may be attributed to the diminished effect of DLPs removing the distractions of the main site for past visitors.

COMPETITIVE INTELLIGENCE

Q. 43.0 - What competitor information do you collect and use for LPO?

Chart: Competitive intelligence collected and used in LPO projects



Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
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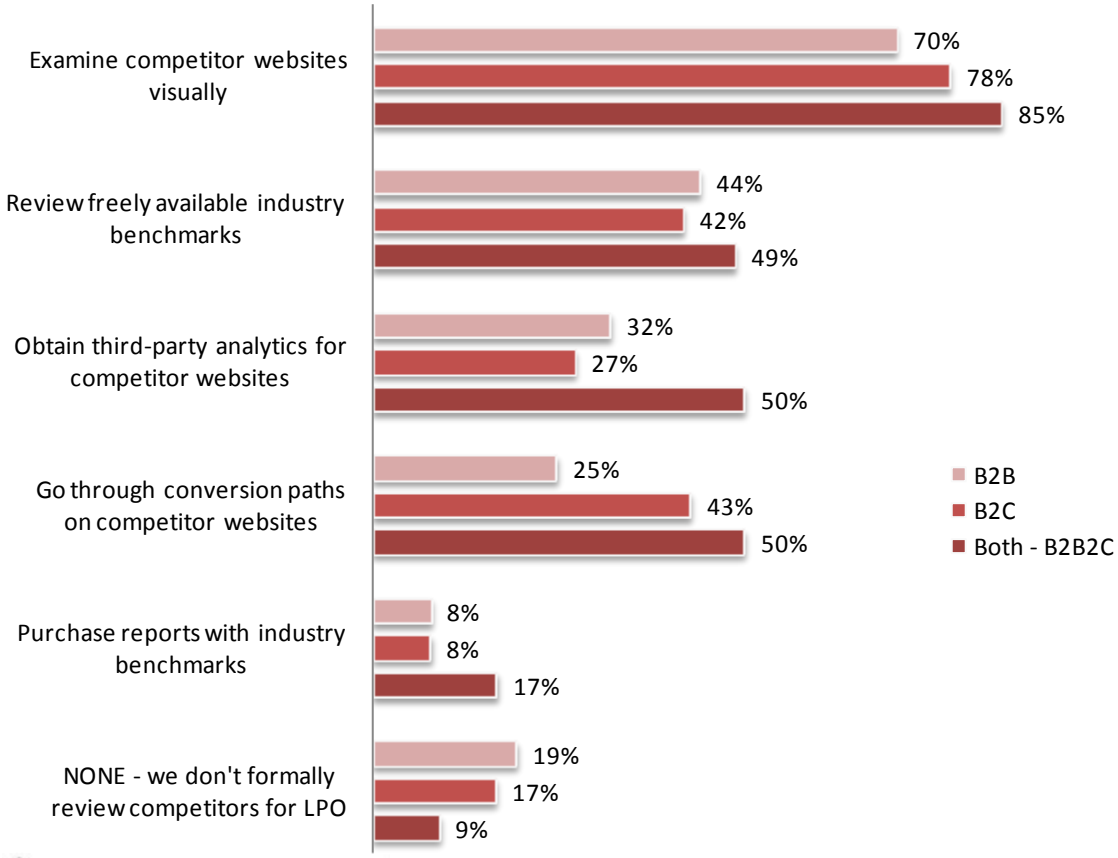
Competitive intelligence (CI) is both more important and more accessible to digital marketers. It is critical for LPO because it frames the website visitor's motivations and preferences within the context of competing offers and messaging. At its simplest, it allows for crafting a more competitive message.

While behind-the-scenes data is not visible to the outsider, benchmarking provided by some Web analytics tools like Google Analytics, as well as panel data available from data mining firms can provide unprecedented insights into the performance data of competitor websites. Furthermore, qualitative information such as messaging and process design are as visible to competitors as they are to potential customers, and the "inconvenience" tactics that B2B companies often employ to keep out competitors have no power to stop a dedicated marketer.

At the extreme end of the transparency spectrum are social channels, where almost everything is visible and measurable, and even manageable with the help of specialized monitoring tools. In fact, next year's edition of this report may very well include sections on optimizing for engagement or conversation, and utilizing segments based on sentiment or influence.

Chart: Competitive intelligence collected and used in LPO projects, by sales channel



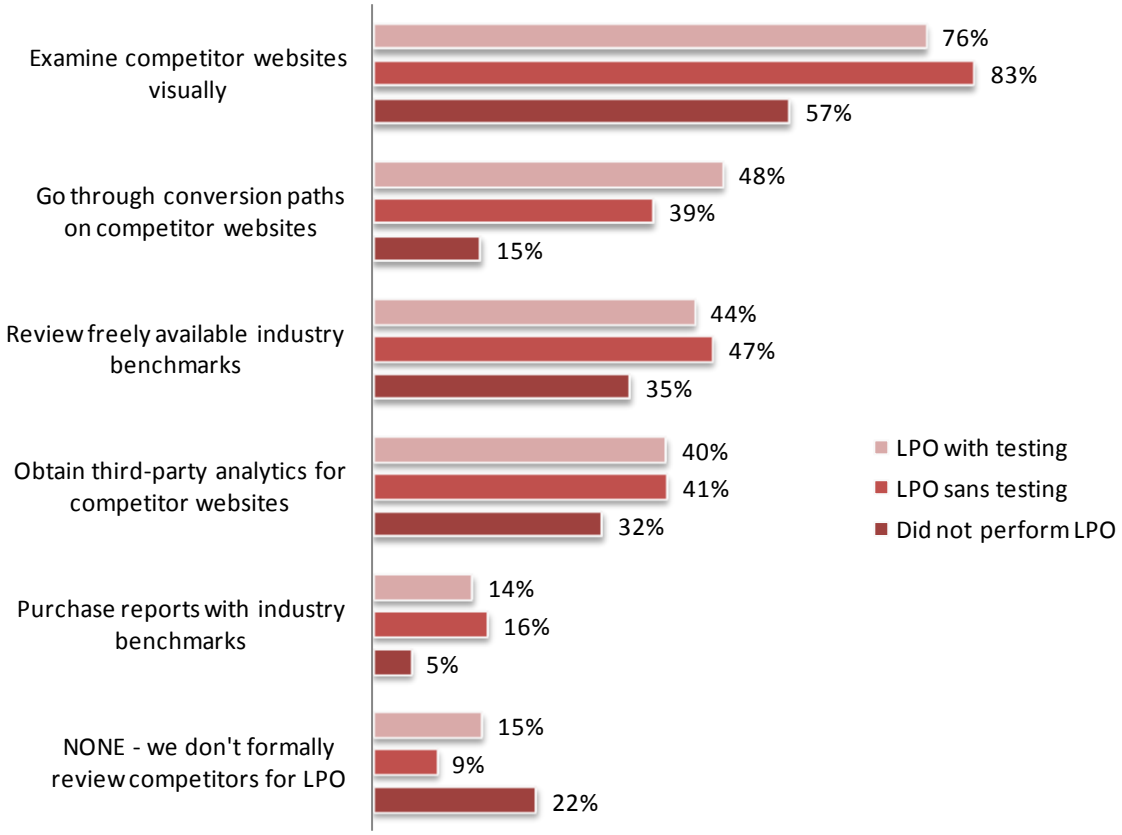
Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

Perhaps the most disconcerting finding is that a significant percentage of marketers who performed LPO in 2010 did not use any of the competitive intelligence tactics listed above. While they almost certainly had some idea of how their competitor websites looked, they did not make this review a formal part of the optimization process.

B2B marketers are the least likely to perform competitor research in comparison to their B2C counterparts, especially going through the conversion paths on competitor sites. In part, this may be explained by the fact that many B2B sites require strict user authentication before the interactive portions of the site, such as an RFP funnel, may be accessed. Many B2B sites incorporate this authentication in order to deter competitors. LPO practitioners that market both to consumers and businesses (B2B2C) are the most prolific users of CI tactics, and are significantly more likely to invest money into industry benchmarks and third-party analytics.

Going through competitors' conversion paths is clearly an underutilized tactic, which means that marketers who are willing to invest the time and discipline required to document this type of research data stand to gain a competitive advantage.

Chart: Competitive intelligence collected and used by marketers, by LPO practice in 2010



Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

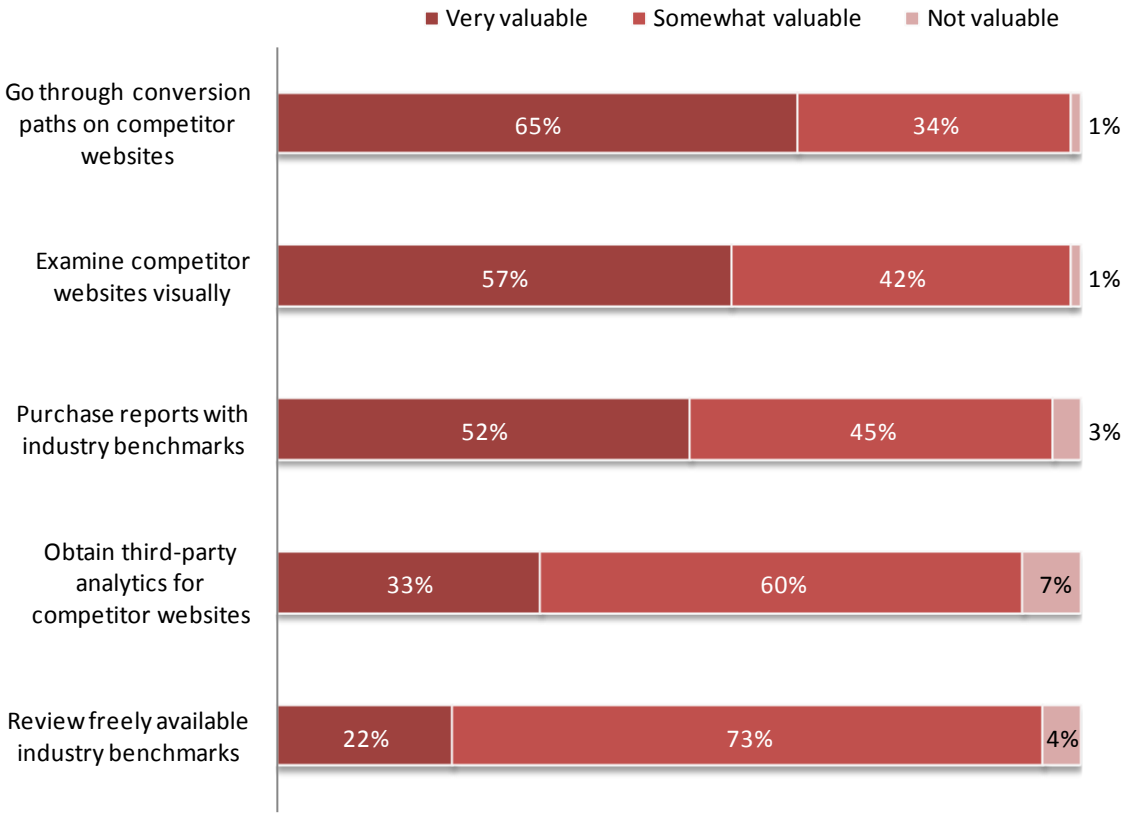
Not surprisingly, marketers who did not engage in LPO also were the least likely to engage in competitive website research. However, it is interesting that marketers who performed testing also were sometimes significantly less likely to engage in competitive research than those that performed LPO based only on best practices. While reliance on testing is reasonable, competitive intelligence is certainly a useful resource for designing experimental treatments and should not be overlooked.

Purchasing benchmark reports like this one is clearly the least utilized of the competitive research resources – likely due to the high cost. At the same time, this supports the idea that valuable benchmark reports also are a more exclusive source of CI, and can therefore provide marketers with significant leverage.

One indirect CI tactic for LPO is to review not only the website, but also the competitor's advertising. This is a traditional and obvious part of competitive analysis, but is also especially valuable in LPO because website visitors often arrive having just seen several competing ads (and not websites), carrying over a set of impressions and expectations that will frame their subsequent experience.

Q. 43.1 - Of competitor research you selected, which provides the most value?

Chart: The value of competitive intelligence tactics to LPO practitioners



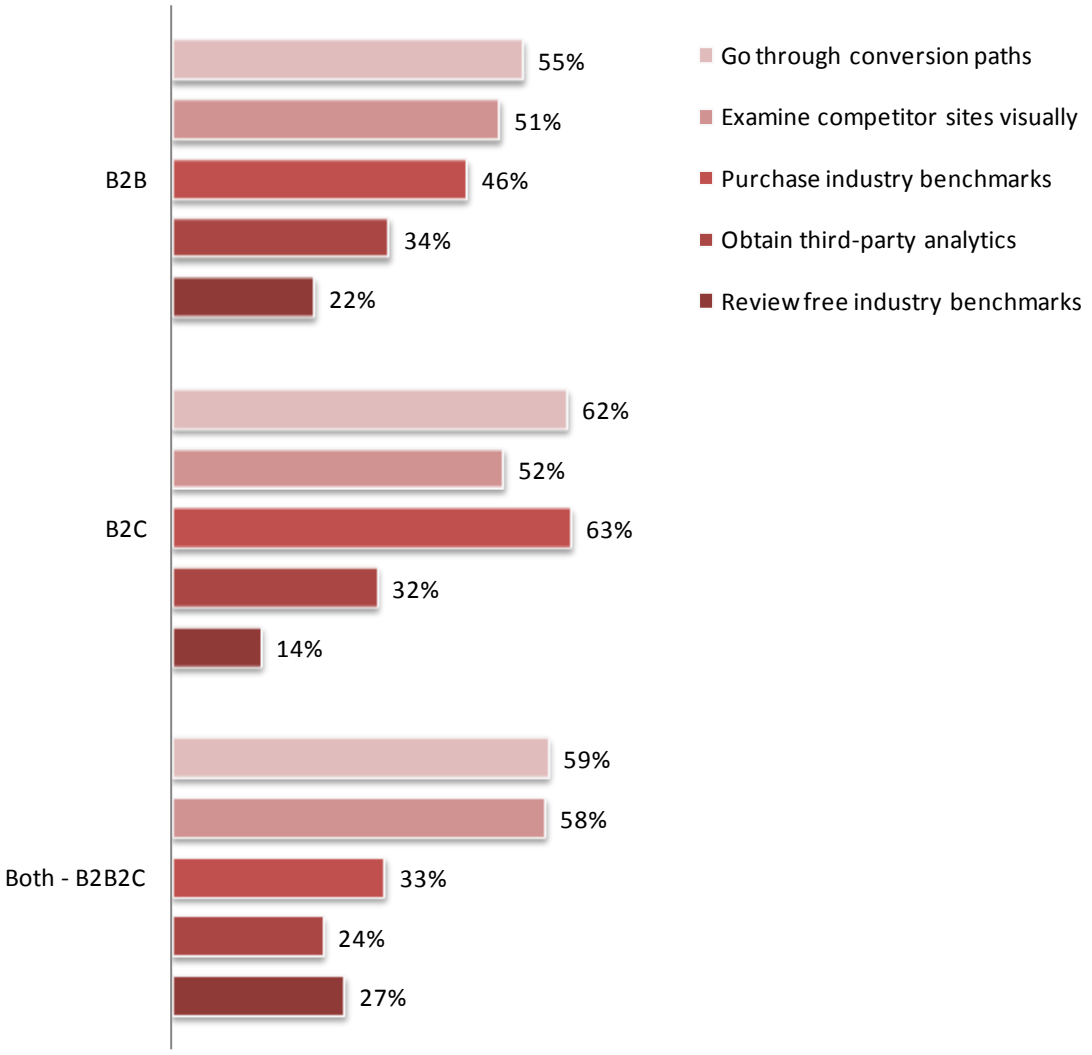
Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

Most marketers, especially those who are new to LPO, should find this chart encouraging. The "cheapest" competitive intelligence tactics are also the most valuable. While going through competitor website conversion paths may appear tedious, it provides an invaluable insight into the experiences that may be influencing your website visitors. This exercise may also help develop optimization ideas based on the competitor's website features and messaging, whether they appear successful or not. It is important to note that simply copying a competitor is risky. Without testing, there is no way to tell whether those pages are indeed performing well – and even if they do, whether they will perform equally well for a different mix of visitor segments.

Additionally, monitoring competitor websites provides information that can be used to raise validity questions related to test data. If a competitor's offer changed significantly (e.g., a major short-lived discount was offered) during a test, then it likely added a variable that made the test results not repeatable. In other words, the external influence on the website may have invalidated test data. In that case, the test will likely need to be re-run.

Predictably, these tactics are not website objective- or industry-specific, making corresponding breakouts not meaningful, but the sales channel data did warrant a brief comment on the next page.

Chart: Competitive intelligence sources rated "very valuable," by sales channel



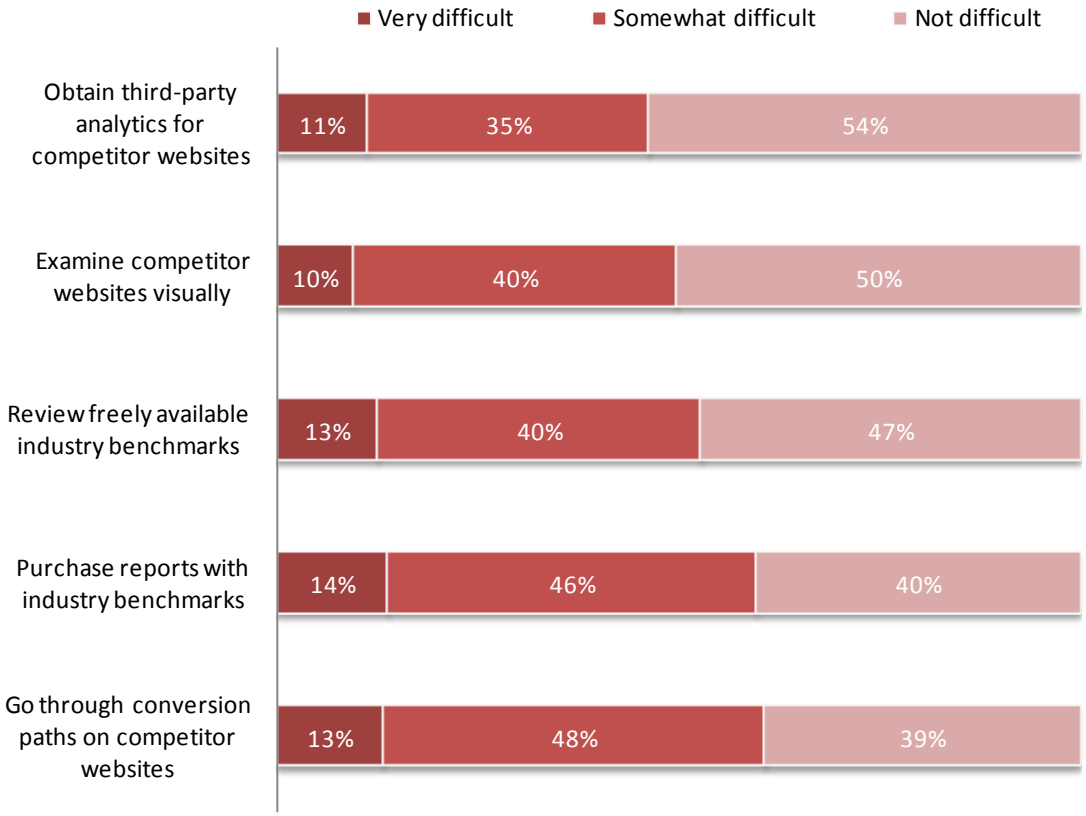
Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

With respect to different sales channels, there is also much agreement on the relative value of these competitive intelligence sources. B2C marketers are seeing a higher gap between the value of purchased as opposed to the freely available industry benchmarks. In B2C, with a much more saturated market for consumer analysis, the cost of the data is relatively lower, while the volume and therefore validity is relatively higher. This likely created the perception of higher relative value.

Third-party analytics are at the lower end of perceived value across the board, likely because they are not always actionable. While competitor analytics can be highly valuable in conjunction with a comprehensive analysis of the corresponding pages and messaging, such narrow targeting is not always available. Broader averages help marketers get a sense of their own performance. However, as discussed in the introduction to this chapter, such averages belie the real conversion drivers and traffic quality that produced the aggregate figures.

Q. 43.2 - How much effort and resources are required to apply competitor research to LPO?

Chart: The level of difficulty in using competitive intelligence in LPO



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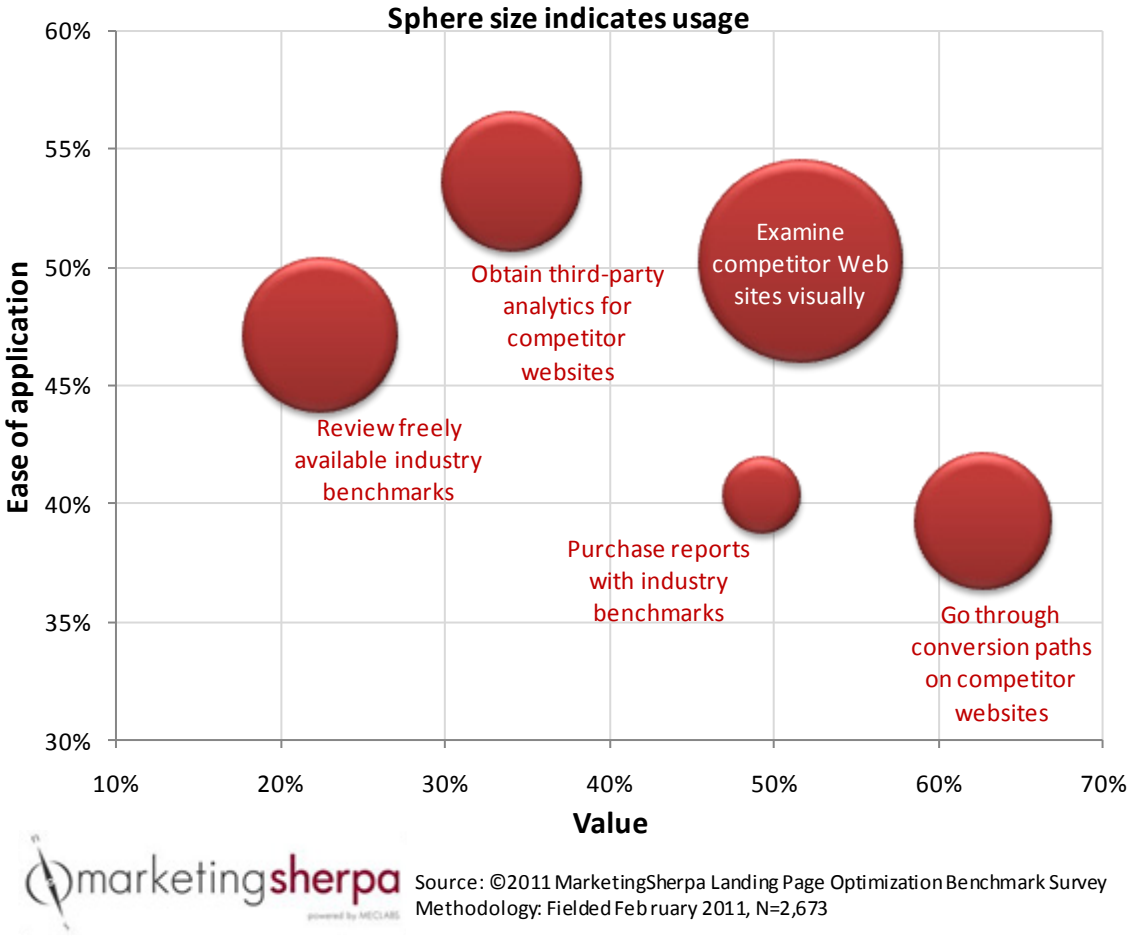
Methodology: Fielded February 2011, N=2,673

The most effective competitive intelligence tactic is also the most difficult, with only 39% of LPO practitioners that use it saying otherwise. Going through conversion paths on competitor websites is not only time-consuming, but can be against the sites' terms and conditions. In particular, low-volume B2B sites have armed themselves with authentication mechanisms that, while not bulletproof, create enough of a hindrance for the less motivated competitor to get through.

Obtaining third-party analytics is perceived as one of the easiest tactics, but marketers must be careful in interpreting this data. Since third-party analytics relies on panel data, only the websites used by panel participants can be analyzed. Panel data is typically obtained from ordinary Web users, who had opted in directly or by installing one of a number of different browser utilities or toolbars, to have their browsing behavior tracked and relayed to the vendor. The panel size is the most critical aspect of the value of the data, as it determines its statistical significance.

An effective panel size from the same vendor may be different depending on the specific target website or category or websites to be analyzed. If sufficient data on a target website is available, it can be invaluable and directly applicable for creating competing LPO tactics. However, broad averages can be distracting if they are not actionable.

Chart: 3D view of competitive research tactic value, ease of application, and usage



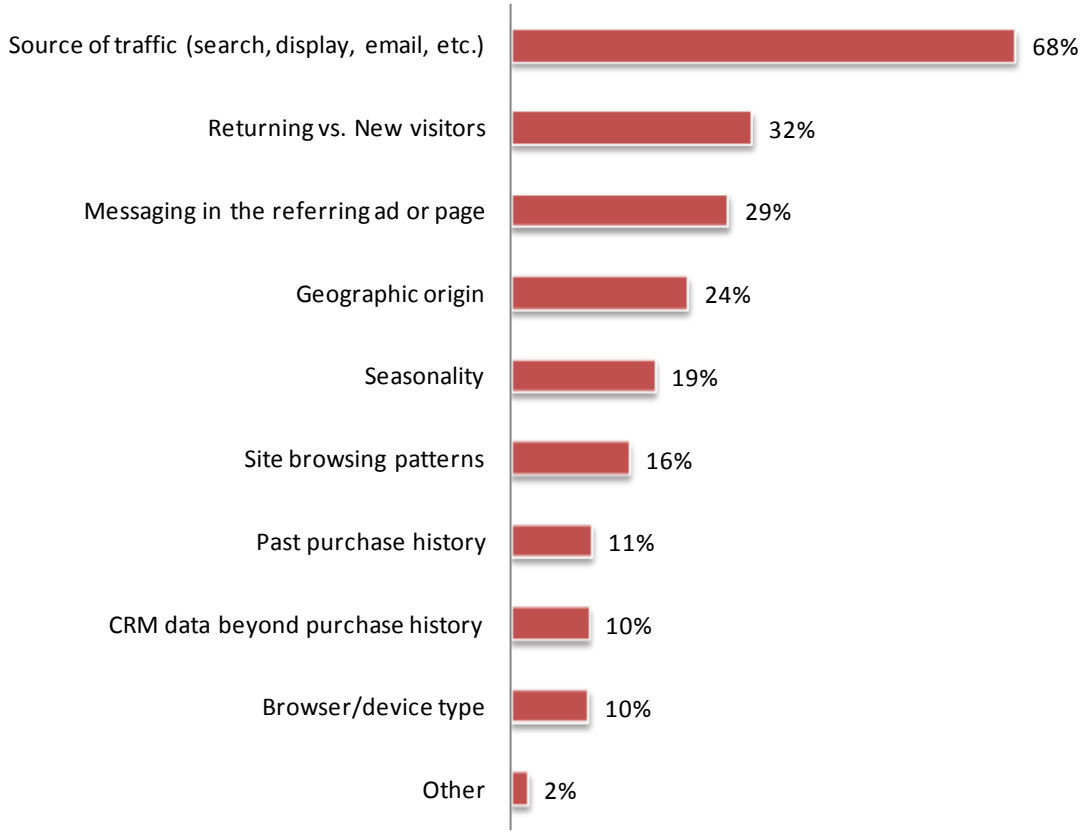
Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

This chart combines the analyses on both difficulty and effectiveness levels of each tactic. The direction up and to the right represent the combination of higher value and ease of use. Not surprisingly, examining competitor websites visually is easy, provides high value and is used more than any of the other tactics.

SEGMENTATION AND RELEVANCE

Q. 53.0 - What visitor data do you utilize to increase relevance?

Chart: LPO practitioners using visitor data used to increase relevance

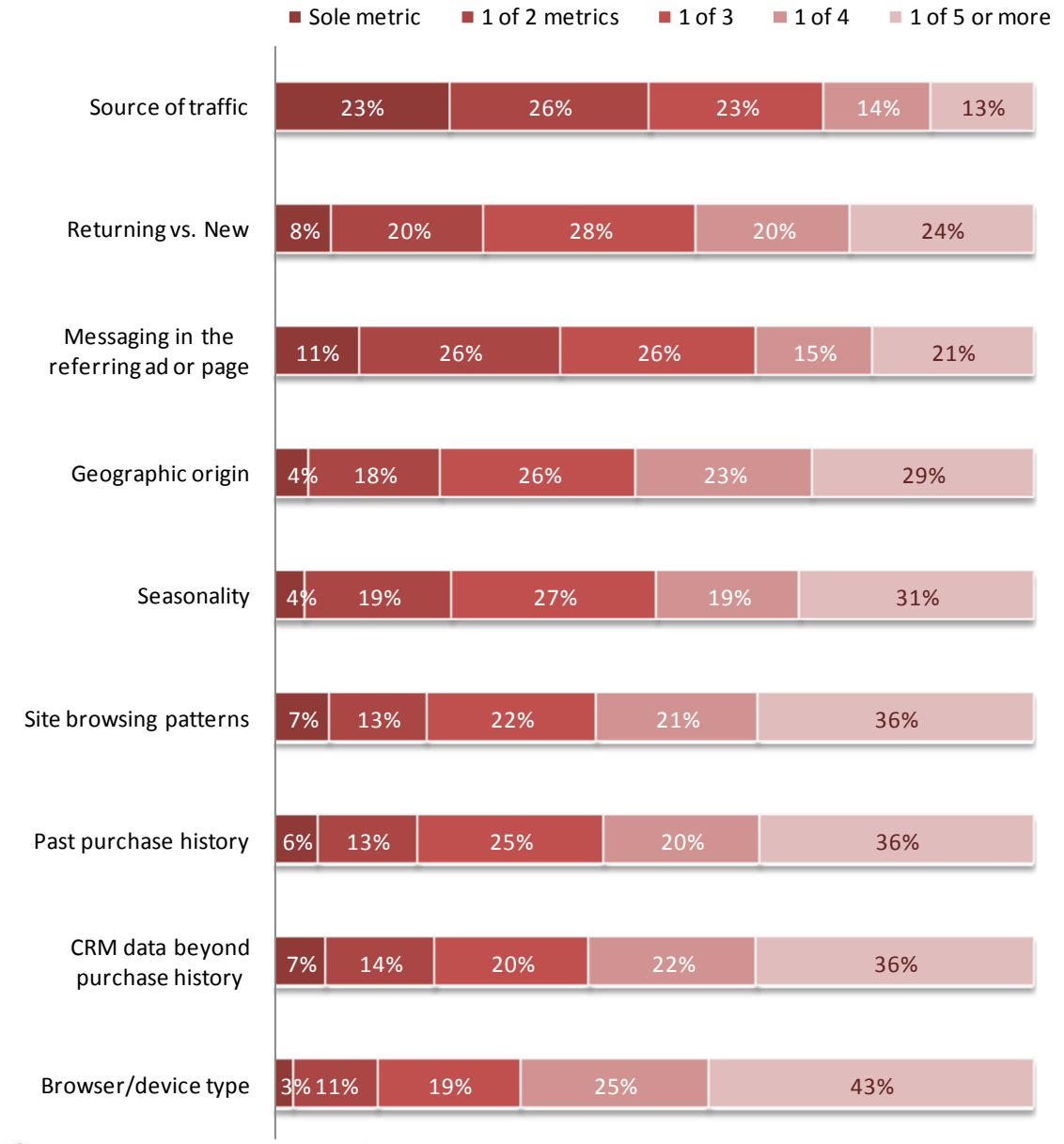


Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

Chapter introduction discussed how LPO strategy is about matching visitor preferences and motivations with the offered value, the way it is communicated (messaging), and the interactive process to maximize conversion. Doing this requires insights into the visitor's preferences, which marketers obtain by tracking and analyzing both inadvertent data exhaust and deliberately submitted personal information. Analyzing this data retrospectively provides correlations that define customer segments, and using this data in real time allows building relevant experiences for each visitor based on segment match.

Marketers who indicated they were personally involved in data analysis ranked nine of the most common data types used to define visitor segments, and the broadly defined "source of traffic" was the most popular choice. As discussed from the perspective of building DLPs, using the traffic source may not require *any* analysis if the marketer controls it (e.g., an email blast sends recipients to the same DLP). Traffic source is also one of the most basic Web analytics reports available on any platform, making it almost inevitable for digital marketers to notice that traffic from different sources behaves differently, and to recognize that visitors from different sources may be looking for somewhat different things.

Chart: Number of metrics collected by LPO practitioners to increase relevance

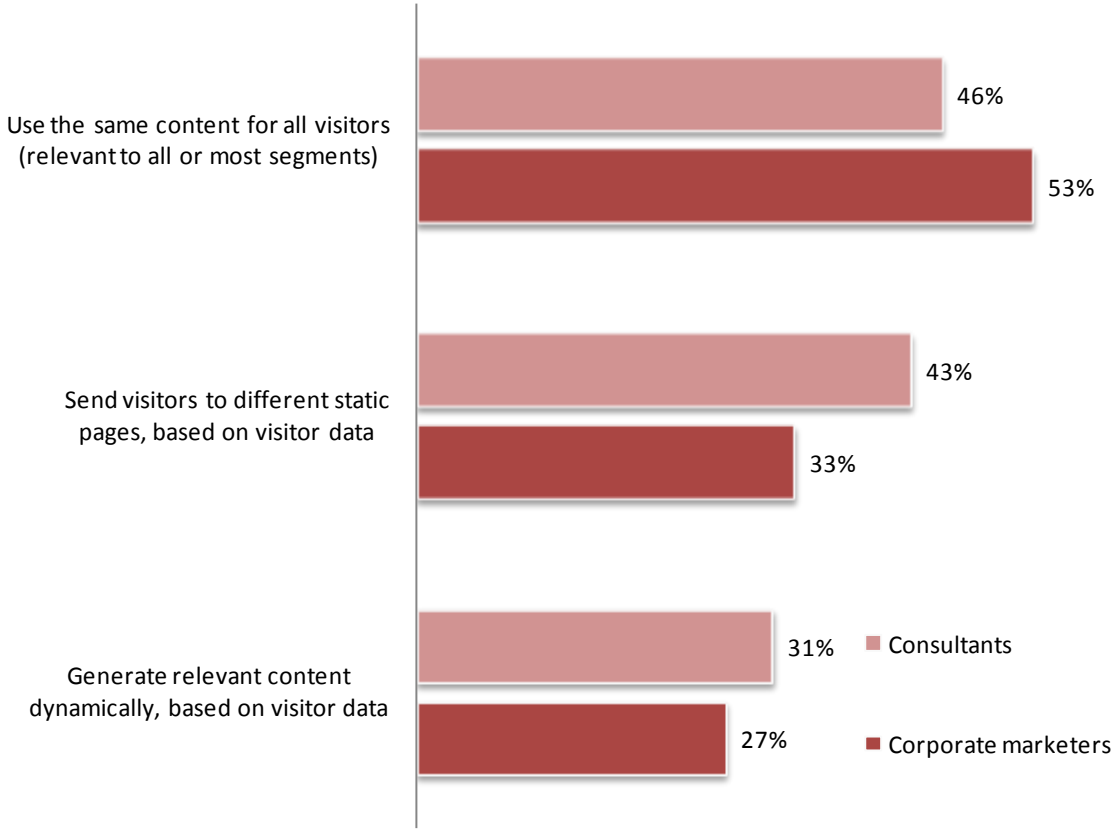


Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

This chart demonstrates that most LPO marketers collect no more than four different metrics for the purpose of relevance. While larger data sets provide deeper insights, tracking and analyzing the data can be difficult. As Chapter 2 demonstrated, data analysis expertise is one of the key challenges to LPO, and segmentation is the most analysis-intensive part of LPO strategy, aside from test data validation (which, in turn, should include segmentation analysis). Smaller data sets are not only more manageable, but also more actionable. Creating DLPs for a small number of pre-determined (e.g., email blast recipients) or self-identifying (e.g., returning visitors) segments is easier than building a system that would deduce visitor preferences and dynamically deliver a customized experience.

Q. 53.1 - How do you typically utilize visitor data to increase relevance?

Chart: Applying visitor data to create segment-specific experiences



Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
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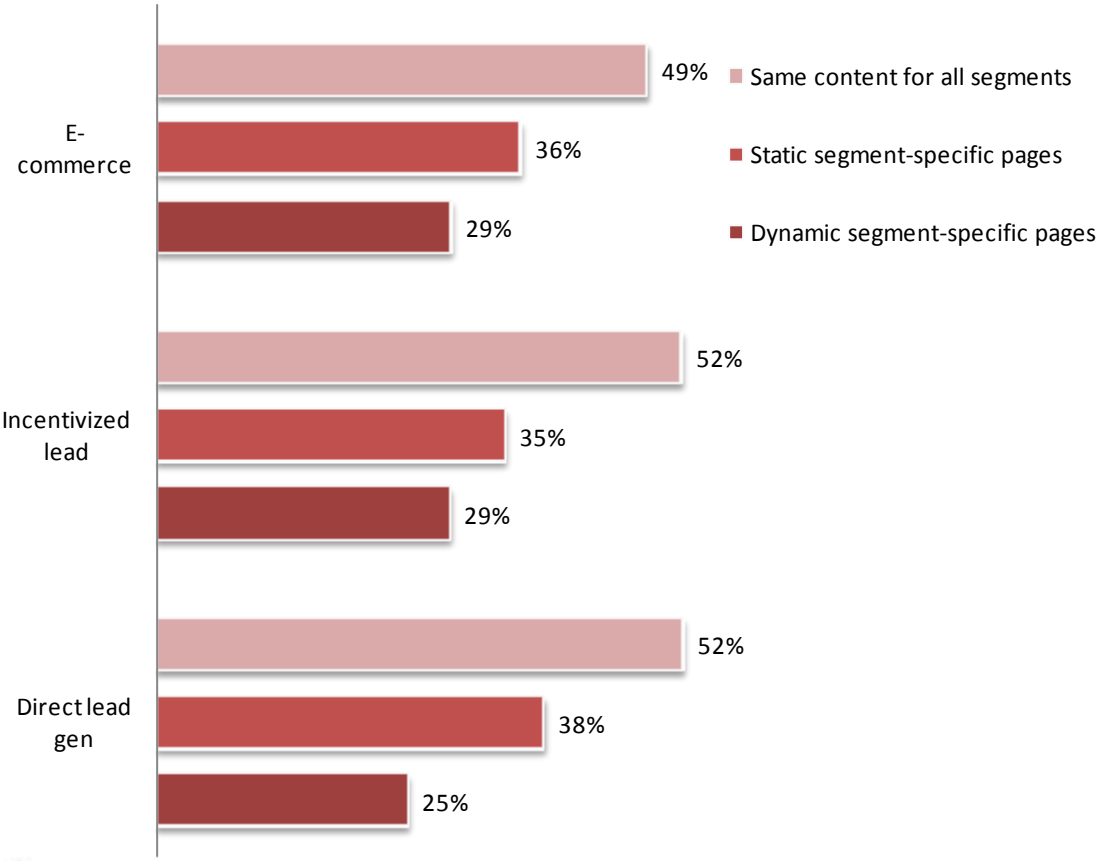
Eighty-eight percent (not shown) of LPO practitioners that analyzed or reviewed data as part of their job responsibilities indicated that they collected at least some data for the purpose of increasing relevance. Yet, only half of them saw this data used to create unique experiences for different visitor segments. This tactic is most conservative in terms of effort, but misses the opportunity to create the most relevant experiences based on visitor preferences and motivations. As a result, many pages are designed to speak in multiple voices, express aspects of value that are irrelevant to some visitors, or provide competing calls to action that can confuse or distract.

The second least resource-intensive form of using segment data is to create static pages for key segments. Surprisingly, almost as many marketers use static pages as do dynamic ones (where page content changes based on automatic analysis of visitor data in real time). Since the definition of "dynamic" is broad, the latter group of marketers certainly includes those that perform minimal customization – such as including search ad keywords in the page headline. However, in many cases, even minimal segment-specific customization has shown significant conversion improvements. Repeating messaging from the experience that had caused the click is perhaps the easiest tactic to utilize for this purpose. The resource issue is likely defining here – keeping consultants, which possess more dedicated analysis resources, close to corporate marketers in terms of using segmentation data in more advanced ways.

Chart: Applying visitor data to create segment-specific experiences, by website objective

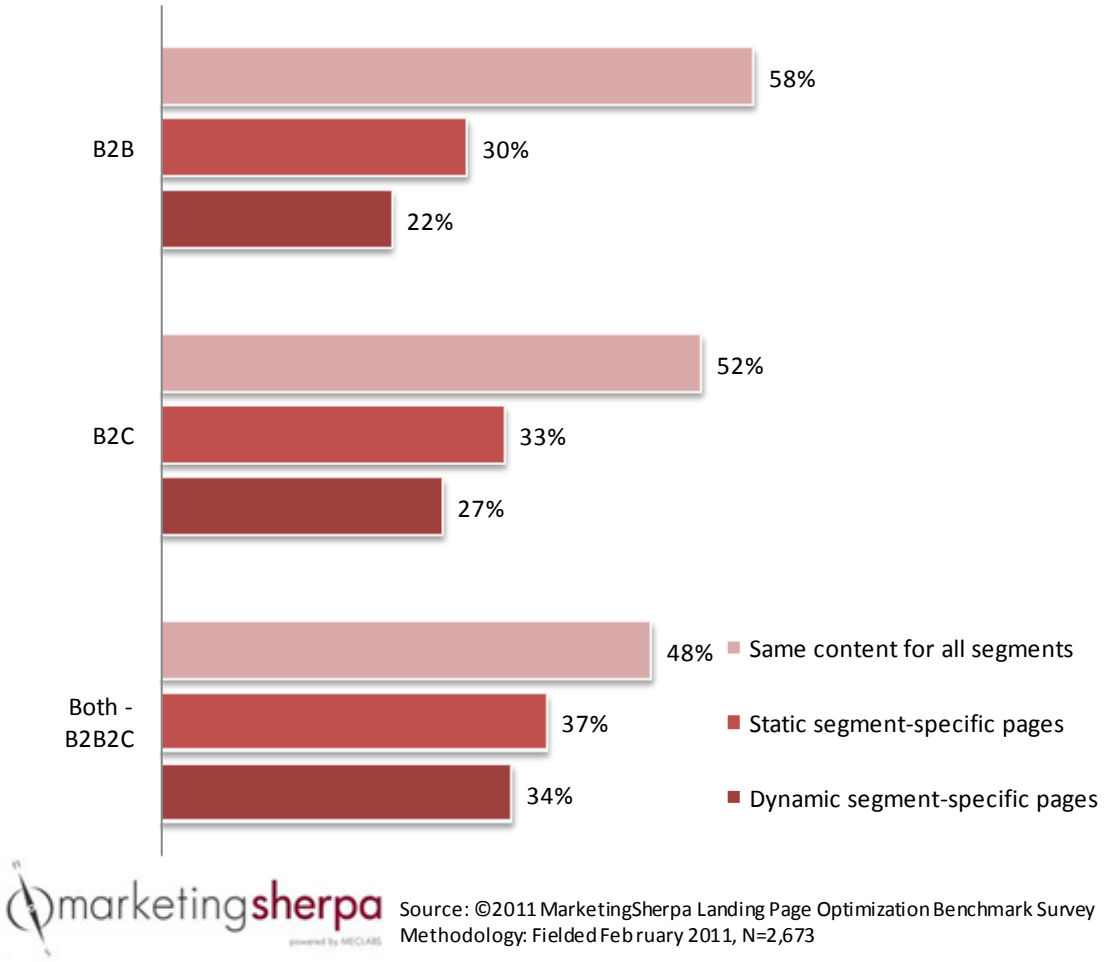


Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

This chart supports the conclusion that the decision whether to use data to create segment-specific experiences is less a matter of the optimization objective, and more a matter of operational feasibility. Websites with each objective are likely to receive visitors with different motivations and preferences, and creating more relevant pages is equally important for them.

However, the slight differences may be attributed to the amount of visitor activity. Both e-commerce and content-based websites are likely to have larger data sets available for segmentation, allowing more efficient analysis.

Chart: Applying visitor data to create segment-specific experiences, by sales channel



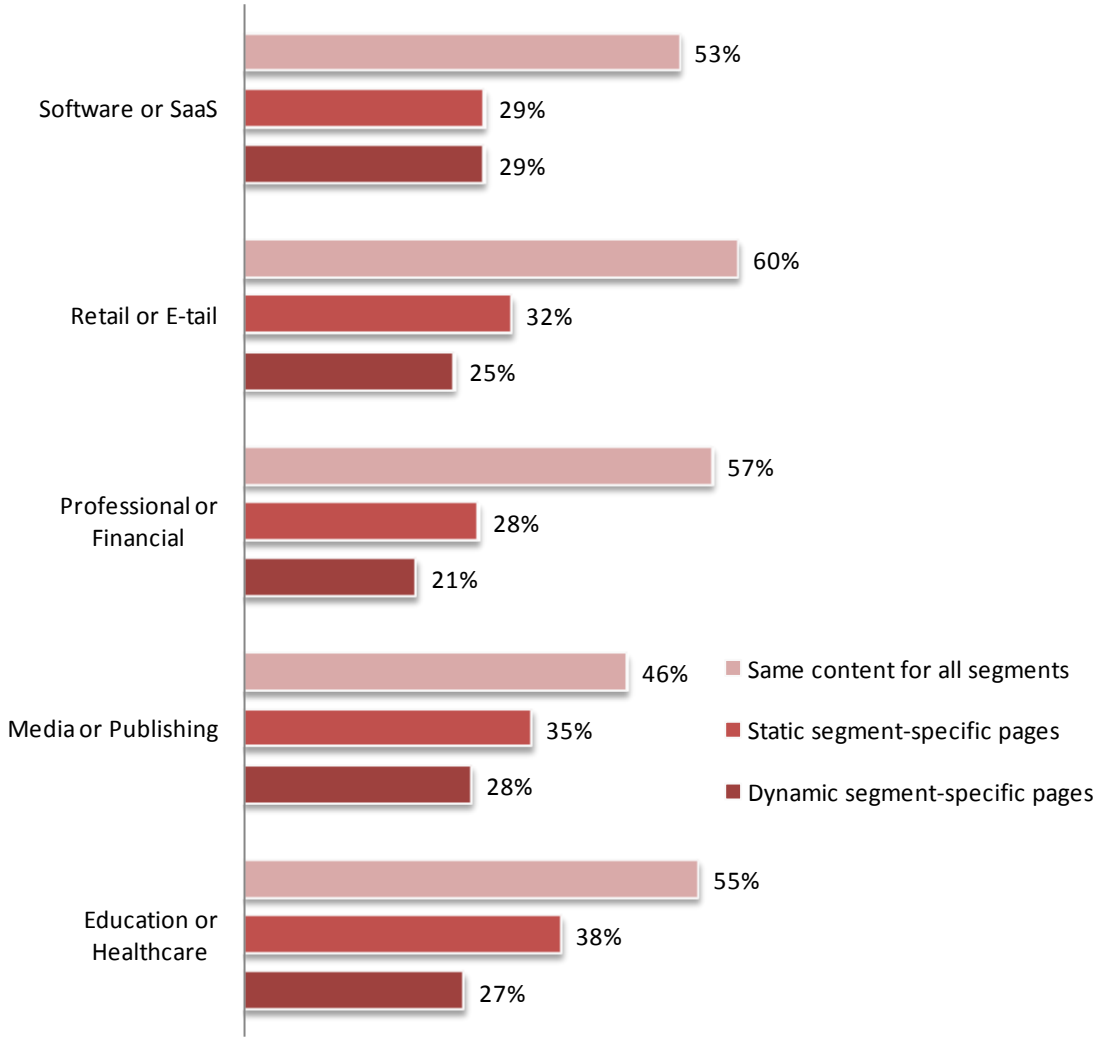
Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

B2B marketers are the least likely to create segment-specific experiences, trading this tactic for a higher incidence of using the same pages to appeal to all segments. With more narrowly defined target markets than their B2C colleagues, even given the same amount of segmentation data and analysis effort, B2B marketers are likely coming with simply fewer segments in the first place.

When the number of "useful" (that is, sufficiently different in terms of motivation and preferences to warrant separate treatment) segments is small, all of them can be addressed on the same page without creating the problems of competing objectives or multiple voices.

Also, some marketers may deliberately ignore or even discourage certain segments. In lead generation scenarios, poor lead quality can bog down the Sales department and reduce the ROI of the website traffic by increasing the cost side of the equation. In SEM, marketers used two key tactics to reduce low-quality traffic (and save the CPC spend): Use negative keywords to keep their ad from appearing in front of the wrong audience in the first place, and when the ad does show up, to signal certain aspects of the offer (e.g., premium price category) to lead the potential visitor to self-disqualify and click elsewhere. For low-quality traffic that does end up on the landing page, marketers can use similar tactics (discussed later in this chapter) to reduce the volume of low-quality leads. Simply ignoring those segments on the landing page is a cost-saving strategy both from the LPO and sales perspectives.

Chart: Applying visitor data to create segment-specific experiences, by industry



Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
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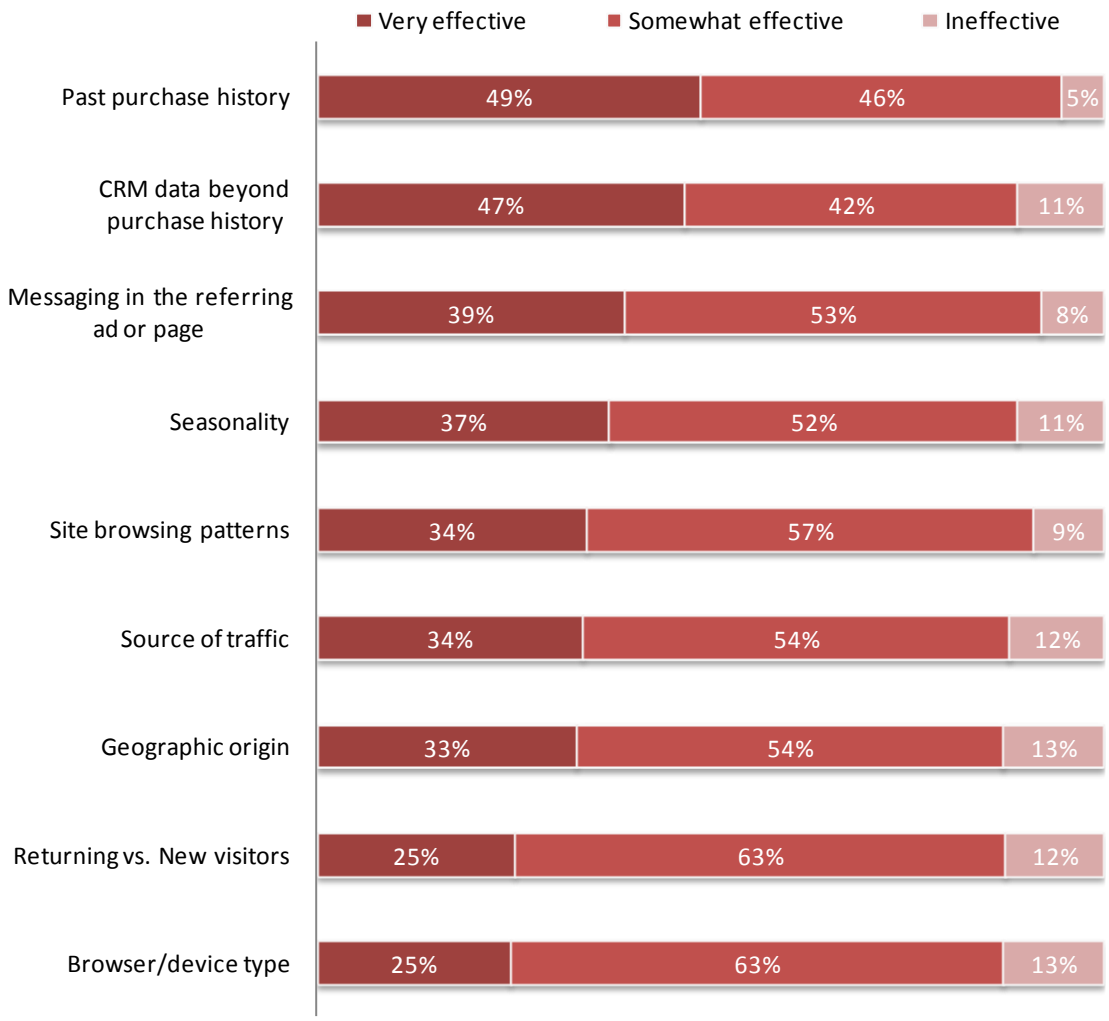
Across different industries, the same pattern of using segment-specific and undifferentiated content is maintained. Education and healthcare marketers, where individual visitor needs fall into more pre-established categories, are somewhat more likely to utilize static pages catering to specific segments. However, as noted earlier, the decision how to use segmentation data is more dependent on operational aspects of the requisite analysis and technical implementation.

Q. 54.0 - How effective is the visitor data you are using in optimizing for relevance?

Chart: Effectiveness of visitor data types in optimizing for relevance



Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
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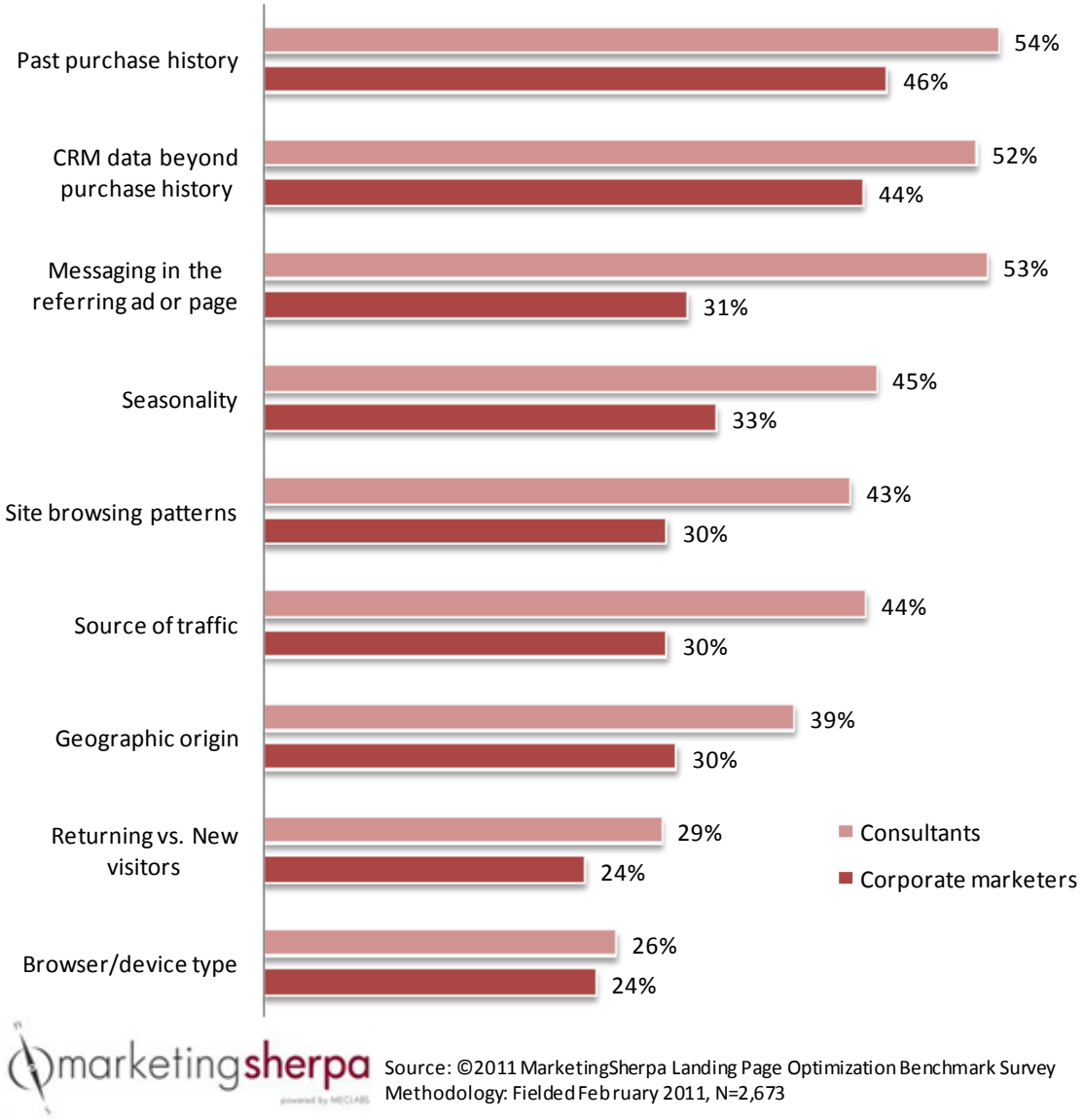
Past purchase history (when available) and other CRM data are the top performers in terms of creating relevant experiences, because unlike the other types of segmentation data, they provide insight into actual visitor preferences, rather than data that can be used to deduce them through correlation analysis. Marketers have long been cognizant of the fact that their customer list is one of their most valuable resources. With past customers, there is less of a need to establish credibility or trust in the security of online transactions. Past purchases – unlike intentions expressed through surveys or correlated with other segmentation data – reflect specific preferences and can be used to build related offers, whether immediately (upsell or cross-sell) or at a later time (upgrade or replacement, in addition to upselling or cross-selling). Nevertheless, all types of segmentation data have been found almost universally effective to some degree. There is some bias here, as respondents are often marketers who work more closely with data – in other words, those most likely to get value out of segmentation data.

Chart: Visitor data types rated "very effective" for relevance, by corporate vs. consultants



Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
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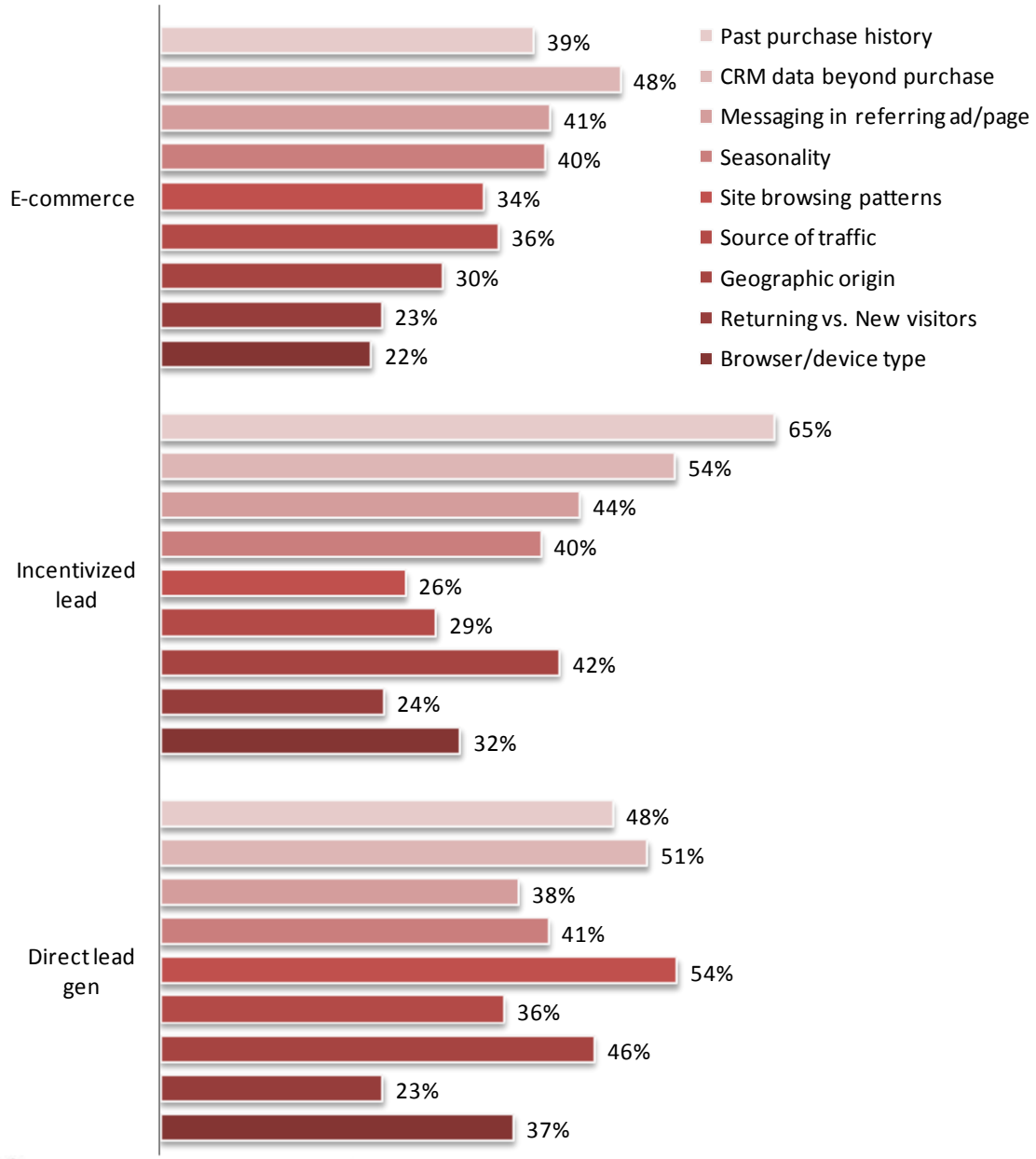
This chart demonstrates that corporate marketers are getting more value out of the same types of segmentation data across the board. Since agencies are typically brought in for more narrowly defined projects, they are more likely to possess the requisite expertise and dedicate the appropriate resources to deriving valuable insights out of segmentation data. Corporate marketers, who tend to have a broader set of objectives and priorities may simply not be able to allocate sufficient time to get the same value. Also, as shown in Chapter 2, the data analysis expertise gap is a significant challenge for marketing departments.

Earlier in this section, data showed that the way this data is applied to create segment-specific pages does not vary significantly between agencies and corporate marketers. Combined with the data above, this provides additional evidence that regardless of the quality of the insights, the challenges to creating relevance using segmentation data are operational, and not analytical.

Chart: Visitor data types rated "very effective" for relevance, by website objective



Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
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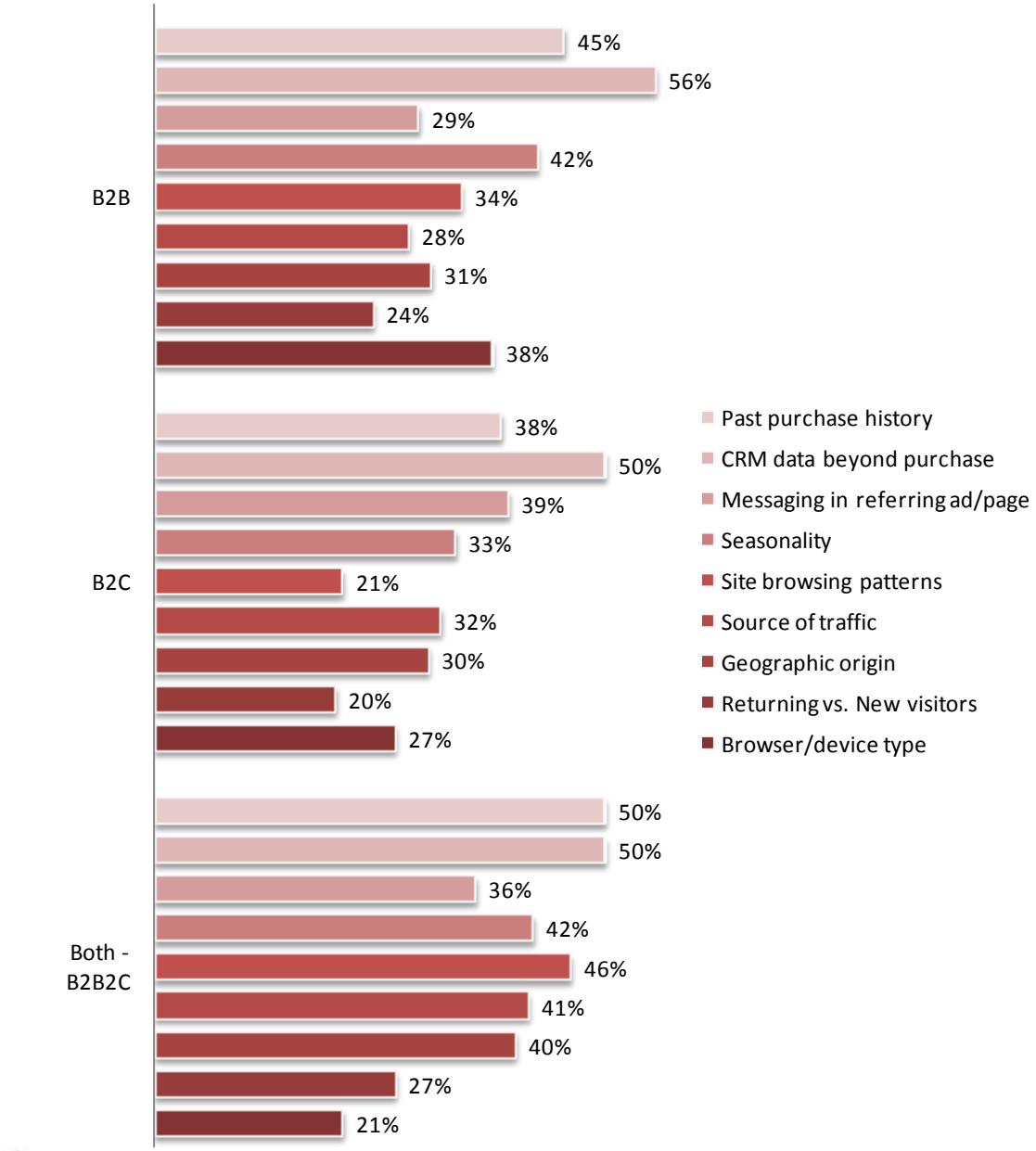
Incentivized lead marketers report they are getting especially strong value out of past purchase and CRM data – information that can be used to create not only relevant site content overall, but for special resources for visitors to download in exchange for lead information. Insofar as this free content constitutes the value exchange on the website, using CRM and other segmentation data for content marketers is effectively customer-centric product development, with the uncommon ability to create a customized "product" dynamically based on deliberately provided or implied customer preferences.

Chart: Visitor data types rated "very effective" for relevance, by sales channel

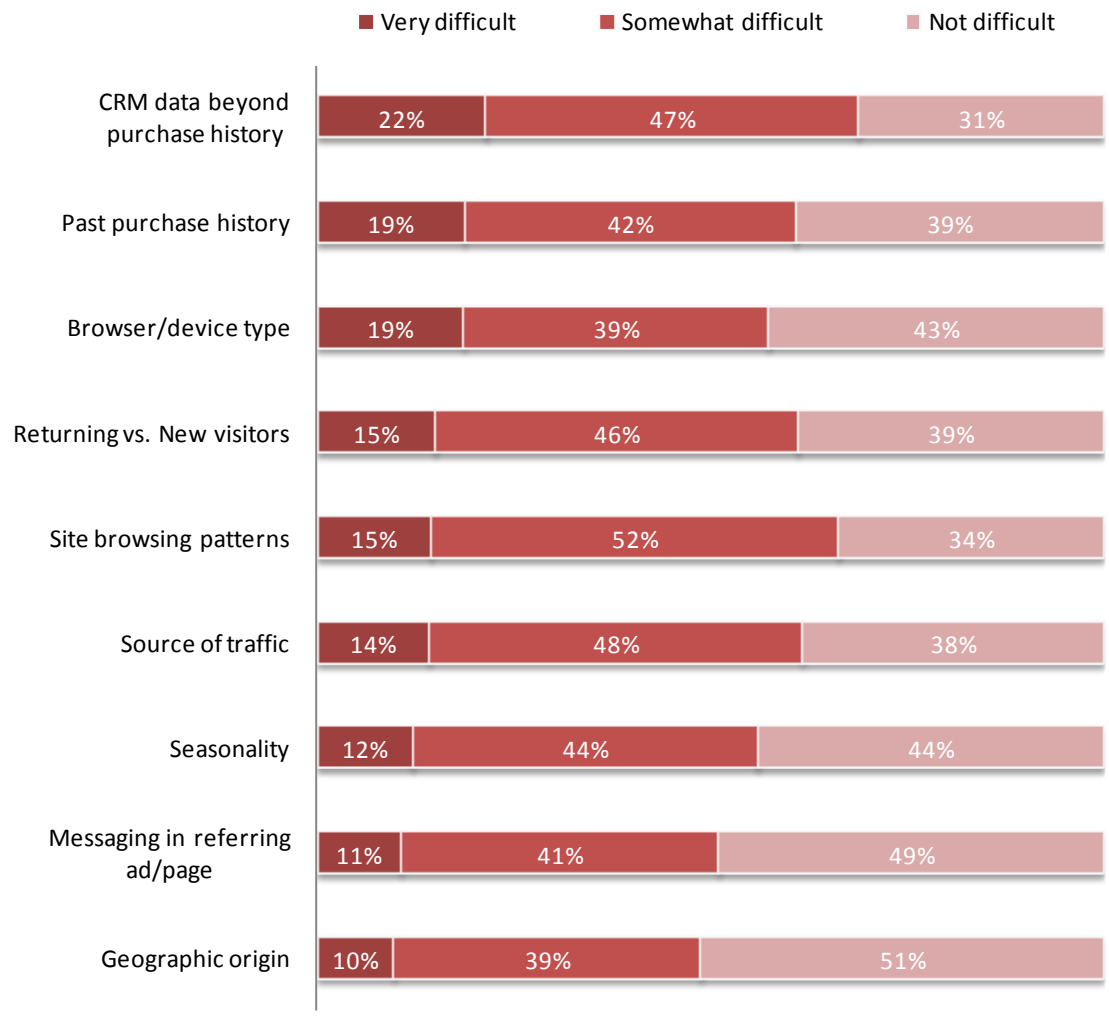


Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

B2B marketers are placing relatively higher value on seasonality data to segment their visitors. Seasonality can be defined with respect to any time variables, from calendar categories (seasons, days of week, time of day, etc.) to product- or industry-specific buying cycles. The latter use of seasonality is especially meaningful in B2B, where marketers must be in tune with their target market's purchasing calendars. However, B2B marketers are also keenly conscious of the business day and business week as sources of seasonality (and for global companies, implied geographic) segmentation. Some marketers are also finding browser or device type as an important segmentation source. The variety of mobile devices has re-energized the creativity in browser-conscious website design, but overall this is more of a technical issue.

Q. 55.0 - How difficult is it with respect to IT and other resources to use the following in optimizing for relevance?

Chart: Difficulty of incorporating segmentation-based relevance tactics in LPO

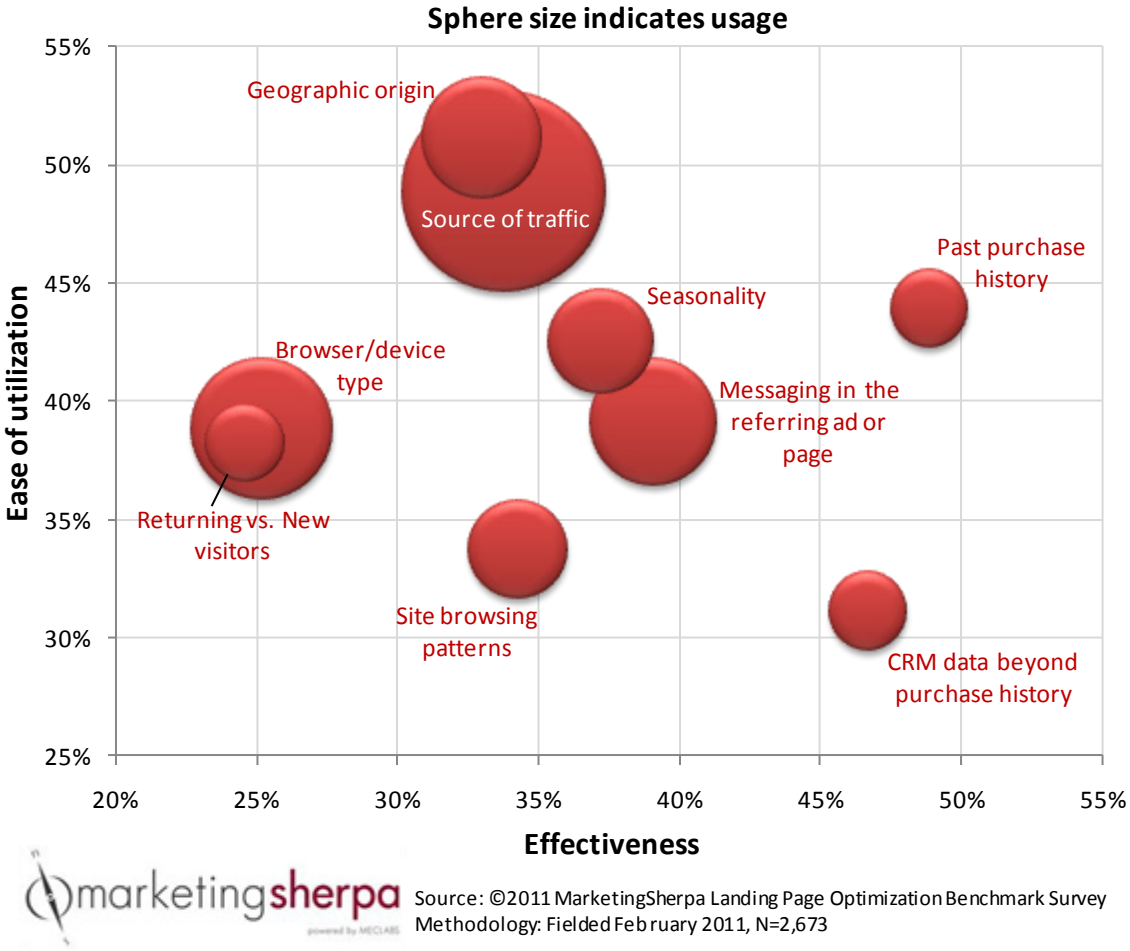


Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

Overall, one-third to one-half of marketers report that using segmentation data is not difficult from the resource perspective. To the majority of marketer, however, operational resources do pose a challenge – albeit mostly considered "somewhat," rather than "very" difficult.

Utilizing messaging in the referring ad or page is among the easiest tactics from the resource perspective. The research required to use it is largely qualitative, and when dealing with their own campaigns, marketers do not need to work hard to find the information. This tactic, while easy to implement, is only second to past purchase history or concrete CRM data in terms of signaling real preferences and levels of motivation. By clicking on an ad, for example, the website visitor "voted" for the offer communicated in the ad, expressing a preference and/or level of interest similarly (but not as powerfully) as one would with a purchase.

Chart: Transactional data is gold for segmentation and relevance



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"Relevance" has only recently been overshadowed by "engagement" and "influence" as digital marketers' top-of-mind buzzword. For landing page optimization (and for marketing in general), relevance continues to be both invaluable and elusive. With static and stale websites at one extreme and CRM-driven custom content at the other, marketers are becoming increasingly aware that traffic to their sites is not uniform. Different visitors have different motivations, want different things and prefer different communication styles.

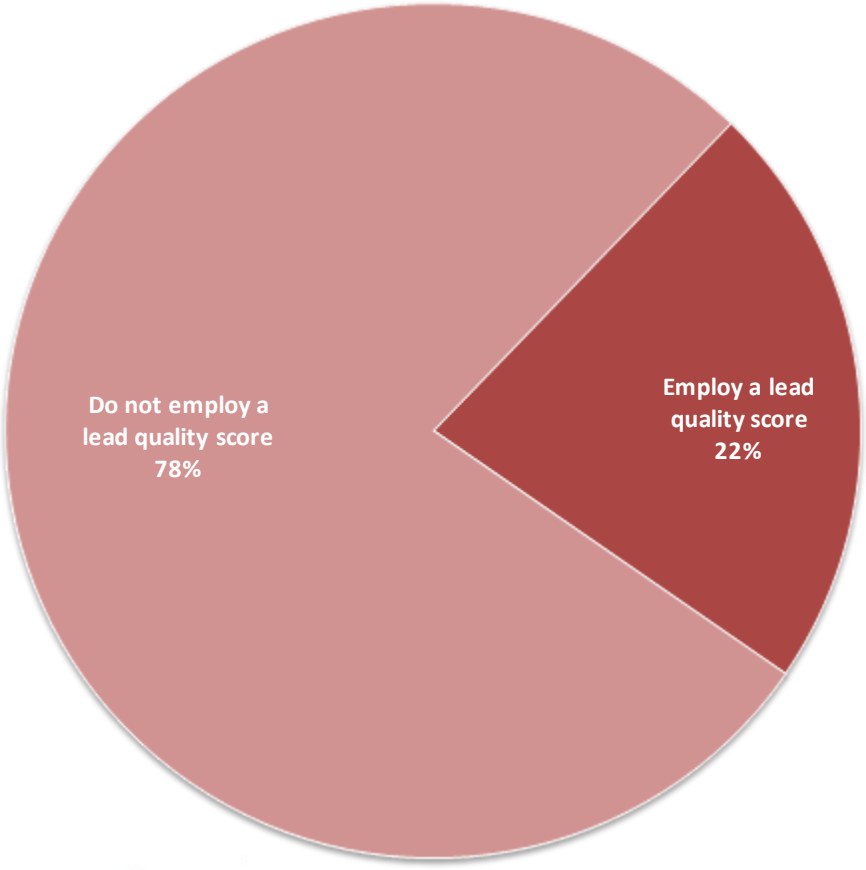
Teasing out these preference segments from visitor behavior is difficult, but can be highly rewarding. Combined with testing, segmentation allows fine-tuning of relevance – not only in terms of content, but in terms of how that content is presented.

For marketers with limited resources, this chart illustrates good starting points for using segmentation data to optimize their website visitors' experiences. Geographic origin (if meaningful) and source of traffic can be easily tracked and analyzed to identify segments and create dedicated landing pages. Also, the tactic of using messaging in the referring ad or page can be especially easy to apply when the marketer also controls that message, making it a highly efficient way to segment. For the more advanced marketers with the right resources, there is clear opportunity to create competitive advantage by using purchase and CRM data to power dynamically created, segment-specific experiences – a highly effective, yet highly underutilized tactic.

LEAD QUALITY SCORE

Q. 51.0 - Do you employ a lead quality score to determine the optimal balance of conversion rate and lead quality?

Chart: Lead gen marketers using a Lead Quality Score framework

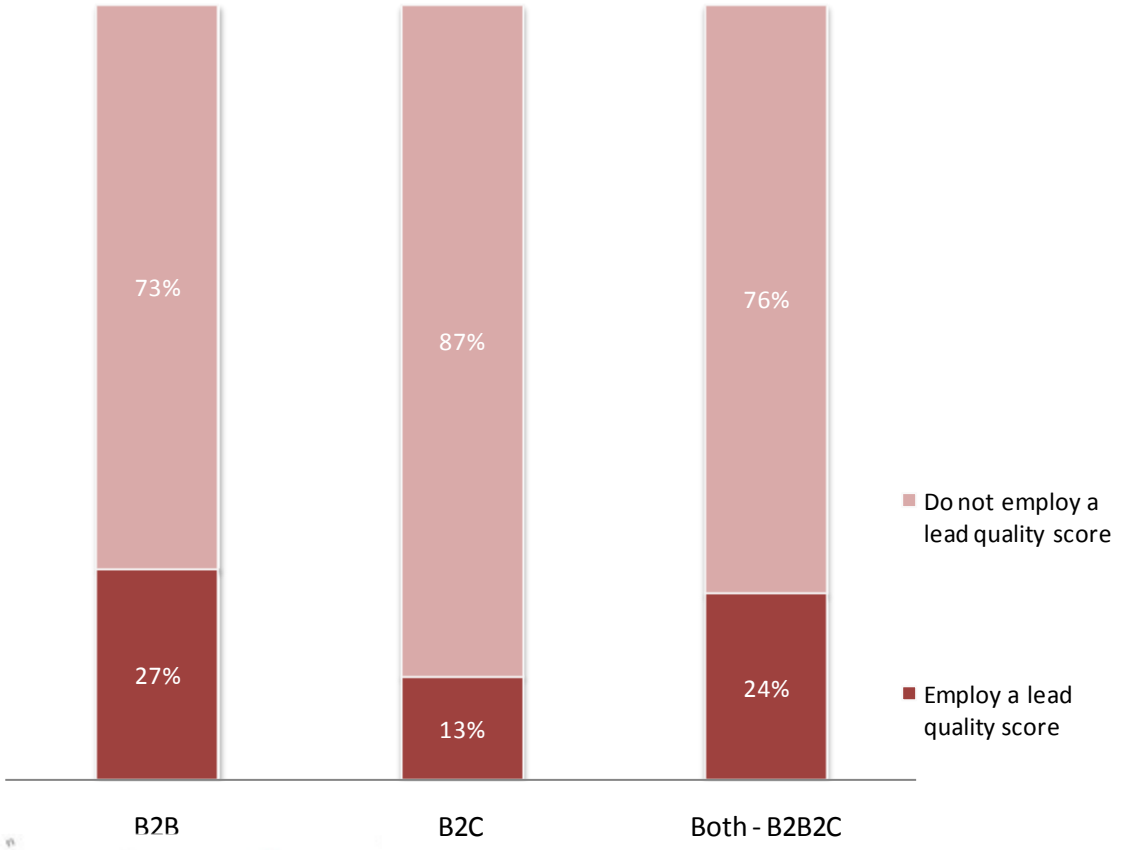


Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

Lead quality is a major topic in sales and marketing, and is covered extensively in other MarketingSherpa benchmark reports and handbooks. From the optimization and testing point of view, lead quality score is a critical metric for evaluating the effectiveness of pages and processes that are intended to generate leads. Just like the concept of traffic quality discussed earlier, lead quality reflects the likelihood of a prospect of becoming a customer and the corresponding lifetime value (LTV).

Optimization for lead generation can have two objectives: Increasing the quality and quantity of leads. Ideally, websites are optimized for both, but the key problem is that they are often driven in opposite directions by optimization tactics. The same messaging can communicate value in a way that is more appealing to a lower-quality traffic segment, yet less appealing to higher-quality traffic. On the other hand, regardless of traffic quality, a short and simple lead form will typically increase the number of submissions at the expense of lead quality, while a complex one that requires more specific information will increase lead quality at the expense of quantity. Therefore, messaging optimization is focused on appealing to the right segment, while process optimization is focused on finding the right amount of complexity.

Chart: Lead gen marketers using a Lead Quality Score framework, by sales channel



Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
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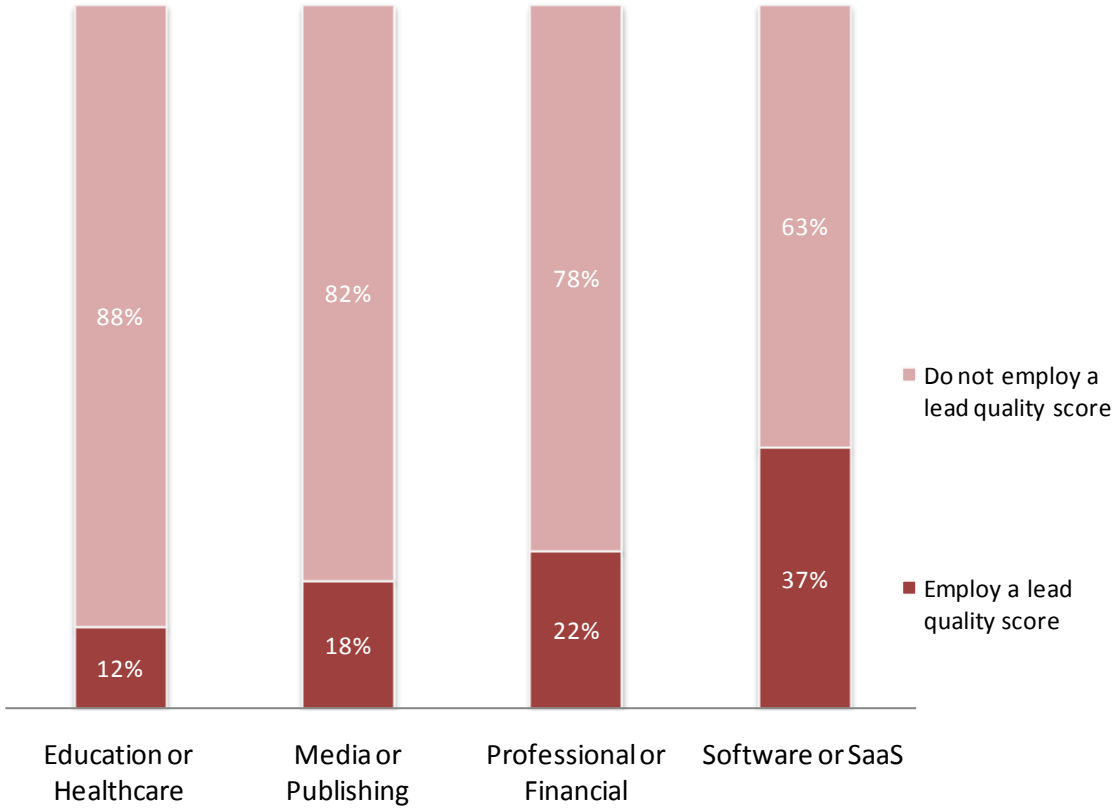
Note that the data in this section represents *only* marketers that identified their primary website objective as a visitor submitting a lead form either to request for a proposal, quotation or a sales call, or to receive a free download, access to content, subscribe to a newsletter, etc., or both.

Lead quality scoring is a more established practice in B2B, reflected in the figures above. However, a large percentage of marketers across the board are not utilizing this valuable technique. This is understandable, because though the idea of a lead quality score is recognized, the operational feasibility of making it a routine calculation is typically low. It requires a methodical exchange of data between Sales and Marketing, and the discipline to collect the appropriate data on both ends.

While CRM systems help ensure that the sales funnel is appropriately evaluated, this data does not always make it to the digital marketer occupied with LPO. On the other hand, long sales cycles make optimization and testing difficult, as generating new types of traffic and new leads require constant re-evaluation of the lead quality score. This increases in precision only when these leads start closing and the rate at which they close, as well as the projected LTV, can be established with higher levels of confidence.

Chart: Lead gen marketers using a Lead Quality Score framework, by industry



Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

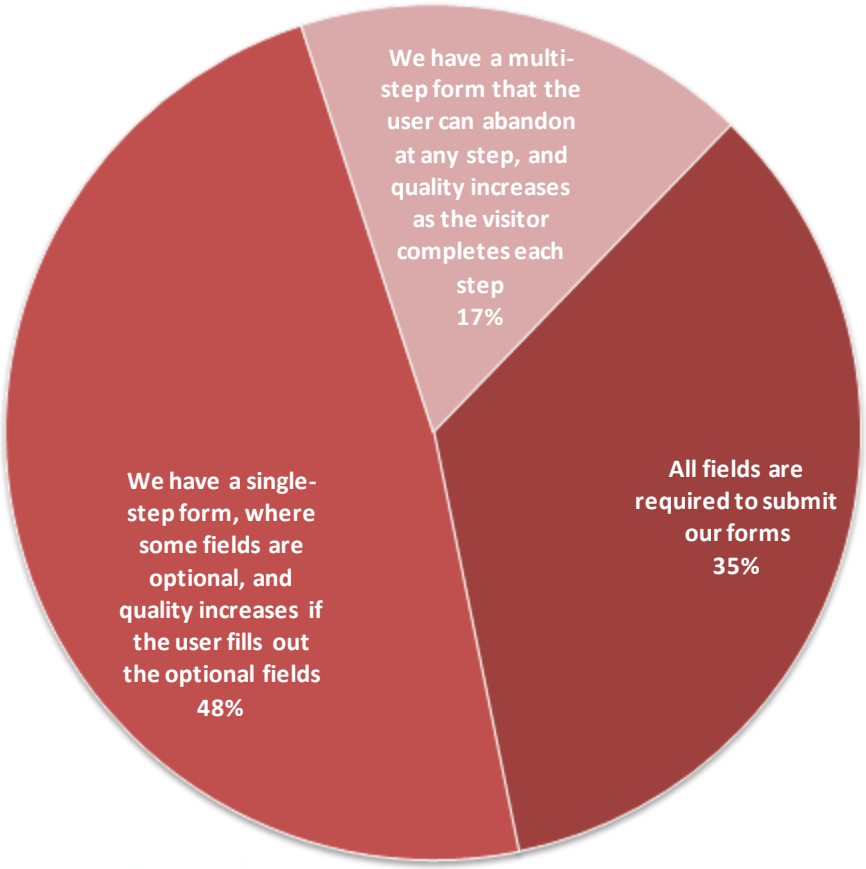
Among lead generation marketers in the above industries, software companies are the leaders in using a lead quality score. As marketing and sales automation are a significant part of the software and SaaS industries, and the power of automation software is more likely to be appreciated and accessible in these companies, the use of a lead quality score is understandably higher.

In the other industry segments, there is clear opportunity for marketers to power their optimization and testing with concrete measurement of the results using lead quality scores. The ubiquitous use of the conversion rate as *the* key metric demonstrated in Chapter 5 is critically insufficient here.

The conversion rate reflects only one dimension of the effectiveness of a lead generation effort…the quantity. The quality of a lead is invisible in the conversion rate, and such one-dimensional reporting can either exaggerate or undervalue the true results. In the absence of concrete lead quality metrics, establishing closed-loop communication with the Sales team will provide a general sense of the quality of leads to help understand the effectiveness of a campaign or optimization effort.

Q. 52.0 - Which of the following tactics do you use to balance quality and quantity of leads?

Chart: Tactics used to balance quality and quantity of leads



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The length of the form can have an immediate impact on the quality and quantity of leads being captured. Allowing the visitor to submit less (or partial form) data decreases lead quality, but allows for capturing more leads. Conversely, requiring more data can decrease the conversion, but may increase the quality.

Form complexity can increase lead quality in two ways. On one hand, visitor segments with less motivation are more likely to abandon; on the other hand, visitor segments highly interested in the offer may find the more complex form to be an indication of quality and credibility. Also, the visitor may simply want a more detailed response, such as an RFP, and therefore would want to provide more data. However, lead quality can be diminished with a more complex form if it is perceived as an inconvenience by highly qualified visitor segments.

Marketers charged with obtaining a target combination of lead quality and quantity can partially hedge their bets against the preferences of different visitor segments using the more flexible user experiences above. By allowing the visitor to abandon the process or submit partial forms, both sets of preferences (those who appreciate long forms and those who do not) can be served. Other form-specific optimization tactics are discussed in Chapter 7.

MARKETER INSIGHTS: HOW TO CREATE RELEVANT AND TARGETED PAGES

Q 68.0 - How do you go about segmenting your traffic, and using segmentation data to create relevant experiences?

Agency insights: Segmenting traffic and using segmentation data

- We segment our traffic via social media sites by using different landing pages for Facebook traffic, Twitter traffic and LinkedIn traffic. We are able to match their interests with the action item on that particular landing page.
- We don't segment our traffic very well. Most of our traffic comes from either searching directly for the company name or from advertisement.
- We don't have e-commerce, so this limits segmentation potential. Segmentation is based geographically for clients with local offline stores. National accounts it's based on past content viewing and return visits (push more towards lead generation).
- We are just learning. Mostly our segmentation is done whether it is a new lead and it is a former client.
- Visitors are self-selected by source of referral.
- Usually geographic location and type of online marketing source i.e. banner, organic, etc.
- Using software that automatically detects groups and also physically providing different paths on landing pages.
- Use of surveys.
- Traffic source and lead history for our own loads. Past giving history and other activity history for clients.
- Through targeted email campaigns directing visitors to specific landing pages.
- Tag all user behaviors in CRM to segment.
- Study incoming visitors; look for common factors; set fields to segment.
- Site is designed against segmentation with ideal defined user paths. The user will self select the appropriate path.
- Sales, LVC, college, subject, source of list or publication.
- Purchase History, Seasonality Spikes, RFM Modeling.
- Product, keyword analysis and ranking to determine what the strengths and weaknesses are. Then create/edit information to improve the visitor experience. As I'm new to the use of funnels and testing, placing pages appropriately in the funnel is the piece I'm working on.
- Positive. Using BT bucket tool with GA.
- Pivot tabling engagement vs. targeting.
- Page viewing behavior.
- On my customers site- three different parts of the website are set up depending on what the visitor is interested in.
- Frequency vs .depth of participation/engagement.
- Currently the plan is to segment by industry, product, and current client vs. prospect. In the future, we will also segment by stages of the buying process.
- Create custom segmentation reports in GA.
- Campaigns are created that only target one segment of traffic - if more than just one we create duplicate campaigns and target each segment individually.
- By source, by KW type, by offer, by business type, by decision-maker vs. influencer, by point in purchase cycle, situational.
- Business customers get different content than consumer customers.
- Brand vs. non-brand; Traditional vs. SEO.

B2B insights: Segmenting traffic and using segmentation data

- We use title and/or Industry to select our lists/ad buys and then direct via links in banners or emails (outbound) to drive traffic to a distinct landing page where we've created a relevant message.

- We use deep links, not necessarily custom built landing pages - although these are coming.
- We sell manufactured products and structure email campaigns, newsletters, based on data collected on page visits and catalog downloads.
- We segment by product groups.
- We don't (how embarrassing).
- We create ad hoc segments based on traffic behavior.
- Traffic is segmented based on analytics and overall review of e-lists that are used to accomplish digital efforts. Unfortunately, this data is not used enough or efficiently to "create relevant experiences."
- Telemarketing research and email targeting.
- Personal data (i.e. gender), geo location, behavioral (i.e. page visited, time spent on specific pages). Relevant content is dynamically aggregated on the landing pages to best fit user needs and interests.
- Often focus on a sample of customer behavior on our site, determined by Internet service provider name (which often includes customer name) and by email campaigns that include only customers as recipients.
- New vs. repeat visitors; Targeted call to action depending on what they have done on the site
- Navigation and how they come into the site. We have several product lines and they find the information they need by navigation. IF they come in from a Google ad we have dedicated landing pages that have few interruptions to the conversion path.
- Multi-channel communication, preferences, age, location, gender, education, past purchase history.
- Monitor visitors and landing pages and update with new keywords when necessary.
- Manually segment lists based on industry and past purchases. Create email and landing pages specifically for that group. Soon, we'll be able to create a more flexible experience...but this is what I got for a few more months.
- Filtering by email address.
- Email prior to events. Paid AdWords.
- Define relevant visits by geographic location, type of traffic, trigger words and conversion.
- By accounting package used by customer, industry of customer.
- Based on a DB of IP numbers, a JS code.

B2C insights: Segmenting traffic and using segmentation data

- When analyzing data, we often segment display/SEM traffic (which often land on the same page).
- We split the servers we're sending customers to.
- We segment traffic based on geography and advertising source.
- We have three main segments: Logged-in, not logged in and from a specific partner site. The segment for logged is defined in Google Analytics as any visits that includes that page that is displayed after login. The segment for partner site referrals is defined as referrer = partner site. We direct the partner site traffic to a dedicated section of the website. The segmentation has been extremely valuable in drawing more specific and actionable conclusions for optimization and the potential ROI thereof.
- We define audience on the homepage and group resources according to those audiences.
- There is no segmentation. All customers are directed to the same landing page.
- TBD, will begin working on this summer.
- Our database is new and not ready yet for robust segmentation, but I hope to be able to track activity better in the future.
- Email segments based on past behavior.
- Dynamically generated character strings dictate path based on characteristics identified in visitor digital profile.

B2B2C insights: Segmenting traffic and using segmentation data

- We segment into audience and then by region and then the needs of the parent and deaf child
- The traffic segments that I am interested are not easily found in analytic software. Our traffic is

divided into three demographics: homeowners wanting air conditioning service, contractors looking for subcontractors, and property management companies looking for the lowest price for air conditioning repair. Since Google analytics cannot tell me which demographic a user belongs to, we have made the homepage a landing page that allows the user to self-identify. The only option on the homepage is to choose between one of these three categories, and the user then goes to a site specific to his or her needs. I use Google Analytics then to inform me as to how much of the site traffic goes down each pathway.

- We don't. We are not that sophisticated yet.
- Depending in the Line of business, we segment and target accordingly.
- I have a lot to learn. We segment by current students, perspective students, job-seeking faculty and parents.
- They keep that secret in the department.
- Segment traffic by customized offerings to specific email lists and business partnerships.
- Segmentation is largely dependent on geographical differentiation and consumer audience.

Q 69.0 - What are your greatest challenges with optimizing pages that receive traffic from multiple sources? Do you duplicate the page for each source or enable relevance in other ways?

Agency insights: Addressing the challenges of multiple traffic sources

- Bring in variable content; primarily as inside site banners.
- Client agreement to fund analysis of the statistics.
- Content creation and development time and cost.
- Convincing the client to actually do it.
- Customizing landing pages for multiple sources to speak to segmented audiences.
- Enable relevance in other ways: copy options such as surveys and self-selection to drive down more specific paths by interest area.
- Engagement. You can create it, you can advertise it, but you don't always get complete engagement. Clients may have a list of 10K and receive submission forms from a landing page from four prospects.
- Gathering the right data to make it relevant is the biggest challenge. No.
- Greatest challenge is to measure the ROI of each product based on traffic source. Specifically for large site with 400 to 500 products.
- Haven't really go to that, but we're aware of it.
- It depends on budget. Ideally we would duplicate the page for each major traffic source.
- It depends on the page. If it's necessary, yes. If not, we'll try to keep all of the info on the same page unless it gets overwhelming.
- It's hard to get the client to commit to split testing. Makes sense but actually feels really complicated to do. End up just using best practices from LPO research, wherever I can glean it.
- On my customer's site - try to create separate pages for everything and optimize each one as much as possible.
- Sometimes duplicate, sometimes catch sessions and log traffic routes and hidden fields in forms catching source page.
- Testing analytics to improve conversion rate optimization based on each incoming source.
- The challenge is in simplifying the page so that it can be adapted to different traffic sources, still minimize post-click dissonance, and maximize momentum toward conversion.
- We did not try to optimize for multiple traffic sources we instead opted for good content and read-ability and this worked well for us.
- We don't have the resources to produce multiple page content for display to different sources. That's our biggest challenge.

- We normally would duplicate a "successful" page if we determined that a traffic source needed a more relevant message. If client budgets or timelines are tight, we may add an additional message to the page (with one additional link) to "save" someone from another source - even though it is against best practices.

B2B insights: Addressing the challenges of multiple traffic sources

- Executive understanding of the value of the Web over print media.
- Creating a message that demonstrates real value.
- Different pages for each source would be my first choice.
- Duplicate the page for each source. It's a manual process in our CMS. The greatest challenge is know how. We don't have anyone on our staff that thinks about this but also has the knowhow to manage, create and execute such campaigns. and do the back end analysis. It's definitely a very weak point of our company.
- Dynamically change page content.
- Enabling relevance itself is a challenge. We're a small business, without significant available IT resources. We do what we can, but due to technical constraints, on multi-source pages we have to serve essentially the same content to all visitors.
- Getting buy in from management for time/expense.
- I don't think I understand the question. We sell engineered products to over 250 different industries. We use value propositions on our website to gather email addresses and contact names. We need to talk with our prospects at the design levels.
- Lack of internal resources.
- Lack of understanding and budget.
- My greatest challenge is internal resource issues.
- Not implemented yet. Need new CMS to do so.
- Our biggest challenge is first measuring the source of our incoming traffic. We have very little in the way of analytics to properly do this.
- Our content management system is not integrated with Site Catalyst. We do not duplicate pages, but we do have multiple navigation paths (by Industry, Service, User Role, Content Type) to get to the same content.
- Our entire website is home grown and customized. Since most of our pages are dynamically generated from a database and we are resource challenged, it is very difficult to create any custom pages. Also, due to our business model, we can't really make special offers. (We already offer heavily discounted everyday low prices to everyone with free support and a 30 day money back guarantee.)
- Our greatest challenge is implementing and maintaining.
- Our top level navigation is segmented based on audience.
- Relevant content and education process.
- Resources to create more than one version of a page. It is difficult enough to maintain a single version of a page.
- Shopping cart landing pages.
- Structure our marketing process.
- The landing page has been split on a random AB split test, yet with this test, the results prove the older one was the best. Traffic overall no matter where the source is from tends to convert better. Challenge would be to still improve a new landing page for new affiliate traffic.
- Tracking through to enquiry and then sale.
- We apply Google tracking codes to see where the traffic is coming from.
- We are generally able to dynamically generate pages relative to source, so this isn't really a challenge.
- We are trying to enable relevance to offer on the page the things we think the different personas are looking for.
- We don't duplicate pages for each source. the greatest challenge would be to segment visitors, or redirect them to proper content in case they're not seeing what they expect

- We duplicate the page for multiple sources, the problem is where to send them after land, how to show related products.
- We have areas of the page that are customized, but all traffic goes to the same page.
- We have not done this. Use the same page for every source, then use analytics to analyze the sources.
- We serve diverse niche markets, so optimizing for each is a challenge. We do not duplicate pages. We only tailor content for clicks from our email blasts.

B2C insights: Addressing the challenges of multiple traffic sources

- Attributing the conversion to the correct source.
- Capacity in IT/analytics. We use the same page across multiple sources due to lack of capacity.
- Didn't use segmentation in test in 2010 but will definitely use in 2011.
- Greatest challenge is knowing what all the statistics in GA mean and what I need to watch for and what is best to test, and how to ensure everything is working properly and what metrics matter.
- Having good test recipes already done - using these learnings to dynamically generate target pages based on traffic source, behavior, keyword etc.
- Identifying the source is the biggest challenge. Closing the loop on lead -> conversion -> client. We use tracking codes/redirects to log source information.
- Identifying whether one LP performs better than another for a particular traffic source.
- Not sure how much information customer has before arriving on that page. Have they been doing research or know about us or did they stumble upon us. Want to provide enough info on landing page, not too much or too little to scare people away.
- Technical issues in actually being able to manipulate the page. All, PCI DSS security concerns have given IT lockjaw in allowing us to run any sort of scripting on the site - which also slows down our ability to test.
- Time, budget.
- We create static duplicate pages to track referring sources; very seldom changing / optimizing copy - no time!
- We don't currently do it - but it will be to get the necessary creative resources to design the different pages in conjunction with marketing.
- We don't do much with relevance, although we should. We provide them the same content even if they come from a different source.
- We try to duplicate pages for different events and for each medium where the traffic is coming from to purchase tickets to these events. i.e., Newspaper/and their online portion has their own landing page, TV has their own built landing page, social media, etc.

B2B2C insights: Addressing the challenges of multiple traffic sources

- At this time we use one page for each product and don't differentiate between sources.
- Challenge is to improve traffic and relevancy.
- Currently platform provides very little flexibility in terms of segmenting for relevance.
- Enough time or people to do it.
- Getting our landing page to read where the traffic is coming from.
- In cases where we receive traffic from multiple sources, we duplicate the page but change the offer.
- Our organization is small and our main challenge is in manpower time that can be allocated to the optimization functions.
- Our website is not set up for with LPO in mind, so we definitely have a disadvantage with tracking and optimization. We are considering a refresh of our website if budget dollars allow this year. We occasionally duplicate pages so we can track ROI from specific ads or calls to action.

- Trying to target a consumer without knowing anything about them. Use CMS to serve up different content based on behavior.
- We do not have the resources to differentiate between traffic sources. Every customer sees the same thing.
- We don't. It's a simple website with a simple approach, and that stance is hard to shake in management.
- We only add a [URL variable] to the end of the URL, so we can measure the traffic generated more precisely.
- We use tabs primarily to divide the page for traffic.
- What you see is what everybody gets.

CHAPTER 7: LANDING PAGE OPTIMIZATION TACTICS

The previous chapter focused on strategies that turned marketers' thinking from "How do we drive more people to the website?" to "What do the website visitors want?" Chapter 6 discussed tactics that marketers use to analyze existing website traffic, define meaningful segments, assign value to them and then develop website experiences especially for select segments, matching their preferences and motivations.

From the business perspective, these strategies are about maximizing the return on the website visitor's implied interest in the offer – implied by the very decision to visit the website, whether in response to an ad, a contextual reference, a direct request (e.g., email) or offline channels.

This chapter transitions to more tactical considerations for the website itself, in terms of the pages and page elements that make up the visitor experience. For many marketers, this means getting into "Web design," which is broadly comprised of creative and technology aspects (certainly very broad generalizations, but sufficient for the present purpose). These creative and technological sides of Web design often have no objective – a key distinction from LPO as a marketing function. More recently, terms like "design for conversion" have surfaced to bridge the gap between uniquely digital marketing needs and purely aesthetic thinking in Web design.

As discussed in Chapter 1, the objective is the essential first step for marketers in developing or changing the website. The second critical step in website optimization is the understanding of visitor preferences and motivations as discussed in Chapter 6. Only with those first two steps completed, can changes to the actual pages become meaningful and deliberate. To use this chapter, the reader cannot skip those first two steps.

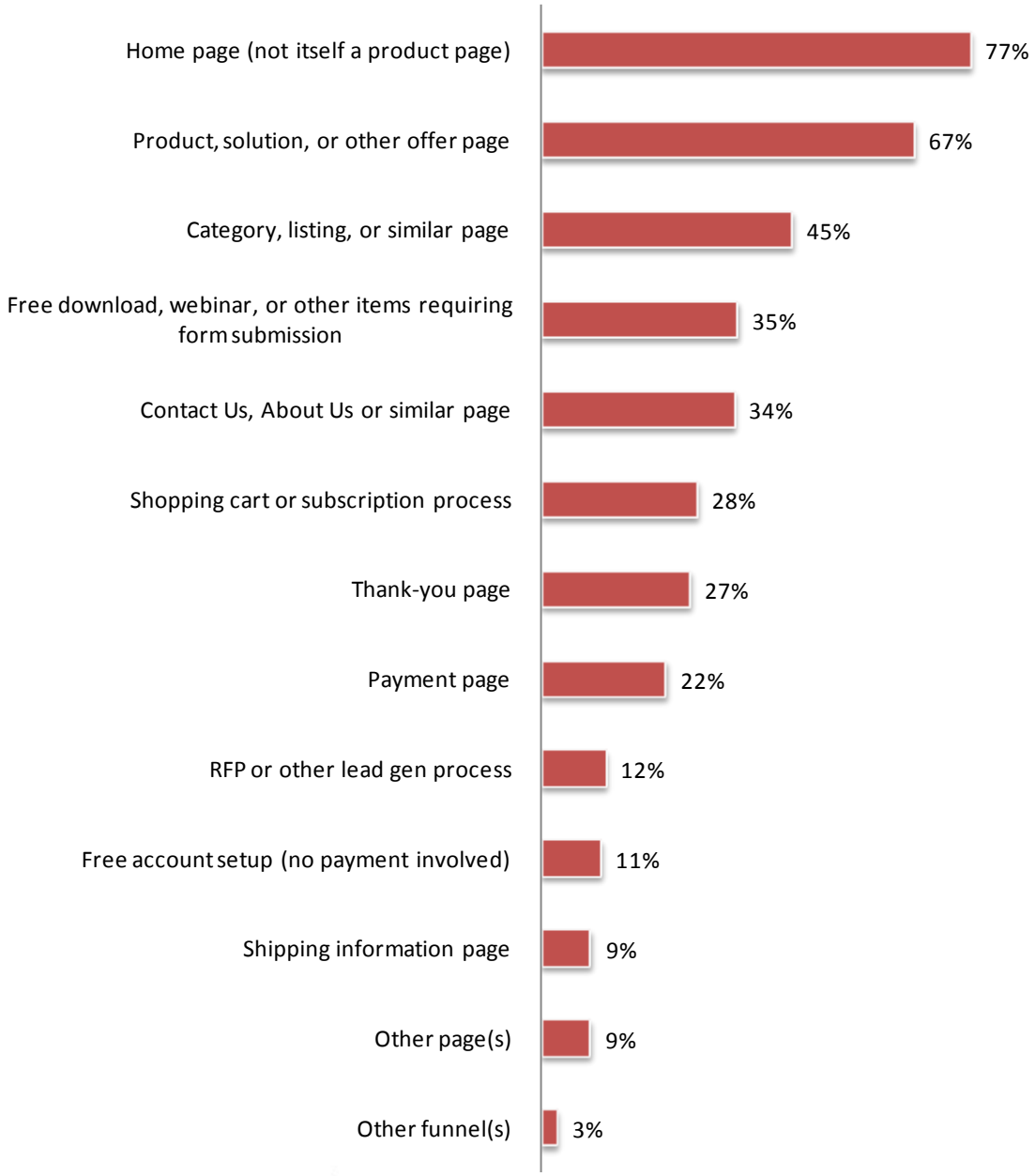
However, readers may be better served by using the data in this report as a starting point for developing optimization practices unique to their objectives and visitor segments. Moreover, the tactics and practices presented here, based on other marketers' experiences, must be checked against a thorough analysis of Web analytics and other relevant data discussed in Chapter 5. This analysis is needed to identify and prioritize specific optimization opportunities – the infamous "leaks" in the conversion funnel. While the aggregate and segment-specific priorities of other marketers serve as directional guidelines, the strategic approaches described earlier in this report must be combined for the planning and prioritization of optimization efforts for specific page elements, pages and processes.

On the other hand, the amount of research and analysis required to determine priority of optimization projects can be a resource-prohibitive challenge. As we saw in Chapter 2, the requisite expertise and resources needed for data analysis can deflate LPO hopes. This is where benchmark data can be especially useful. In addition to the broad objectives of the website as a whole, each page or tactic has an implied objective by its very nature (e.g., the objective of a *payment page* is to collect payment), which makes the practices presented here transferable. Likewise, the sensitivity of each item to optimization is its intrinsic property. For example, data shows that button design tends to produce significantly less impact than its location when optimized. Finally, the difficulty involved in optimizing each item in this chapter must be taken into account. Achieving a positive ROI, which was discussed in Chapter 3, is not necessarily all about the conversion lift. It also involves taking into consideration the resource investment into LPO efforts. Especially for marketers making their first steps toward establishing an LPO practice in their organization, investing minimal resources for a demonstrable gain is critical.

11 KEY PAGES AND FUNNELS OPTIMIZED IN 2010

Q. 18.0 - Which of the following pages/processes has your organization worked to optimize in 2010?

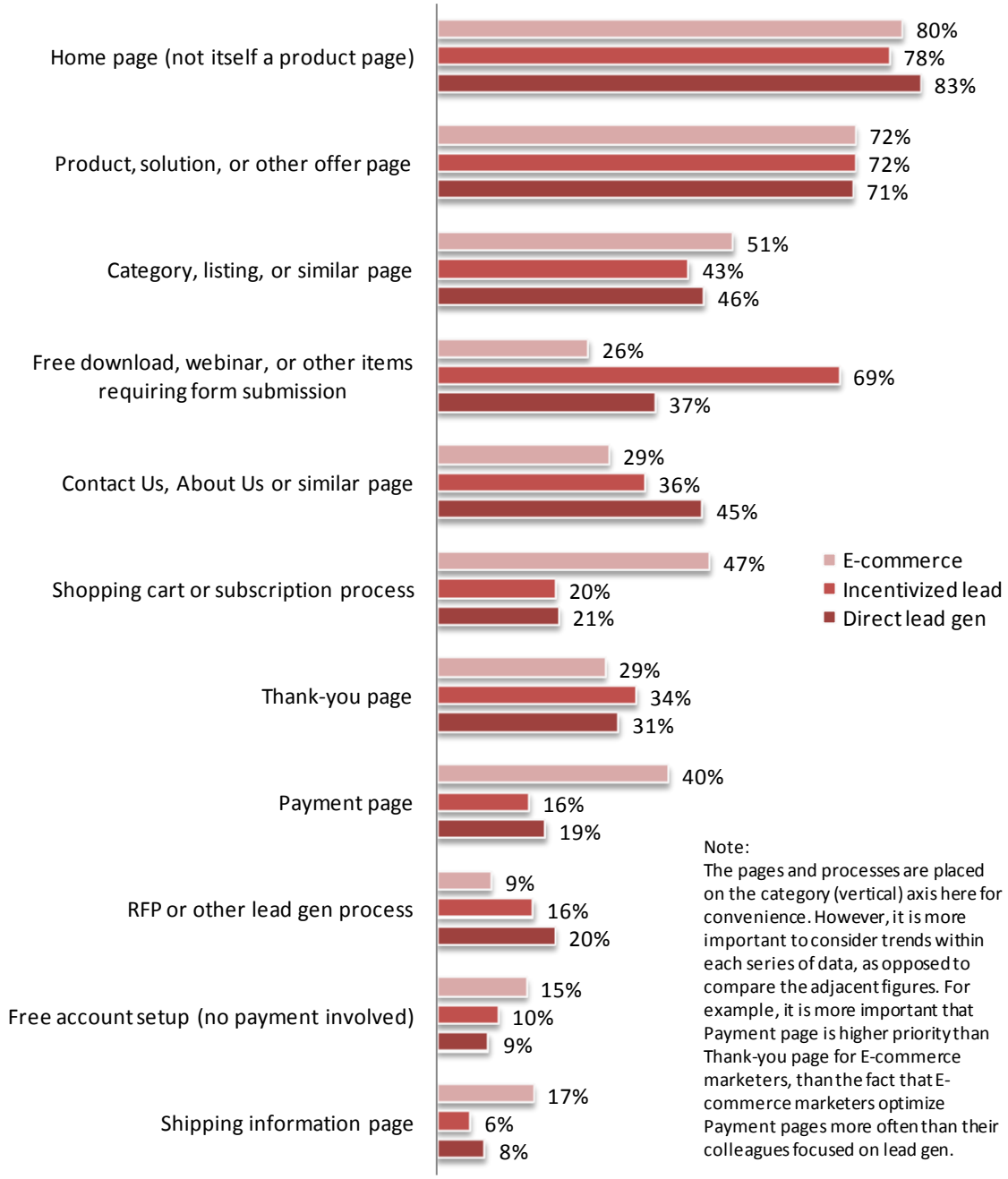
Chart: Pages and funnels that marketers optimized in 2010



Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

The popularity of the pages above must be considered carefully, as some pages have different meaning for different websites (segmented on subsequent pages), while others may not apply (e.g., not all websites have *category* pages). Marketers tend to prioritize value messaging pages over the more transactional ones, even though the latter are seen as having a more direct impact on the conversion rate metric.

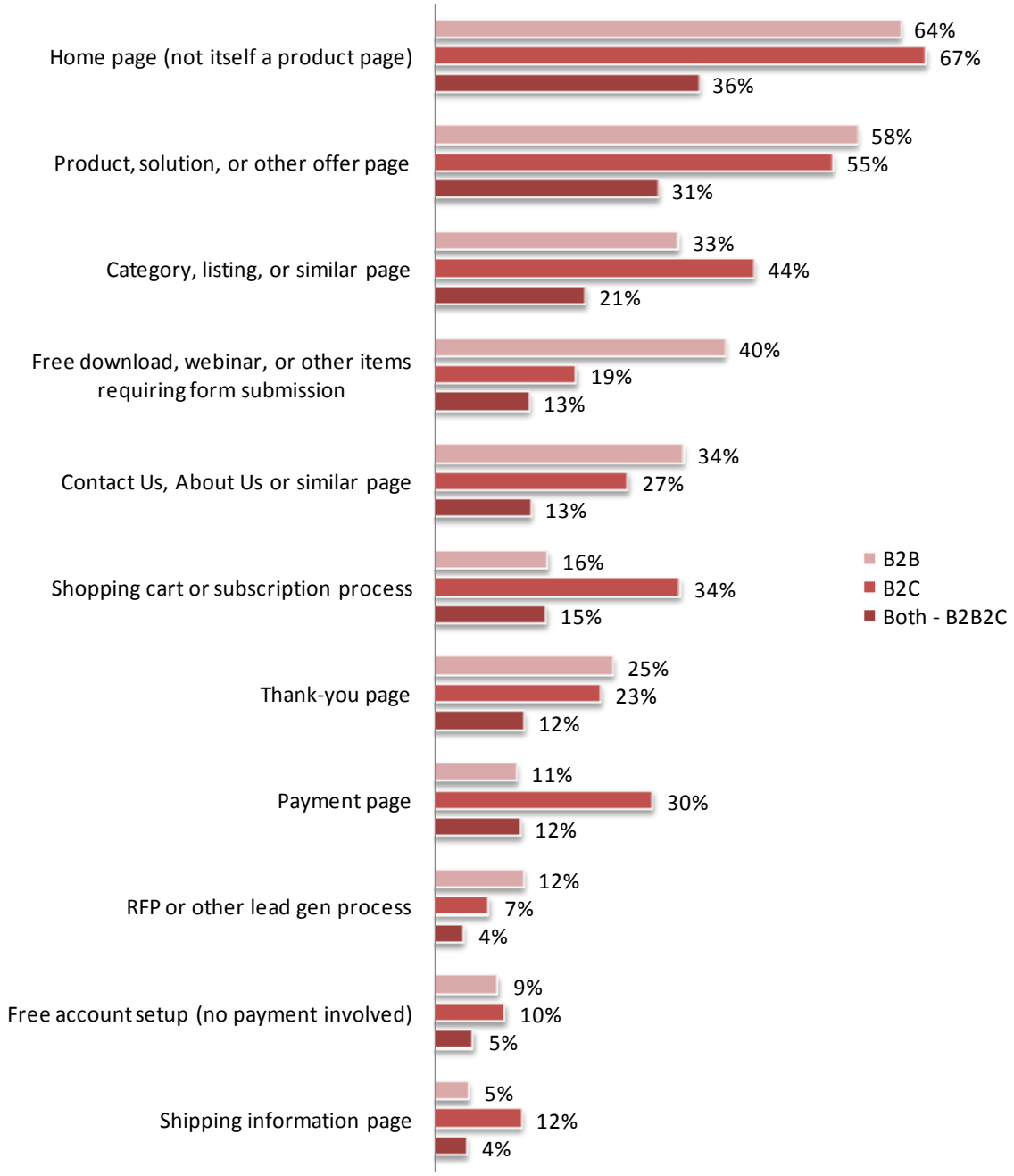
Chart: Pages and funnels that marketers optimized in 2010, by website objective



Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

Aside from predictable deviations that reflect the priorities and existence of pages with respect to different website objectives, the three segments follow a similar top-to-bottom trend. While transactional pages are more directly linked with conversions, marketers are finding less substance to optimize (e.g., messaging). However, the implementation of any changes to transactional pages is more resource-intensive, affecting the programming of form and flow logic.

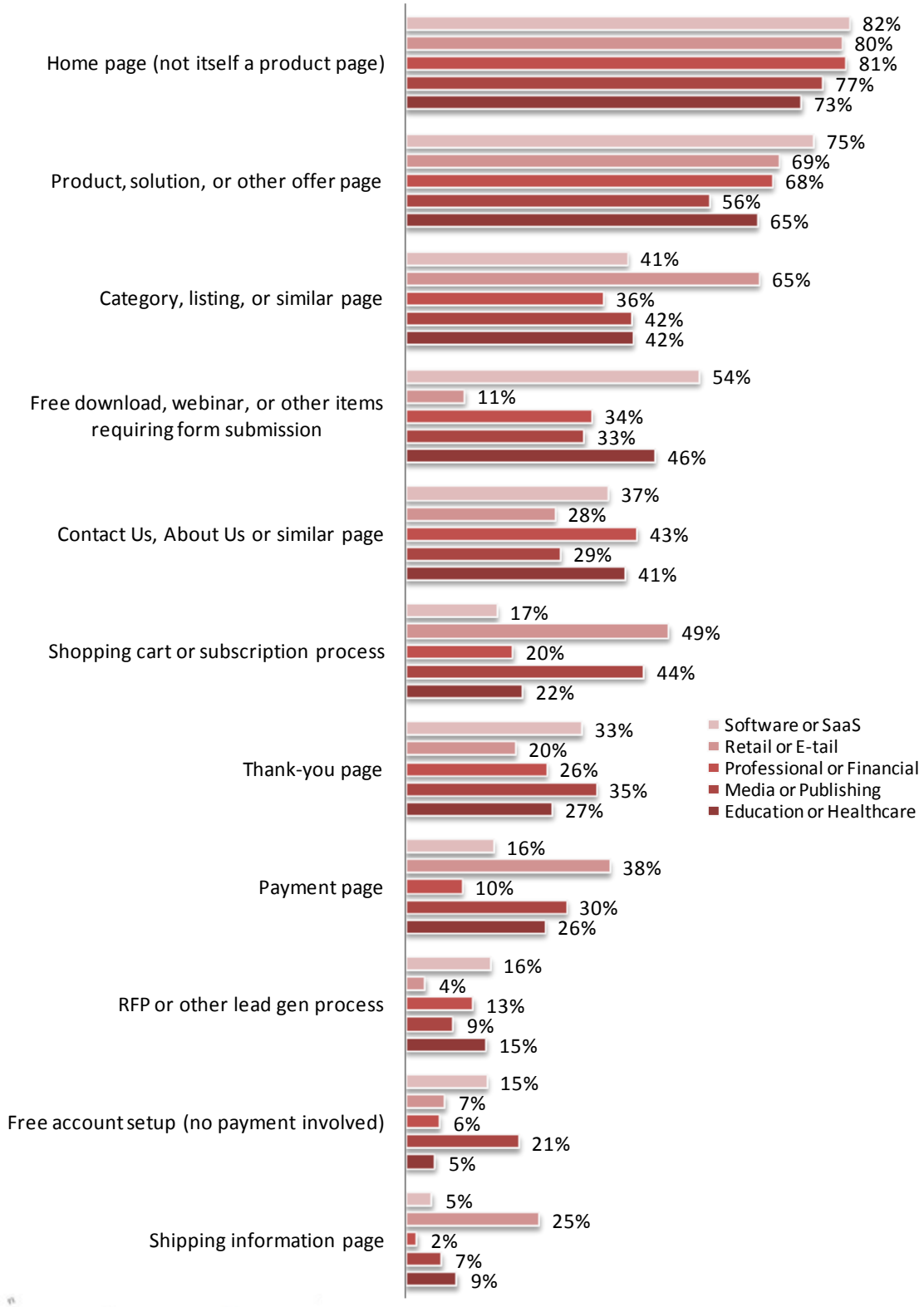
Chart: Pages and funnels that marketers optimized in 2010, by sales channel



Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

With respect to sales channels, the same trend continues. From the data analysis perspective, pages near the top of the website flow receive more traffic, and therefore appear to have more leverage. However, in optimizing or testing these pages, it is critical to monitor how they affect step conversion rates near the end of the funnel. The quality of visitors (see Chapter 6) to the later steps can be dramatically altered by changes to the earlier steps, and the overall conversion rate change would be in the balance.

Chart: Pages and funnels that marketers optimized in 2010, by industry



Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

Optimizing the pages at the top of the website flow is clearly more popular among marketers than optimizing the rest. While the reasons stated earlier (more substance to optimize, less programming to break) are important, marketers must also take into account their own analysis of key conversion "leaks" and give those pages higher priority.

However, this does not have to be an "either-or" choice. Testing multiple variables is more demanding (discussed in the next chapter), but testing combinations of top- and bottom-of-the-funnel pages can be more effective because testing them separately can create inconsistent experiences that decrease performance. For example, an optimized product page can produce more clicks to the payment page, but if it was optimized in a way that made it inconsistent with the payment page, the latter will experience an increase in the exit rate. Testing combinations of pages produces data that reflects not only the performance of each individual page, but also their influence on each other. Whether testing is employed or not, marketers need to consider the website visitors' entire experience, and keep consistency in mind when a part of that experience is optimized.

If marketers must change one page at a time, starting at the top still makes sense. Even if gains at the top of the flow initially decrease the performance at the bottom (and even in aggregate), the conclusion is not necessarily that the optimization attempt failed. The next step should be to optimize the pages at the bottom to bring them in line with the changes at the top. Only then can an informed decision be made. However, it is important to realize that the entire process may need to begin anew if the second step fails to produce a positive outcome.

Insofar as each page or process' impact on the website performance is driven by factors unique to each site (see intro to Chapter 6 for a discussion of an aggregate conversion rate) and is accessible to marketers via Web analytics, this section does not benchmark impact or effectiveness. The latter is provided for page elements and tactics, reflecting their intrinsic influence on website performance that can be generalized.

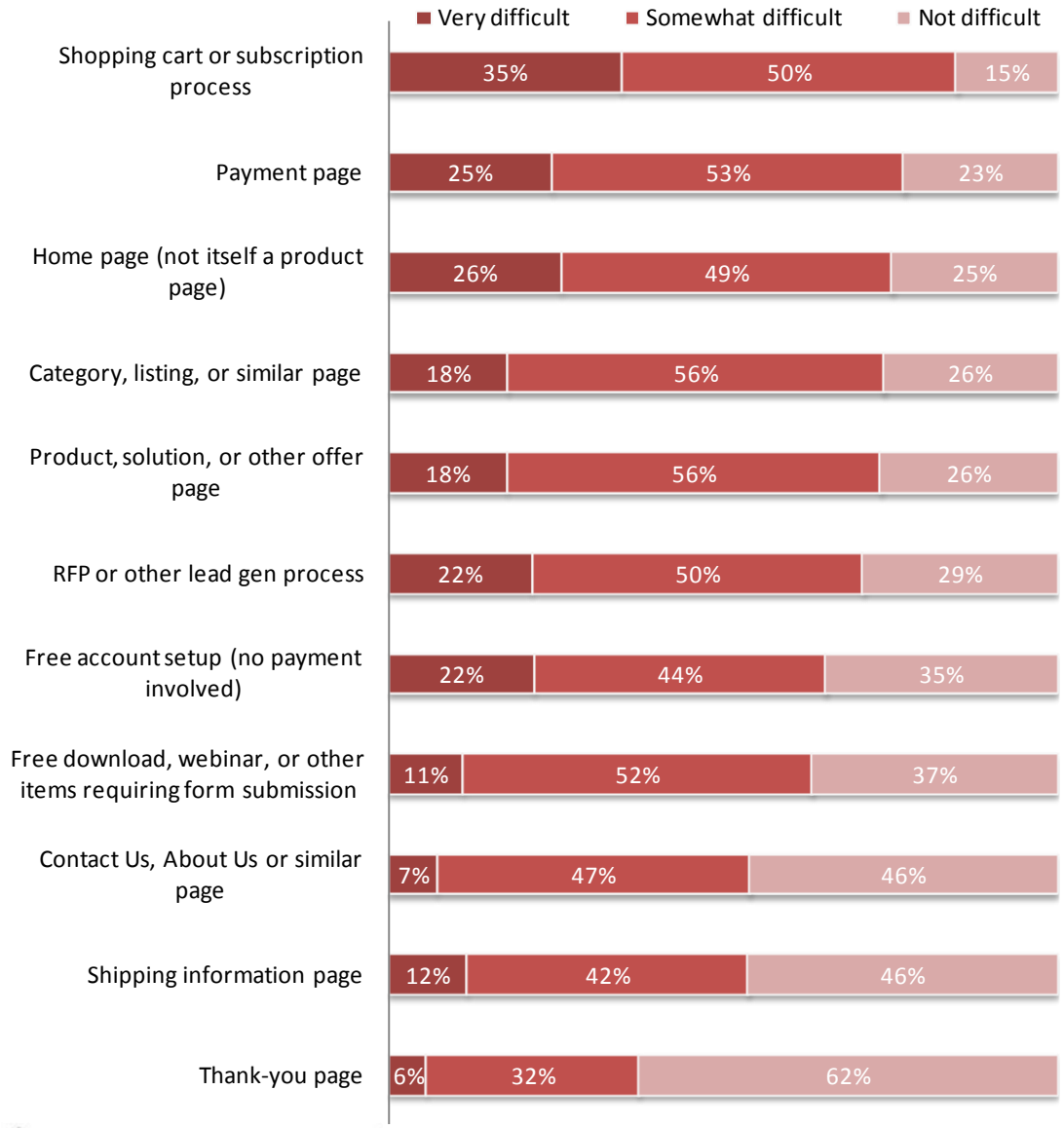
Marketer insights: Other pages and processes optimized in 2010

Selected "Other" answers to Question 18.0.

- 404 error page
- Site search results
- Advanced product search
- Directory optimization
- Allow guest purchase (minimal info required)
- Appointment request, Find a doctor functionality
- Comparison chart
- Pricing
- Cross-up, up-sells, retention
- Donation process
- Event materials, resource library
- Event registration
- FAQs
- Competition and social page
- Customer review page
- Articles / community
- Blog
- Facebook page
- Loyalty program
- My Account pages
- New constituent pages
- Secure financial application
- Online quote tool
- Quote results page (we're an insurance company)
- Product configurator
- Product customization checkout steps
- Product registration
- Rewards
- Segmenting leads to proper business units (B2B)
- Portfolio
- Corporate services description
- Services/biographies
- Team page
- Special offer (time-limited) pages
- Splash pages
- Survey
- Post survey submission page
- Video with form

Q. 18.1 - For pages you optimized and/or tested in 2010, what was the difficulty level in terms of time and resources?

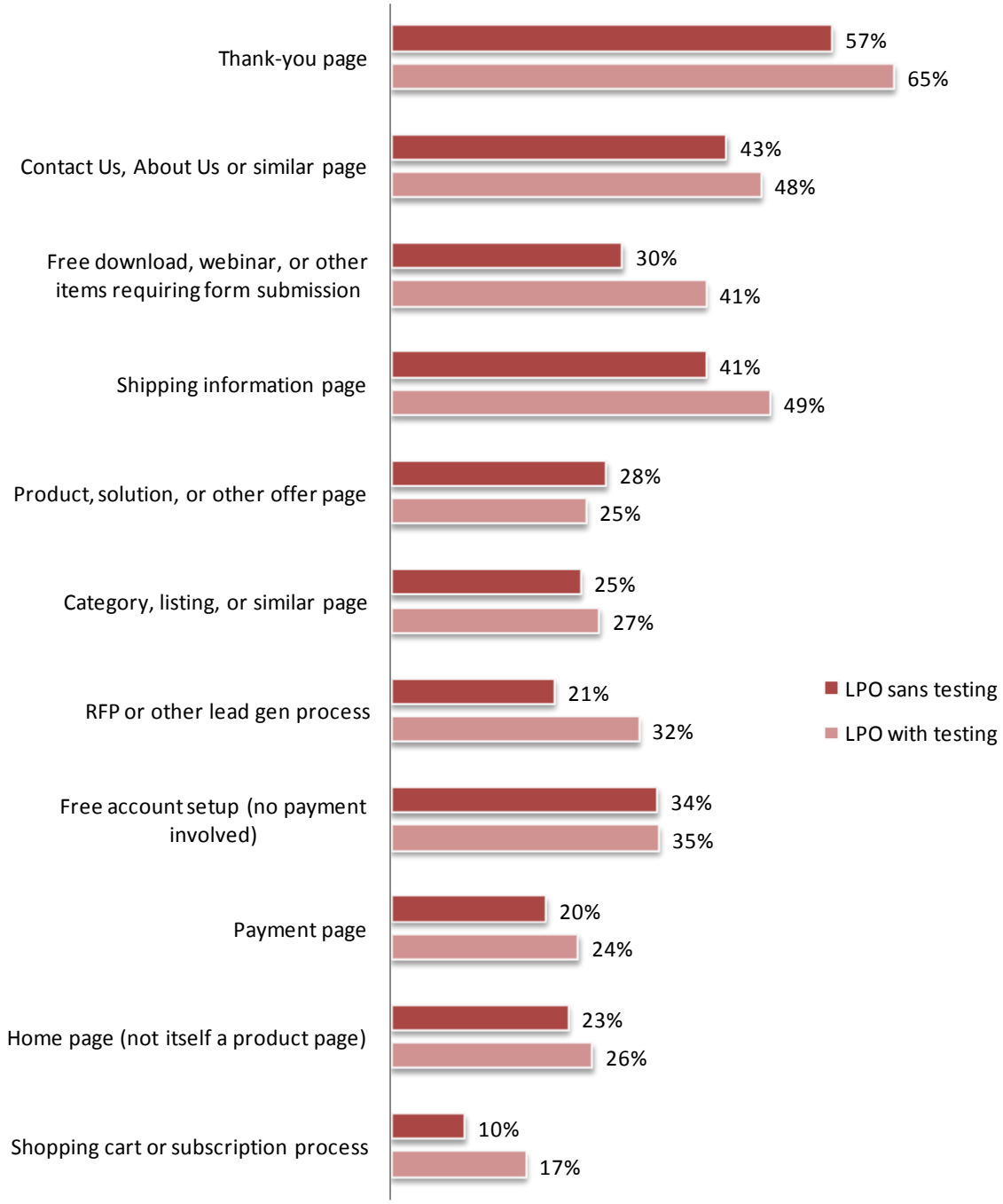
Chart: Difficulty level of optimizing a page or funnel in 2010



Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

Pages that are not typically focused on processing a form are rated the easiest to optimize, while the ones that rely on sensitive and complex transactions are among the most difficult. Any development-intensive pages add research into the feasibility of changes, organizational friction (heavier IT involvement), and longer quality assurance cycles into LPO projects. The homepage can be especially difficult for other reasons. On one hand, optimizing for many different segments (see Chapter 6) is challenging, and the homepage cannot avoid mixed traffic. Also, this page is often the battlefield of internal turf wars between stakeholders of various campaigns and products. Finally, SEO rankings can be dramatically affected by changes on the homepage, making testing especially cumbersome.

Chart: The ease of optimizing a page or funnel in 2010, by LPO practice

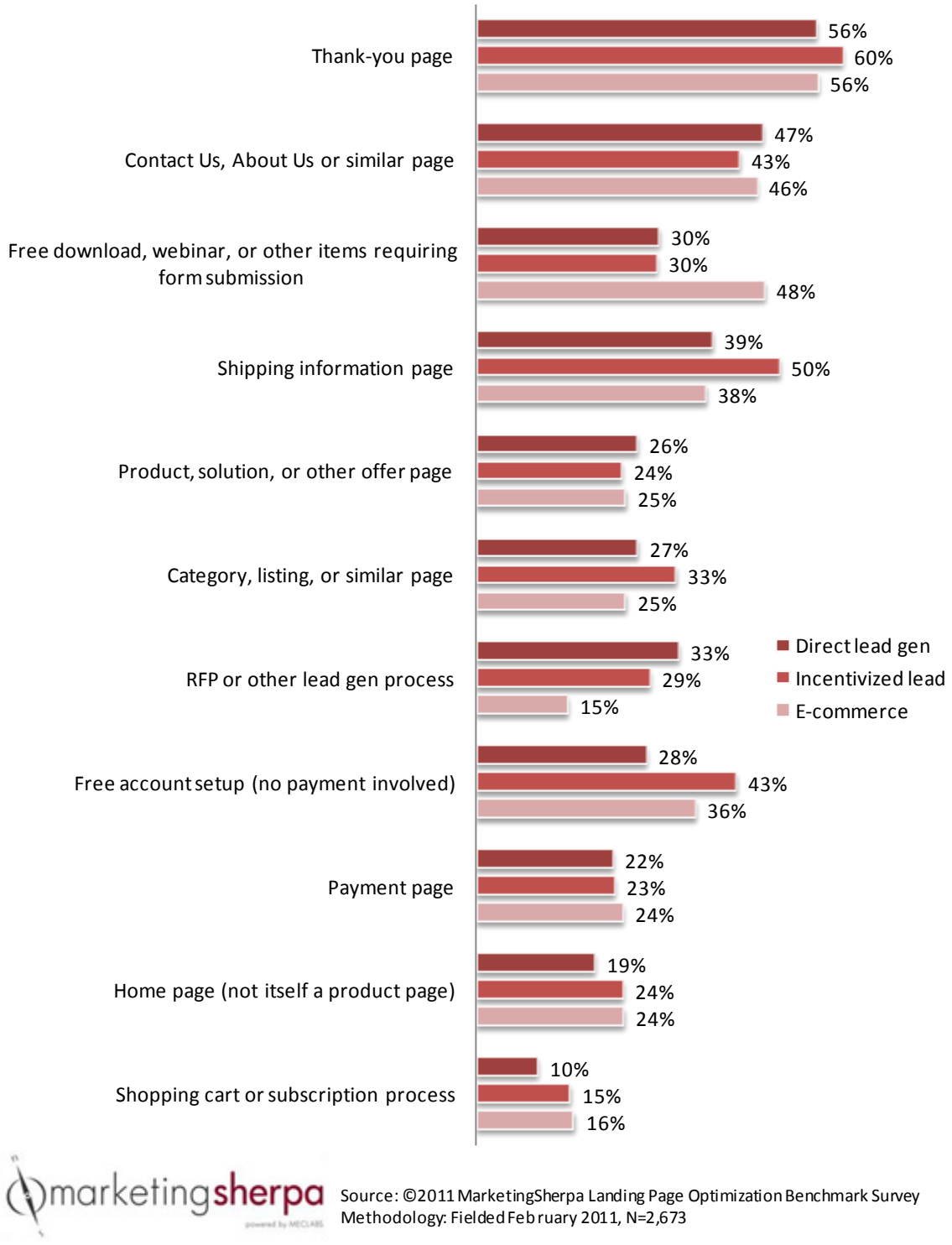


Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

It appears that overall, marketers who test find less difficulty with optimizing pages and funnels across the board, since testing is typically performed in organizations, where the challenges to optimization and testing discussed in Chapter 2 are significantly diminished. Also, some of the differences result from dealing

with very small sample sizes (such as when accepting RFPs), which preclude testing and make the optimization process frustrating due to difficulty in measuring and interpreting results.

Chart: The ease of optimizing a page or funnel in 2010, by website objective

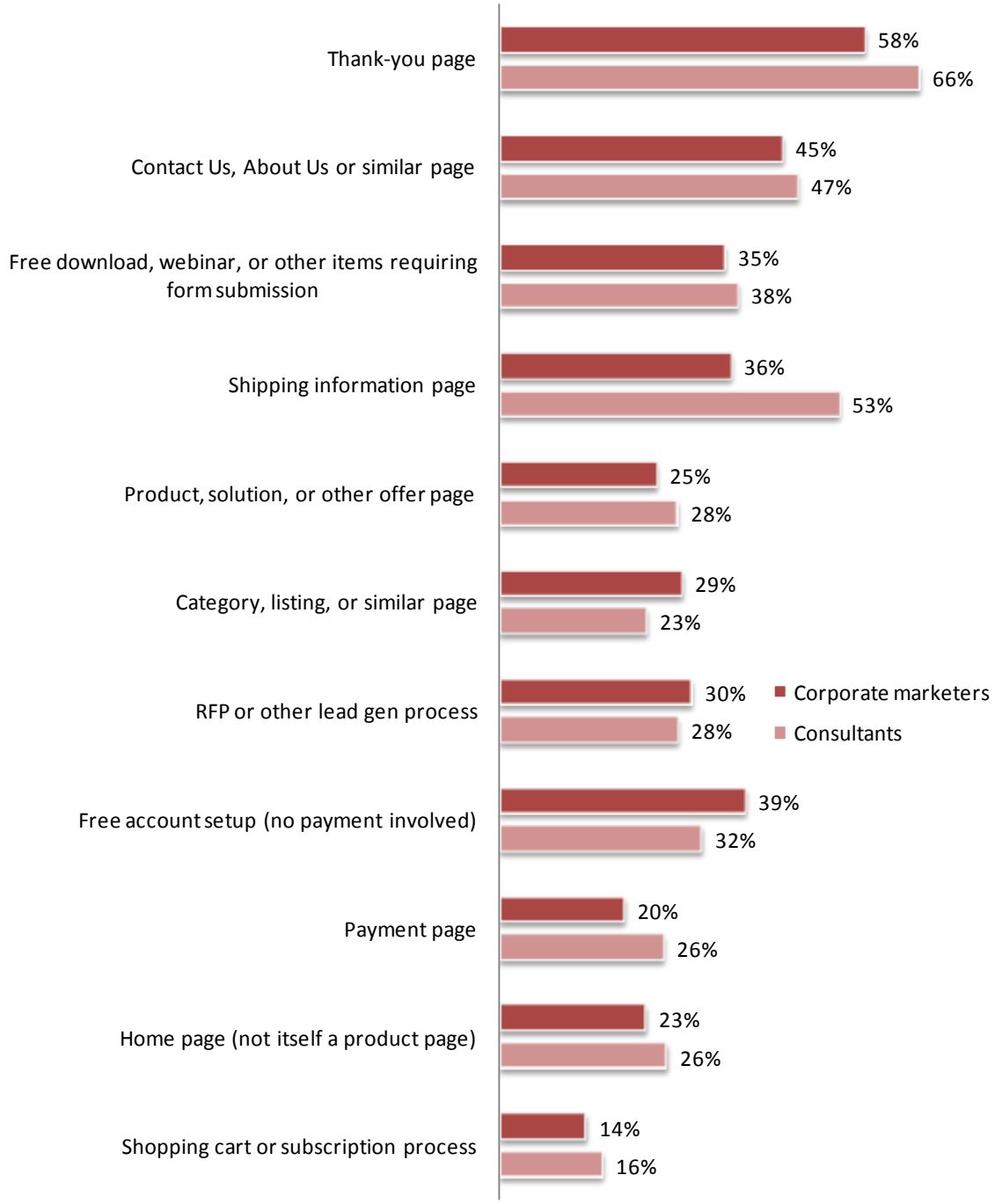


Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

E-commerce marketers, who are more likely to deal with technologically complex systems, find sub-processes, such as free account setup, easier to optimize than parts of the core e-commerce engine. In contrast, lead gen marketers find their core processes easier to optimize than their offer pages, compared

with the aggregate trend. Since the lead gen forms are typically simpler than e-commerce carts, the technology appears to be a key driver for the difficulty level attributed to optimizing a given page.

Chart: The ease of optimizing a page or funnel in 2010, by corporate vs. consultants



Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

There is no general trend in the difference of opinion between corporate marketers and agency consultants on the perceived difficulty of optimizing each of the pages and processes above. This suggests that the essential differences in core LPO resources between these two groups – available expertise and dedicated data analysis personnel – are not the primary drivers of an LPO project's difficulty level.

MARKETER INSIGHTS ON PAGE- AND PROCESS-SPECIFIC LPO PRACTICES

19.0 - What are some of the page-specific optimization tactics that have been especially successful (or un-successful)?

Marketer insights: Successful LPO practices without testing in 2010

- What was hard to do was to get the organization on board to agree on what our navigation would be and testing that proved a nightmare.
- Shortening the text to be concise and simple, using keywords.
- Making it easy to see price before you purchase.
- Cleaner, whiter page, with more space. Consistent menus and look throughout site.
- Click Tale to show click behavior - unfortunately not enough time to follow this through.
- Color combinations and balance. Better headlines. Better calls to action.
- Creating a better value proposition on the homepage with compelling copy.
- Creating compelling copy for the call to action.
- Expand/collapse menu nav. is cleaner and seems to be useful to users as it allows them to see exactly where they are on the page and in relation to the site.
- Integrating competitors' keywords, reinforcing marketing keywords versus consumer slang.
- One-step shopping cart.
- Order of steps for a process.
- Number of pages required to complete a process.
- Information provided during various steps (confidence factors).
- Quality content relevant to page title.
- Remove excessive content, highlight main items.
- Selection and usage of keywords after keyword research
- Separating text from graphics.
- The homepage calls to action have been difficult.
- Too many buttons/distraction to click on.
- Text written for clients, not for candidates.
- Turning the payment process into a one-page only instead of three pages has been successful.

Marketer insights: Successful LPO practices by testing practitioners in 2010

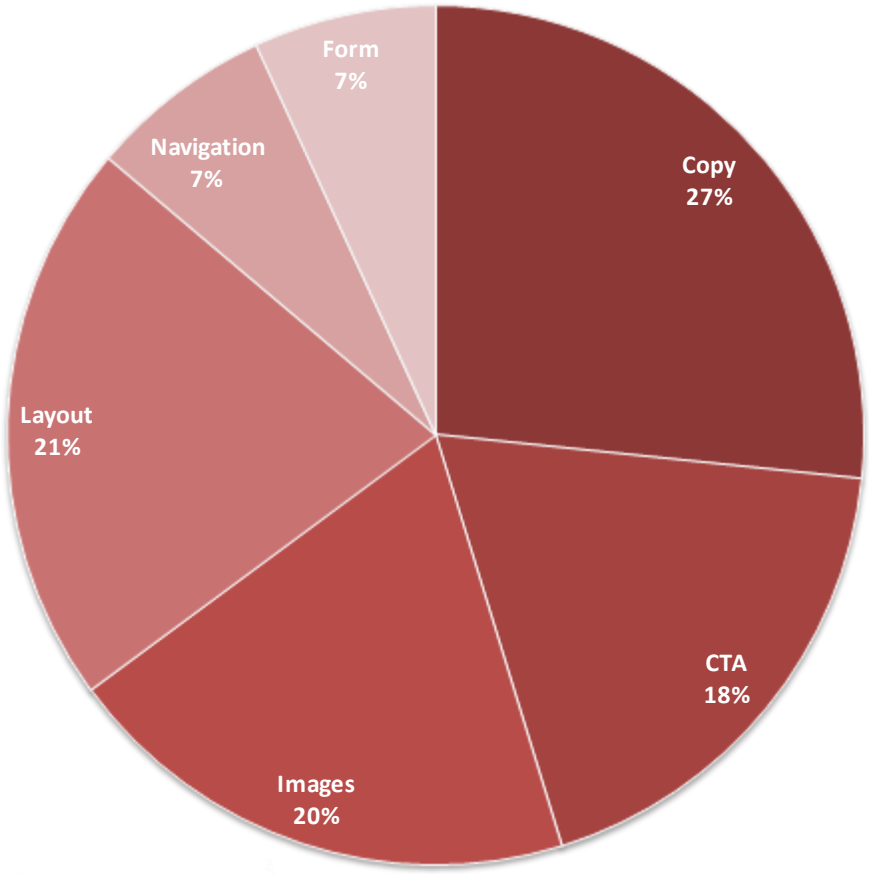
- 1. Bullet points instead of paragraphs. 2. Real value, no fluff, free offers. 3. Free chat with guaranteed honest answers.
- Added customer logo – successful. Added price information to LP – successful. Combined offer as against single offers – unsuccessful.
- Better design layout. Inclusion of testimonials with photos. Testing different headlines.
- Addition of video testimonial on homepage and landing pages, addition of guarantee seal on product and category pages, value seals on product pages.
- Call-to-action, address issues against purchase.
- Changing the number of fields was slightly successful.
- Clearer CTA. Removing clutter from client sites. Obvious buttons. (Removing things that look like buttons that aren't.) Running in-house screen grab user tests and platforms like Clicktale.
- "Freemium" rapid conversion landing pages.
- Hero images on category and listing pages fostered more exploration of our website. Putting our primary call-to-action in the above-the-fold space facilitated click through on the product pages.
- Increasing the graphics of pricing, moving towards a pricing grid with incremental package levels. Designing homepage as a gateway to segments - industry or product specific.
- Mainly testing copy vs. graphic layouts; testing headlines and offers.
- Making images clickable, adding underline to links. Moving call-to-action above the fold.
- Optimizing the homepage to promote products.
- Page content optimization (mainly un-cluttering), page copy (mainly shortening), design (better positioning, better colors, better labeling), code optimization (for fast loading).

- Redesign of homepage led to higher clickthrough to desired content. Search engine optimization of service pages did not result in higher search engine rank or traffic.
- Reducing required fields in form submissions - successful.
- Reducing shopping cart steps.
- Reducing text to bullets. In some cases making the site look more basic and less slick worked well for clients who sold printing services in a competitive location.
- Removing distractions and link exits from checkout page has been successful.
- Successful = carrying value prop throughout checkout process and product comparison page.
- Target content. Less is more. Measure what maximizes engagement, strip away all else.
- Typically tests involving messaging, structure and credibility are more likely to result in positive gains. Aesthetic changes rarely move the needle.
- Very successful: limiting the number of products shown (fewer is better).

17 PAGE ELEMENTS OPTIMIZED IN 2010

Q. 9.0 - What page elements did you focus on optimizing in 2010?

Chart: Key page element categories that marketers optimized in 2010

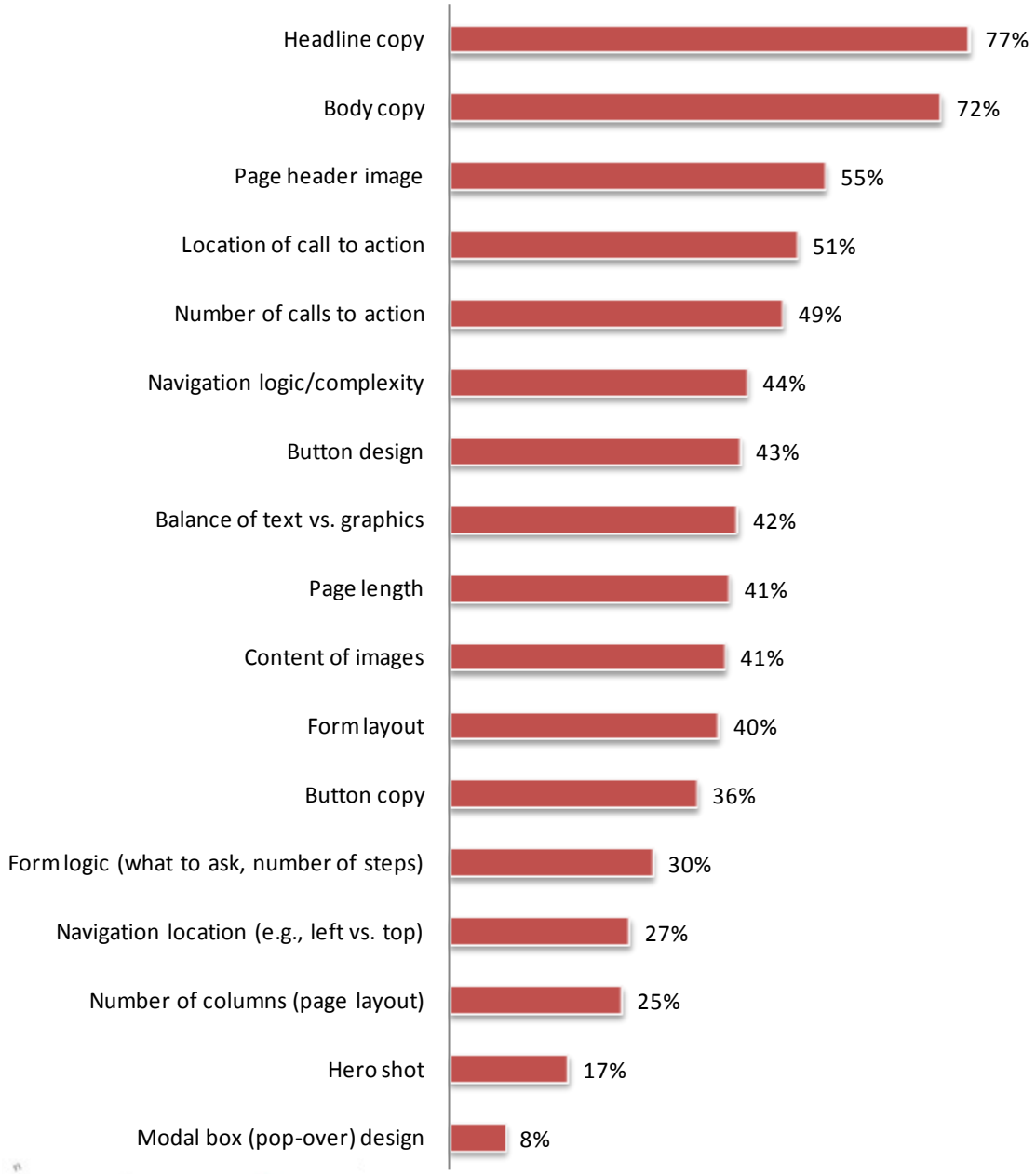


Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

Comparing 17 individual page elements provides welcome granularity, yet at the same time can obscure the general themes that can help develop LPO plans. To help the reader first get a general idea of where LPO practitioners focused their efforts in 2010, the above chart aggregates page elements into five universal categories. Some page elements fit into multiple categories, and the figures above represent relative "weight" or prominence within the LPO landscape, rather than a portion of practitioners.

Clearly, marketers are focused on copy as the primary driver of messaging that leads to conversion. The call to action (CTA) is a special category of page elements that encompasses buttons and other ways the visitor is invited to interact with a website. Unlike the rest of the copy and images, the CTA typically consumes a very small portion of page real estate, yet it is optimized almost as often as the literally "larger" layout and image categories. Navigation is a narrower category, and its potential for programming complexity makes it a less likely optimization candidate, yet poor navigation is a common reason for losing website visitors, as measured by a low page depth and time on site metrics. Like navigation, optimizing forms is also encumbered by technological complexity. In addition, both navigation and forms are not as ubiquitous as the other categories, leading to the lower figures above.

Chart: Page elements that marketers optimized in 2010



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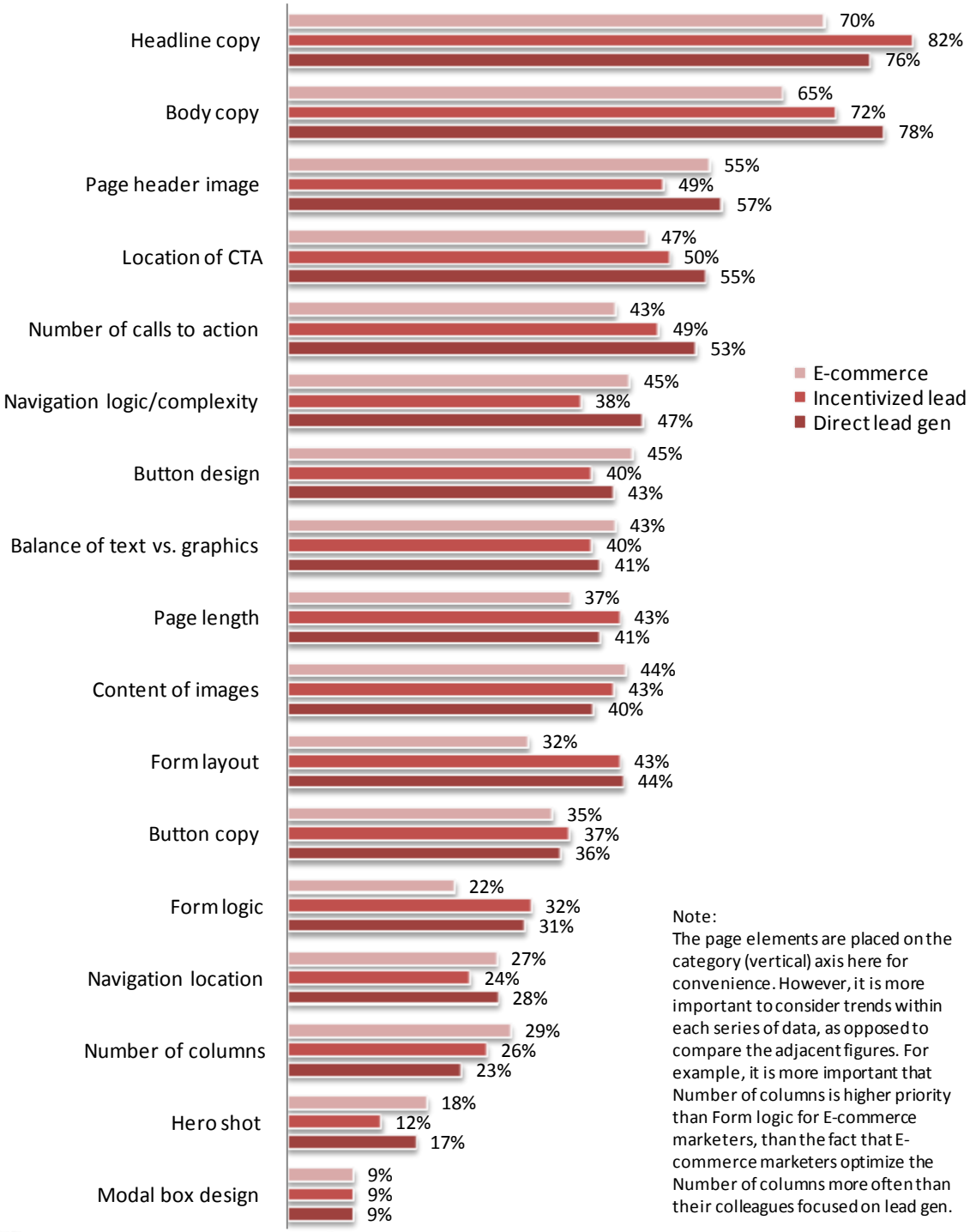
Even more than the different pages and processes analyzed earlier, individual page elements have their own intrinsic objectives, and each one could reasonably warrant its own benchmark report. Boiling down LPO practices to individual page elements means aggregating highly varied scenarios. The two segment breakouts that follow broadly demonstrate this and, regardless of website objective and sales channel, the items above are prioritized similarly. At the same time, the trends indicated by this data are invaluable as directional support for planning LPO efforts. Certain elements are website-specific, making their usage level reflected above a blend of their perceived value and applicability. For individual readers this is not a problem – items can be selectively ignored if they do not apply.

Chart: Page elements that marketers optimized in 2010, by website objective



Note:
The page elements are placed on the category (vertical) axis here for convenience. However, it is more important to consider trends within each series of data, as opposed to compare the adjacent figures. For example, it is more important that Number of columns is higher priority than Form logic for E-commerce marketers, than the fact that E-commerce marketers optimize the Number of columns more often than their colleagues focused on lead gen.

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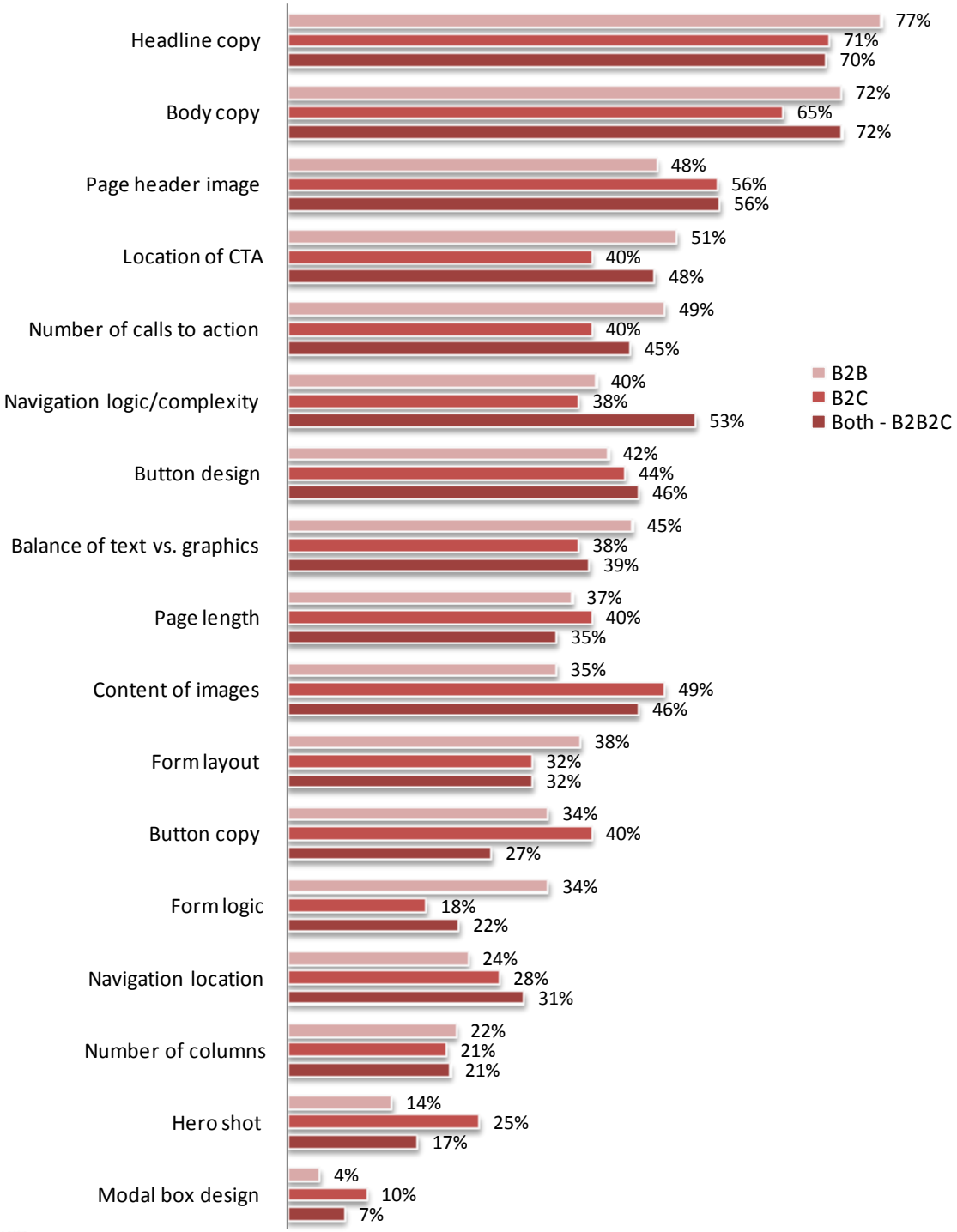
Methodology: Fielded February 2011, N=2,673

Within the scope of this report, the items above are presented for reference and directional planning, but itemized analysis is not meaningful outside of specific website details. When planning LPO projects, the usage data above should be applied as a checklist of elements to be considered for optimization.

Chart: Page elements that marketers optimized in 2010, by sales channel



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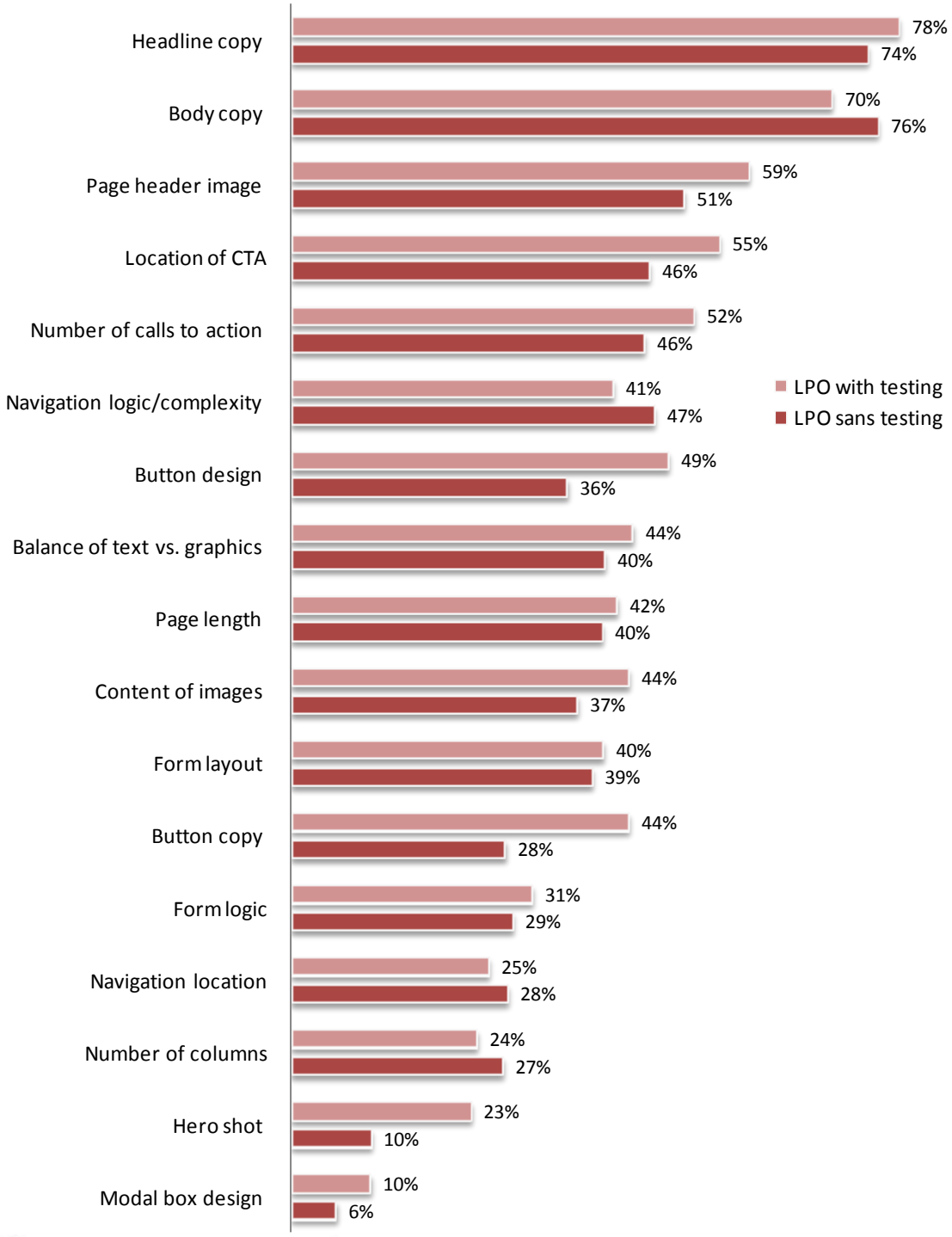
Elements containing images are highly prioritized by B2C marketers, compared to the aggregate trend. Testing images can produce quick, dramatic results (in either direction). Combined with ease of testing in terms of technology, it is critical to conduct at least a sequential test before deciding on an image.

Chart: Page elements that marketers optimized in 2010, by LPO practice



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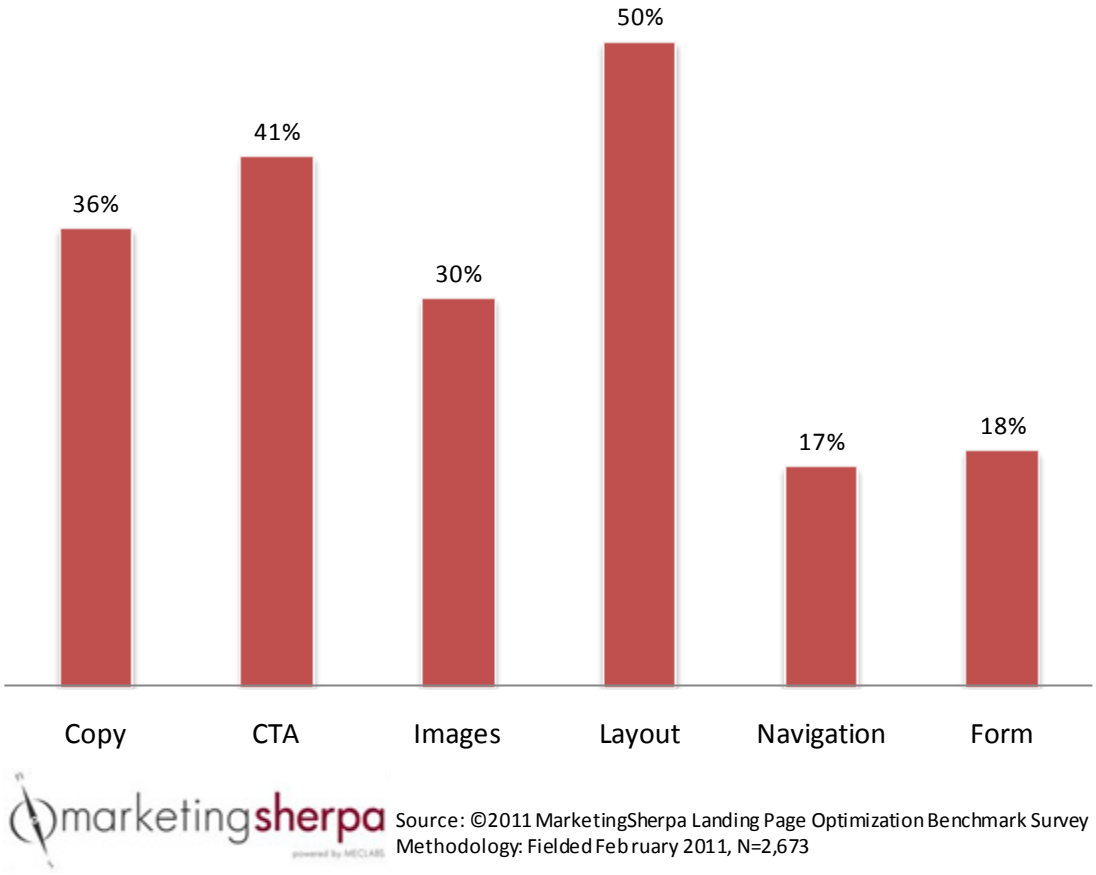
With respect to the respondents' testing practice in 2010, the frequency of optimizing each element above is markedly different. The higher usage of an element by testing practitioners indicates greater likelihood of being able to create simple treatments for A/B testing, without complex development work involved.

Q. 9.1 - For each page element selected above, how much impact did optimizing it have on the overall website performance?

Chart: Aggregate incidence of "very significant impact" of page elements by key category



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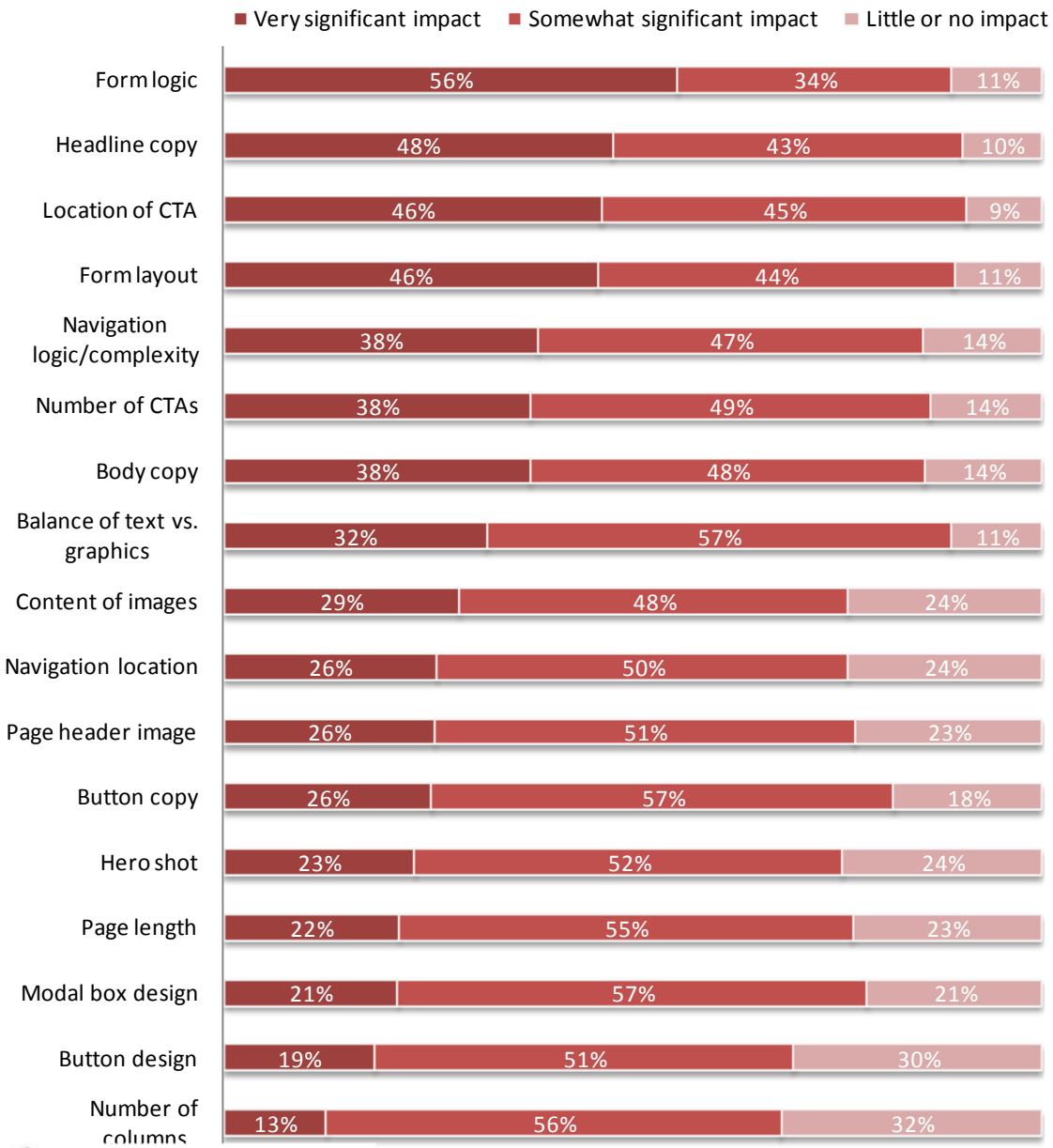
Methodology: Fielded February 2011, N=2,673

Layout, while probably the broadest category represented above, nevertheless produces the greatest impact on website performance. While the more specific building blocks of messaging – copy and images – can certainly produce a high impact, their ability to do so depends on their absolute placement on the page and their relative placement with respect to other messaging.

Page elements that alter the layout – or the order of presentation – of messaging or interaction with the visitor also change the order in which the visitor processes various aspects of the offer. In Chapter 6, we discussed optimization as a methodology for matching visitor preferences and motivations. The impact of page elements or tactics discussed further in this chapter is measured by marketers in terms of bottom-line website performance (see Chapter 5 on KPIs). However, the way this impact is generated lies in the interaction between the website and the visitor. With a human on one end of the interaction, it has characteristics of human relationships and conversations – modes of engagement now championed (and perhaps proven) by social media marketing and PR practitioners. The layout of the page structures this conversation, leading the visitor in a logical order through the decision making process. This core function of the layout is responsible for the high impact of page elements and tactics that shape it.

Chart: Impact of optimizing a specific page element on website performance in 2010



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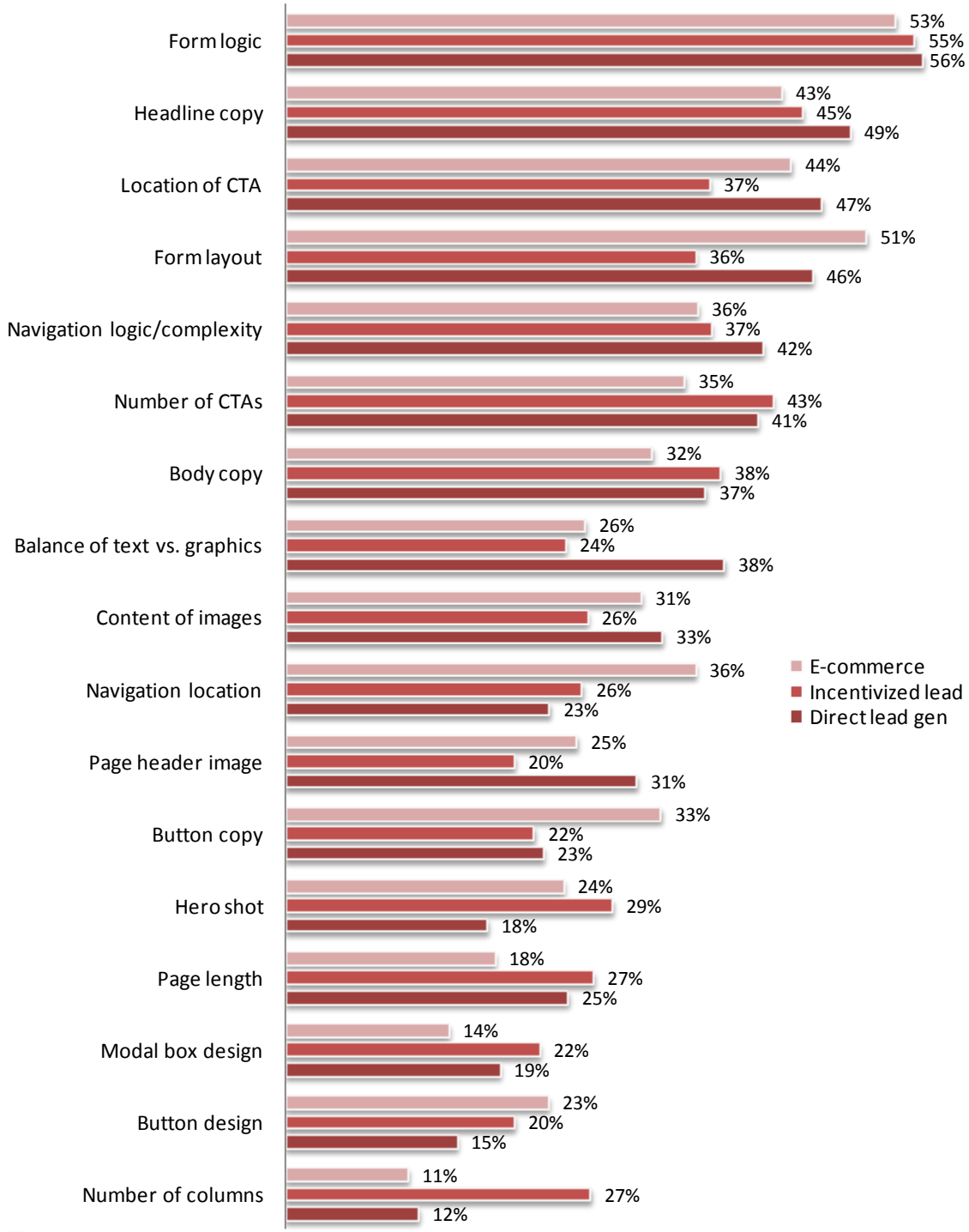
Headline copy is the only non-layout item at the top of the impact significance scale. However, its position and relative size on the page is responsible for its impact, with other copy items further down on the list. The headline is typically the first thing the visitor reads and comprehends on a page, making it the proverbial "first impression" that can either keep the visitor on the page or generate a bounce.

Where forms are present, they are producing high impact, as the more tangible points of interaction – or conversation – between website and visitor. Changes to the form directly impact the interaction and the likelihood of conversion.

Chart: "Very significant impact" of a specific page element, by website objective



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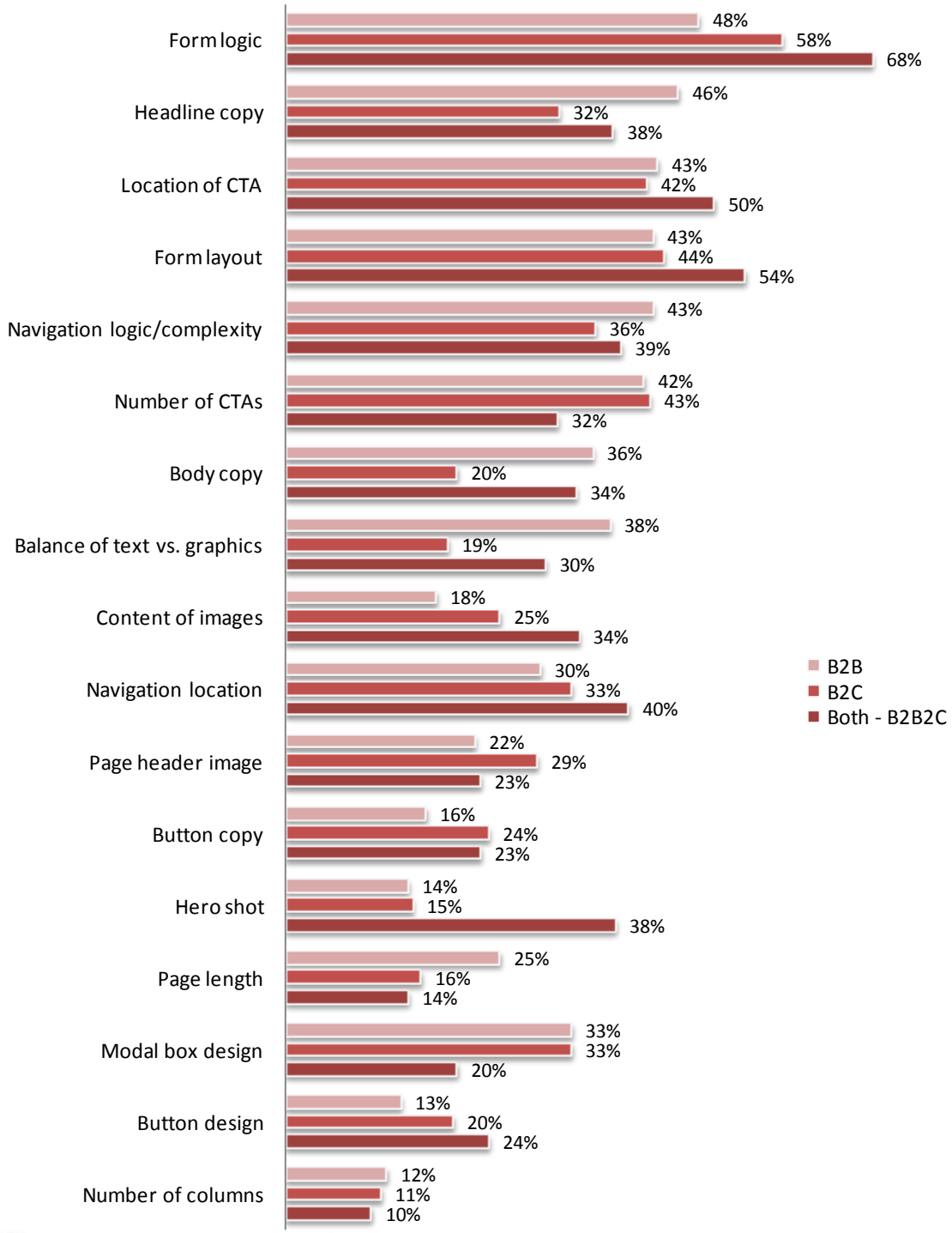
Navigation logic can dramatically impact the website experience depending on website complexity; especially the categorization of the company's products and services. Navigation location is equally impactful as complexity for e-commerce marketers, making it a good candidate for testing.

Chart: "Very significant impact" of a specific page element, by sales channel



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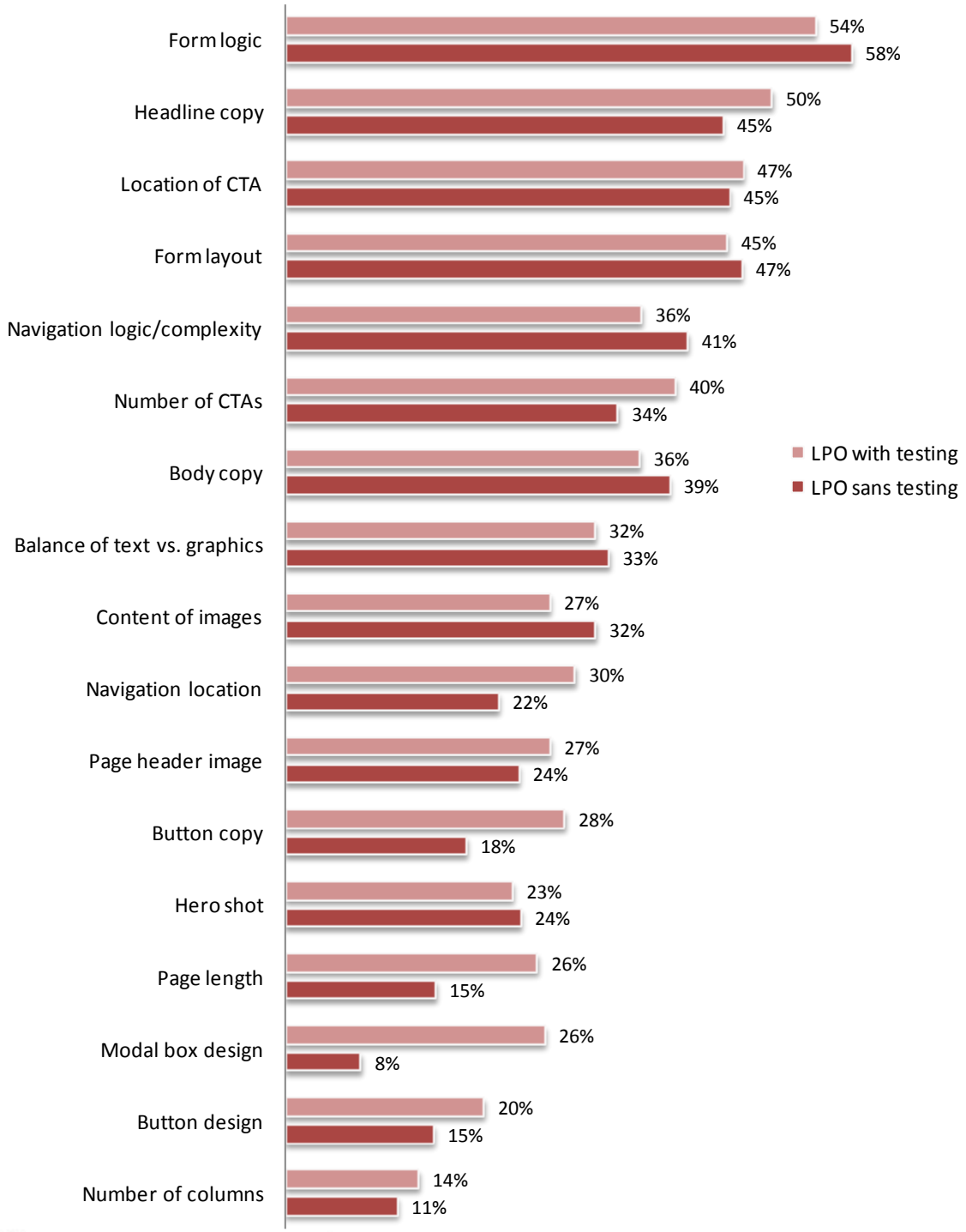
As with other narrowly defined items in this chapter, the data is presented for reference and directional planning. It should be applied as a checklist of elements to be considered for optimization. For instance, modal boxes rank much higher on impact than on usage, making them important to consider.

Chart: "Very significant impact" of a specific page element, by LPO practice



Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
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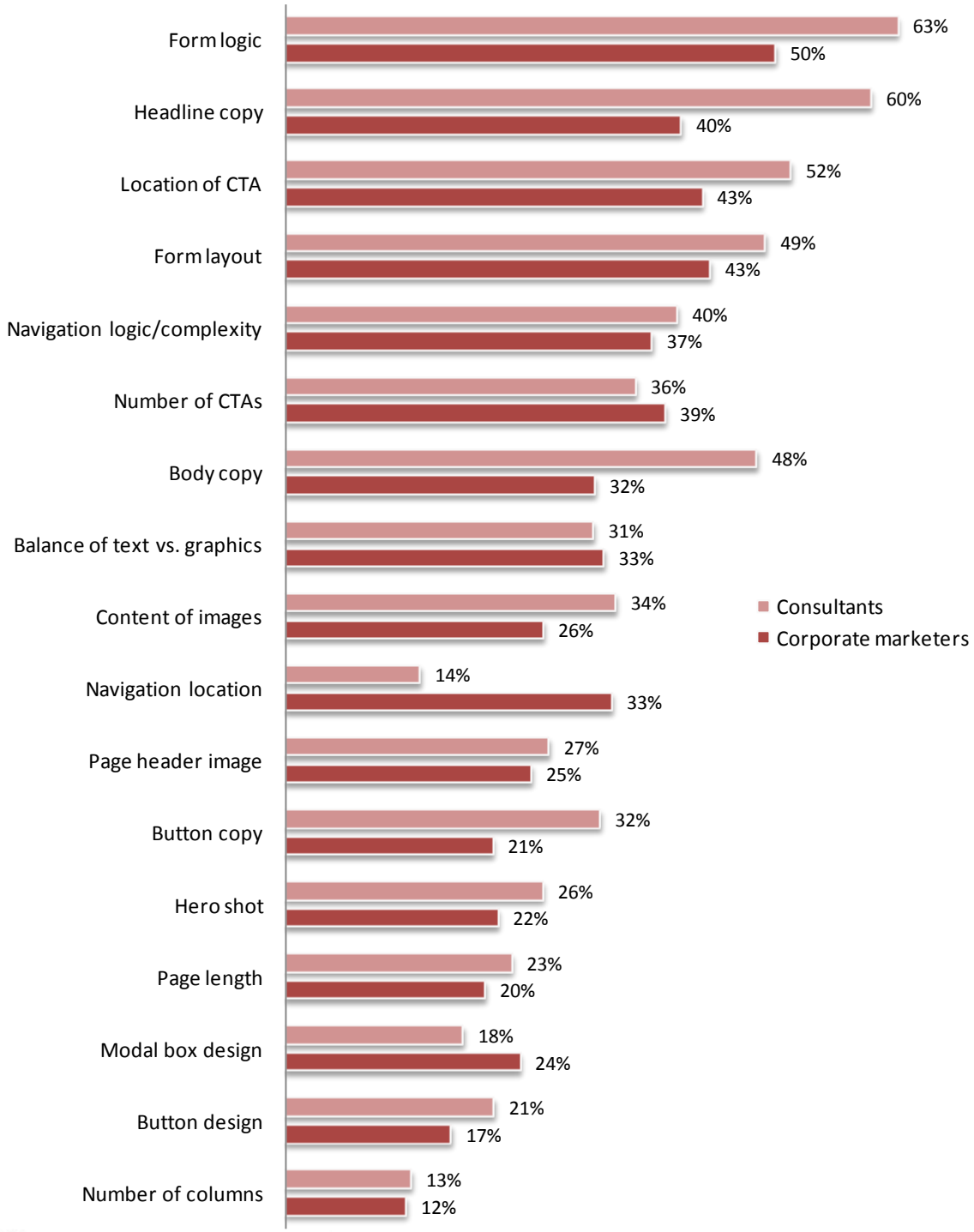
When marketers who test observe a higher impact of a page element, the variance tends to be higher than when the situations are reversed. In part, this is a result of testers building on proven successes. When a test shows a positive result, it creates a case for attempting to achieve the same success on other pages.

Chart: "Very significant impact" of a specific page element, by corporate vs. consultants



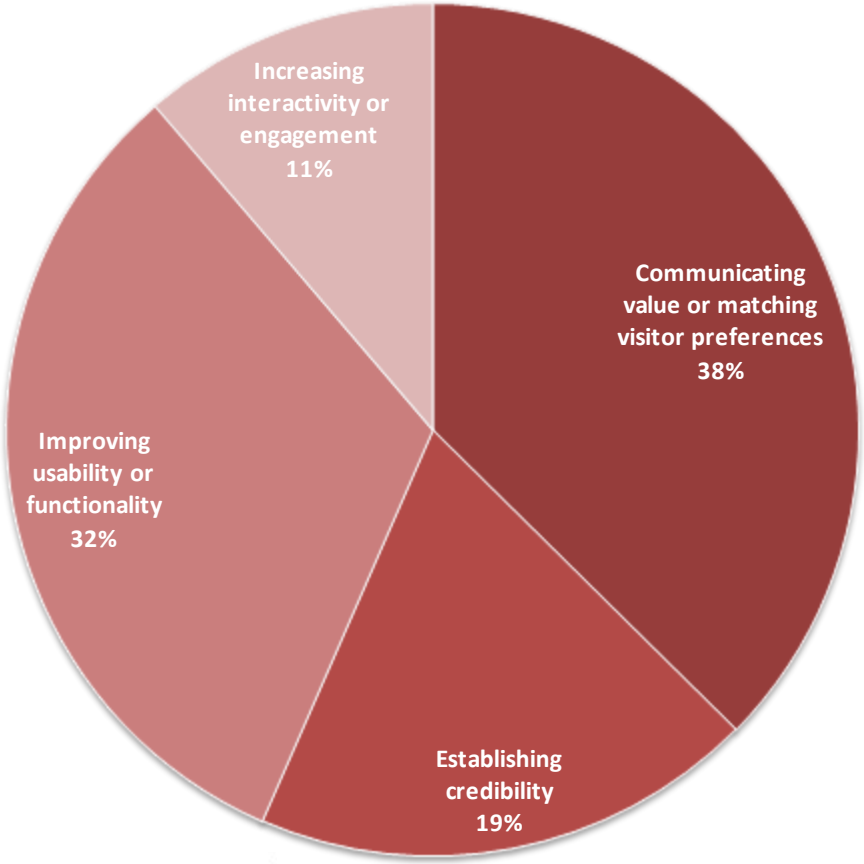
Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

Agencies are finding significantly higher impact from items that related to copywriting – a staple agency offering. As demonstrated in Chapter 2, copy is one of two most commonly offered LPO-related services.

19 OPTIMIZATION TACTICS APPLIED IN 2010

Q. 10.0 - What tactics did you attempt to add OR remove (whether successfully or not) in 2010?

Chart: Key tactical optimization categories applied in 2010



Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
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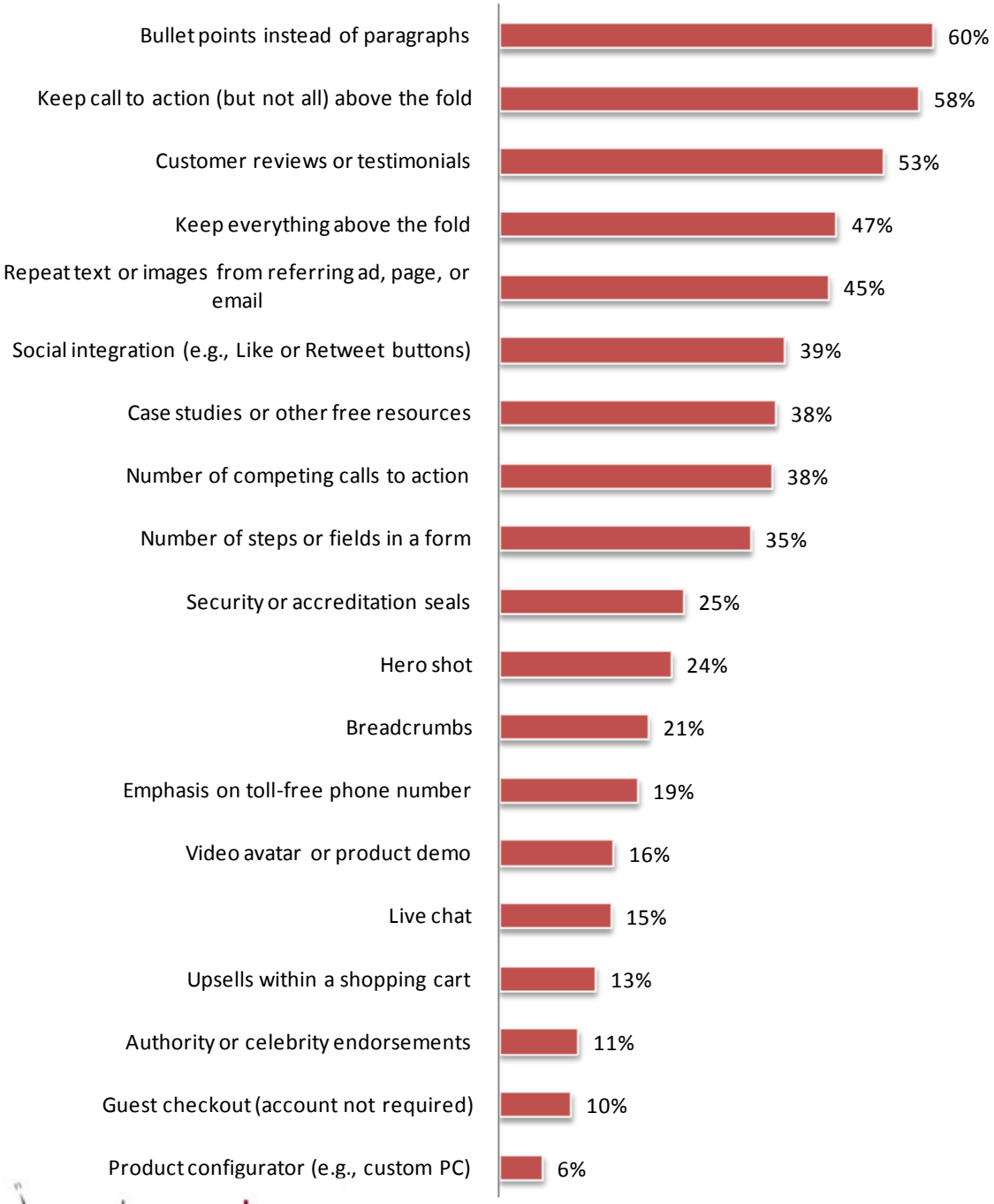
The 19 tactics that follow are a useful reference sheet for developing optimization and testing ideas, but are difficult to analyze for more abstract insights. Similar to the previous section, the above chart aggregates these tactics into four themes that represent different aspects of the visitor-website interaction (a.k.a., relationship or conversation). This categorization can be seen as an abstraction of key drivers of *influence* on the Web in the Robert Cialdini sense of the word.

The figures above represent the relative prominence of each category among the tactics being considered, and not a percentage of marketers that employ it. Tactics not in the charts, but suggested by marketers based on their experience in 2010, include:

- Embedded vs. standalone rich media.
- Verbs in calls to action and headline.
- Benefits instead of features ("why" vs. "what").
- Details on bottom of page for methodical deciders.
- Audience self-segmentation.
- Secondary navigation.
- Product comparisons (internal and external).
- Auto-play on video.
- Page performance (file size, number of objects)

Chart: Optimized website features and tactics marketers applied in 2010



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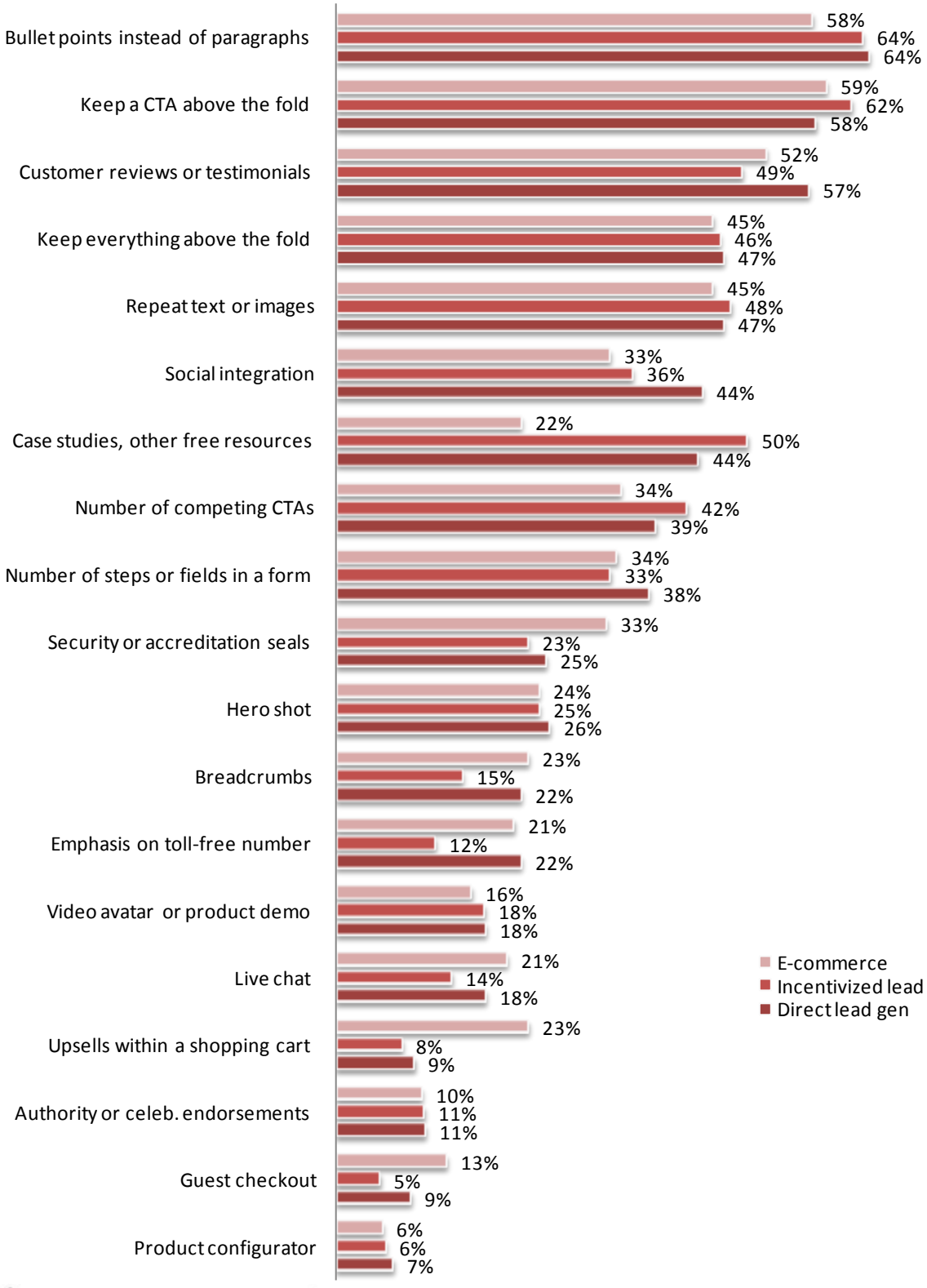
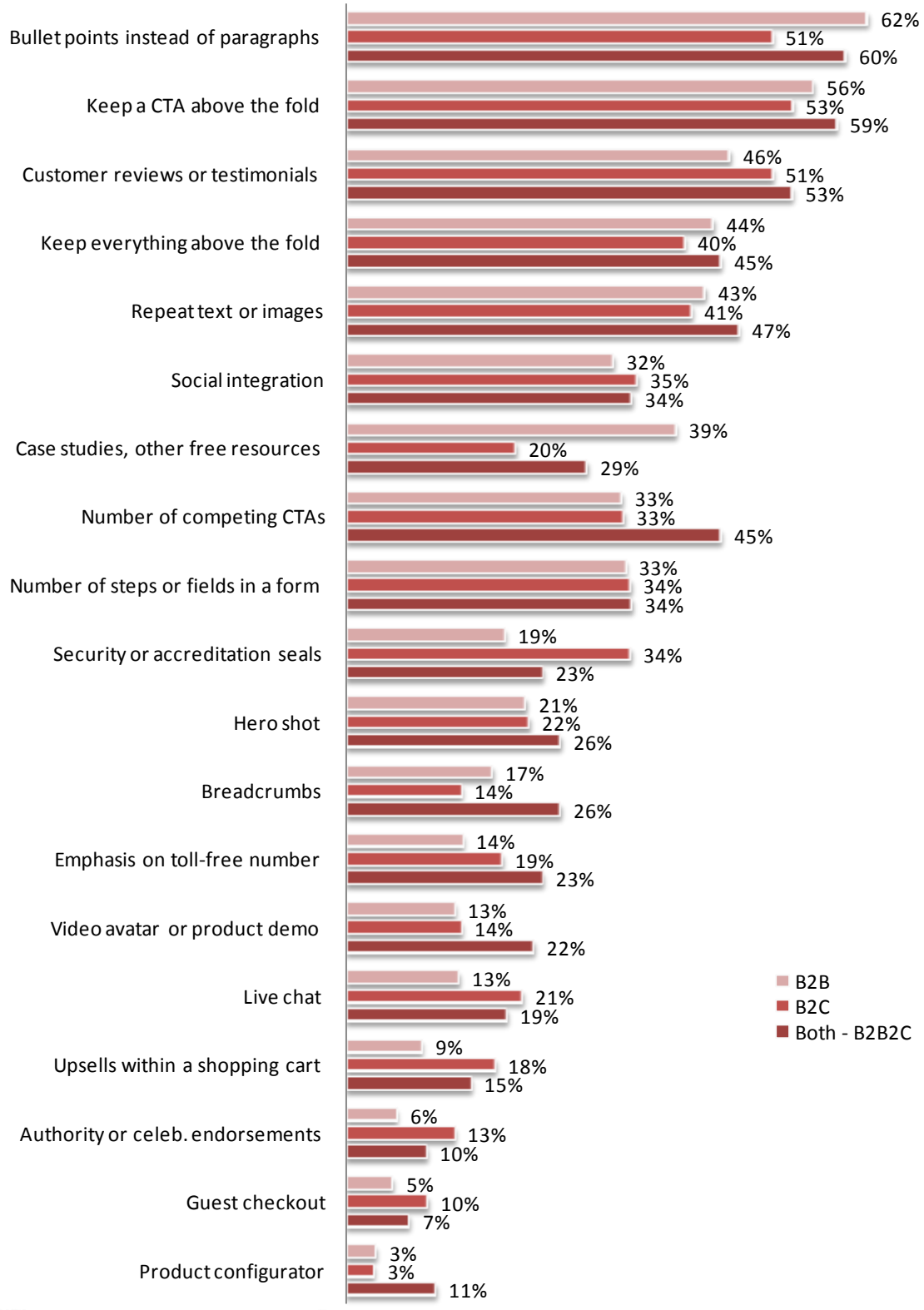
While some tactics above correspond to page elements covered earlier, *Q. 10* was about their addition or removal, rather than optimization within each. Like page elements, each item above has its own intrinsic objective within the broader objective of the website, and its discrete impact on the website as a whole. Hence, the segmentation data in the following three charts is presented for reference and directional planning. It should be applied as a checklist of candidates for LPO efforts.

Chart: Optimized website features and tactics, by website objective



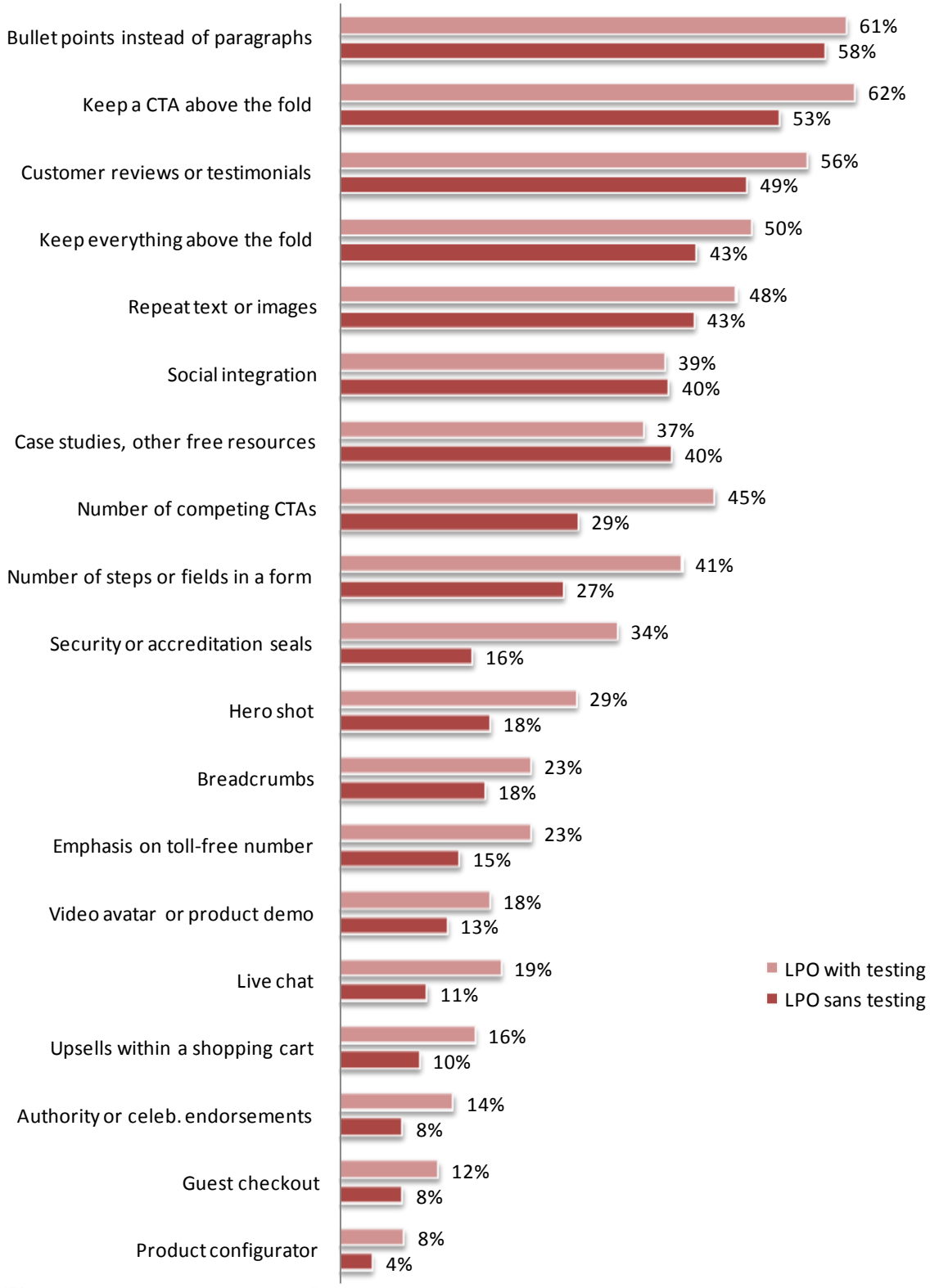
Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

Chart: Optimized website features and tactics, by sales channel



Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

Chart: Optimized website features and tactics, by LPO practice



Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
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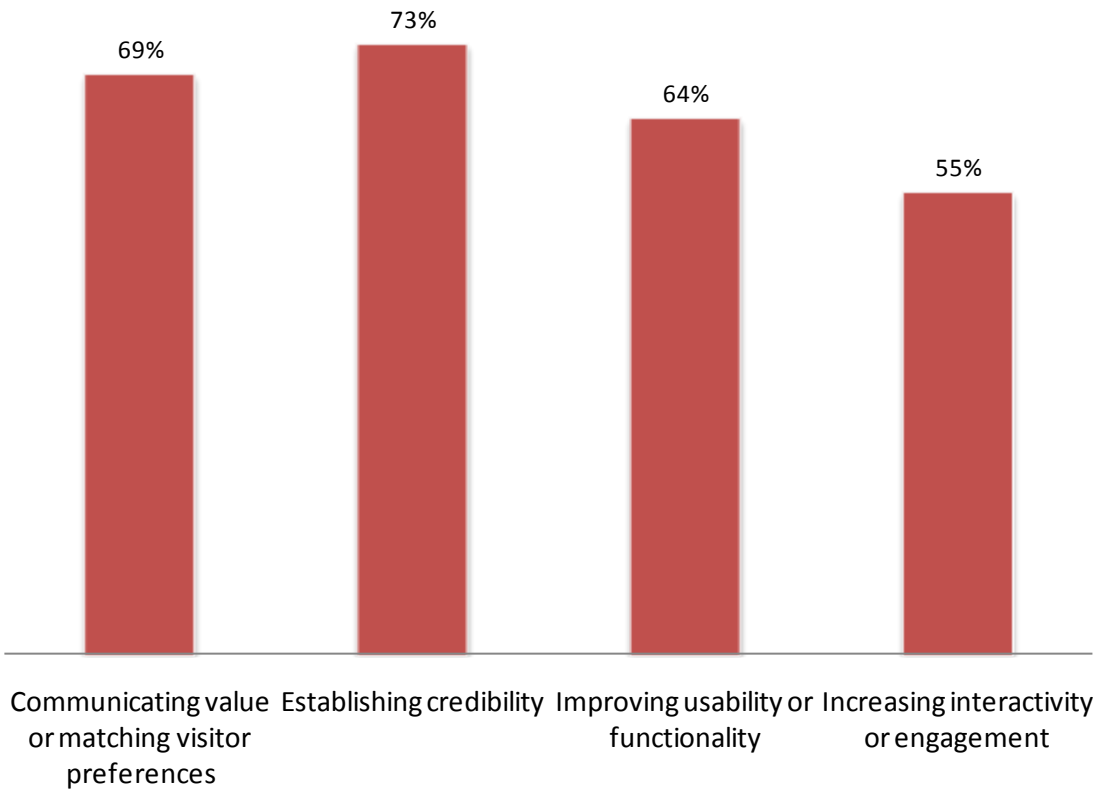
Q. 10.1 - For each tactic selected above, did you find that it was more valuable to add/increase or remove/decrease it?

Chart: Aggregate incidence of positive impact of optimization tactics by key category



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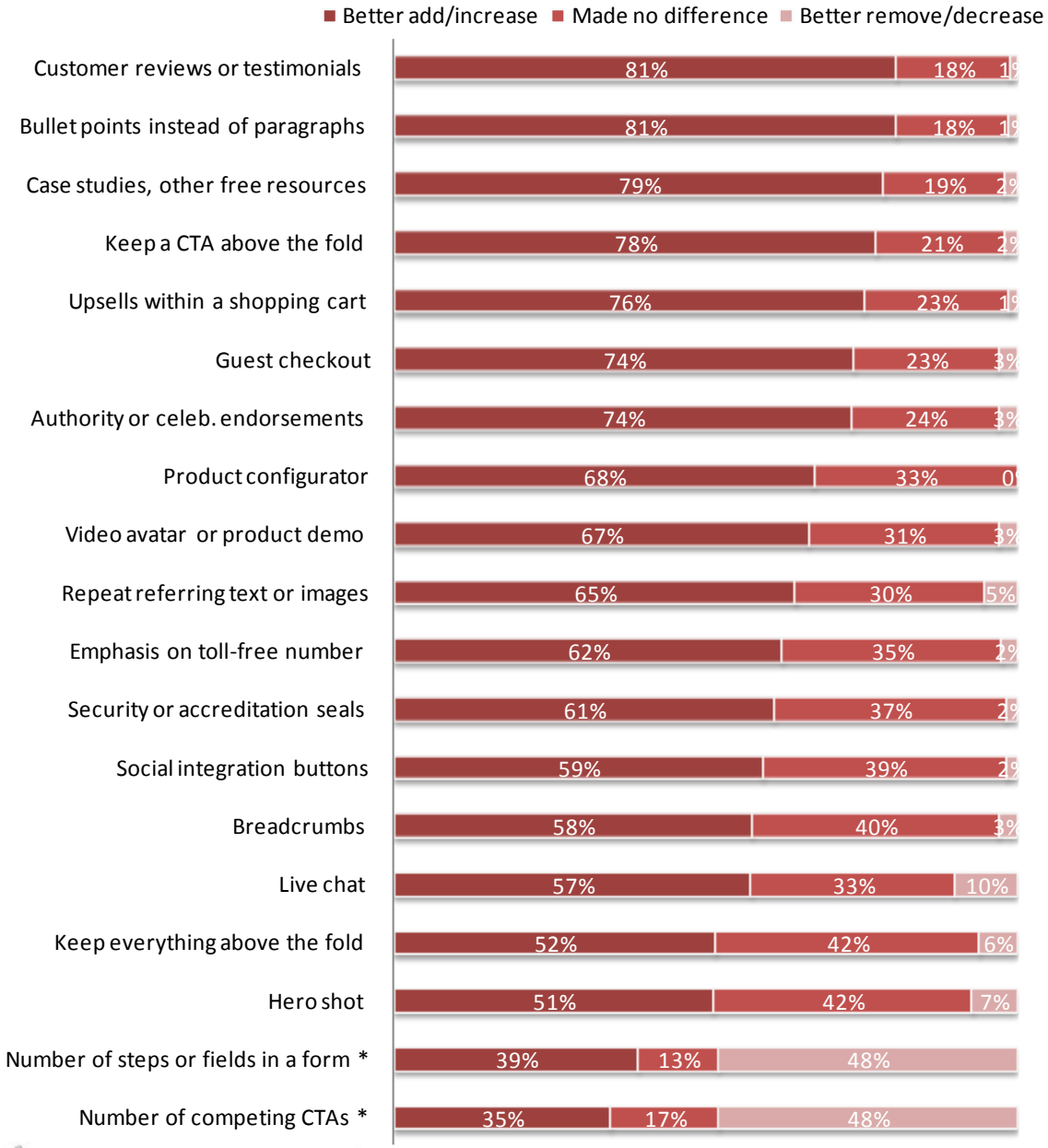
Methodology: Fielded February 2011, N=2,673

The categories of influence deduced earlier are not entirely independent, and many tactics discussed in this section inevitably span several of them. Also, within each tactic, these influences can either support or diminish one another.

While the difference is small, it may still be surprising that tactics in the category of communicating value are not rated as more likely to generate positive impact. Indeed, establishing credibility is not an end in itself – it ultimately bolsters the communication of the value of the offer and its match to the preferences and motivations of the website visitor. However, lack of credibility can significantly undermine a highly relevant and valuable offer. Therefore, when a website is missing items that indicate credibility, adding those items can produce dramatic results – and survey responses reflect this by the level of impact shown in the charts that follow.

It should be noted that while charts in this section demonstrate the likelihood of a tactic producing impact, the ranking should not be taken as the final word on effectiveness. After all, for many of these tactics, different marketers saw a positive effect from both adding and removing them. Instead, this data indicates which tactics should be evaluated or tested because they have the greatest impact potential.

Chart: Positive impact of adding or removing each tactic or feature in 2010



Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
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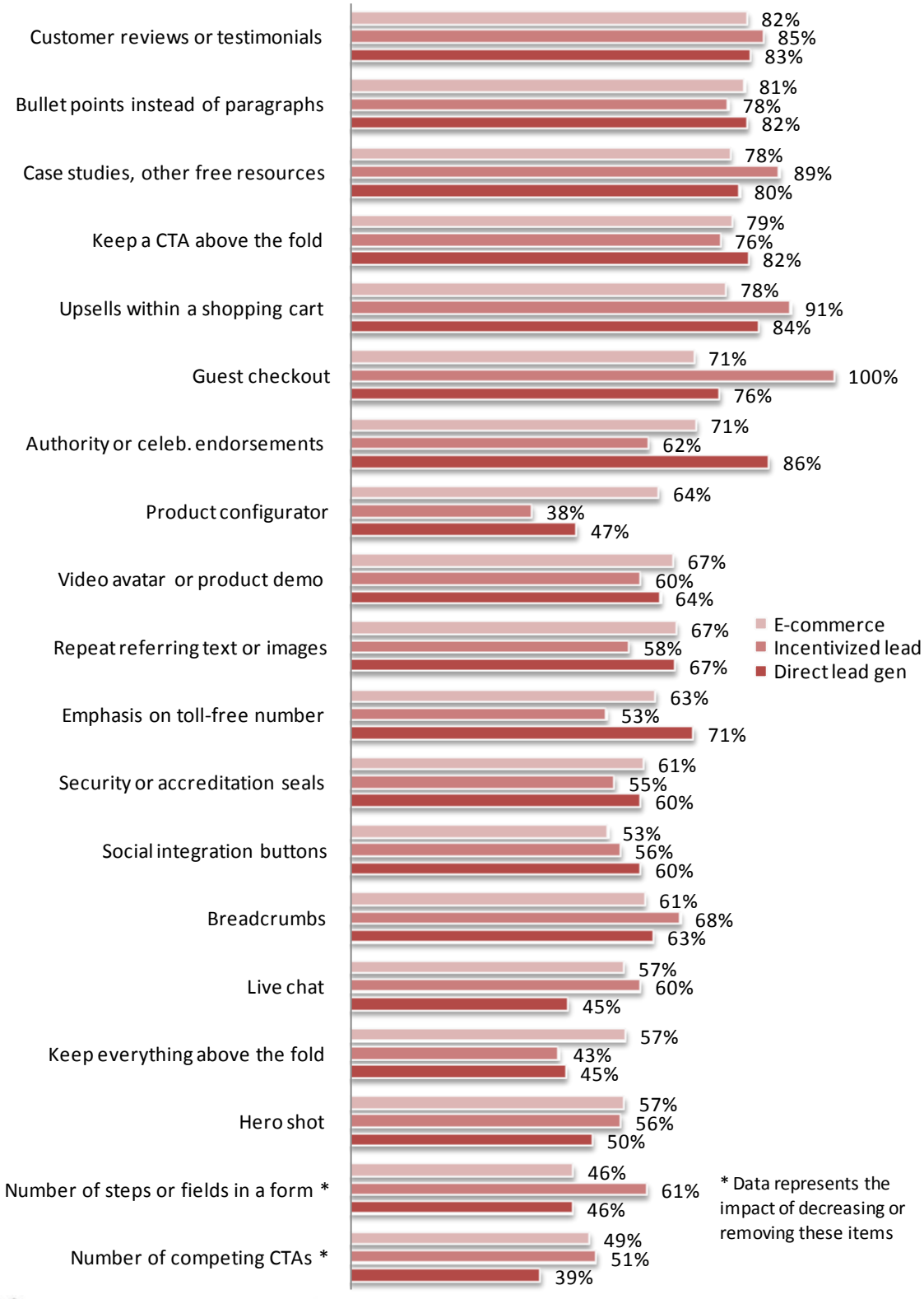
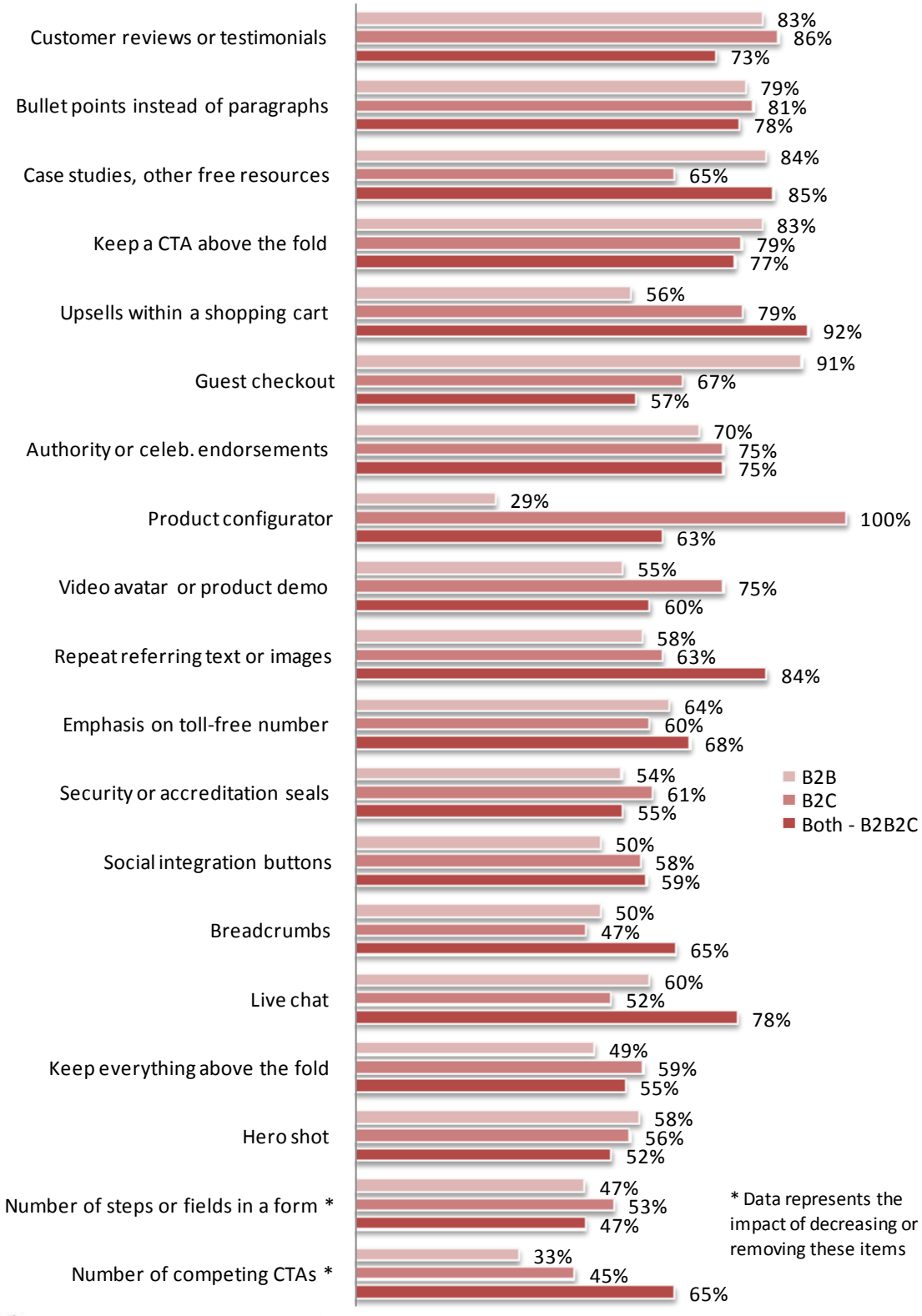
The two more controversial tactics (*) have significant percentages of marketers both increasing and decreasing them with positive results. This highlights the critical contribution of website objectives, target visitor segments and the offer itself to all the differences reflected above. Lead scoring informs the former – both increasing and decreasing form size can be useful, depending on the lead quality objective and available technology. However, the concept of "competing CTAs" may simply not be sufficiently mature, leading some marketers to select it inadvertently as equivalent to the "multiple CTAs" tactic. Competing CTAs represent different paths, creating decision points that stall conversion. Multiple CTAs provide opportunities for the same action at appropriate times, which often differ by visitor segment.

Chart: Positive impact of each tactic or feature in 2010, by website objective



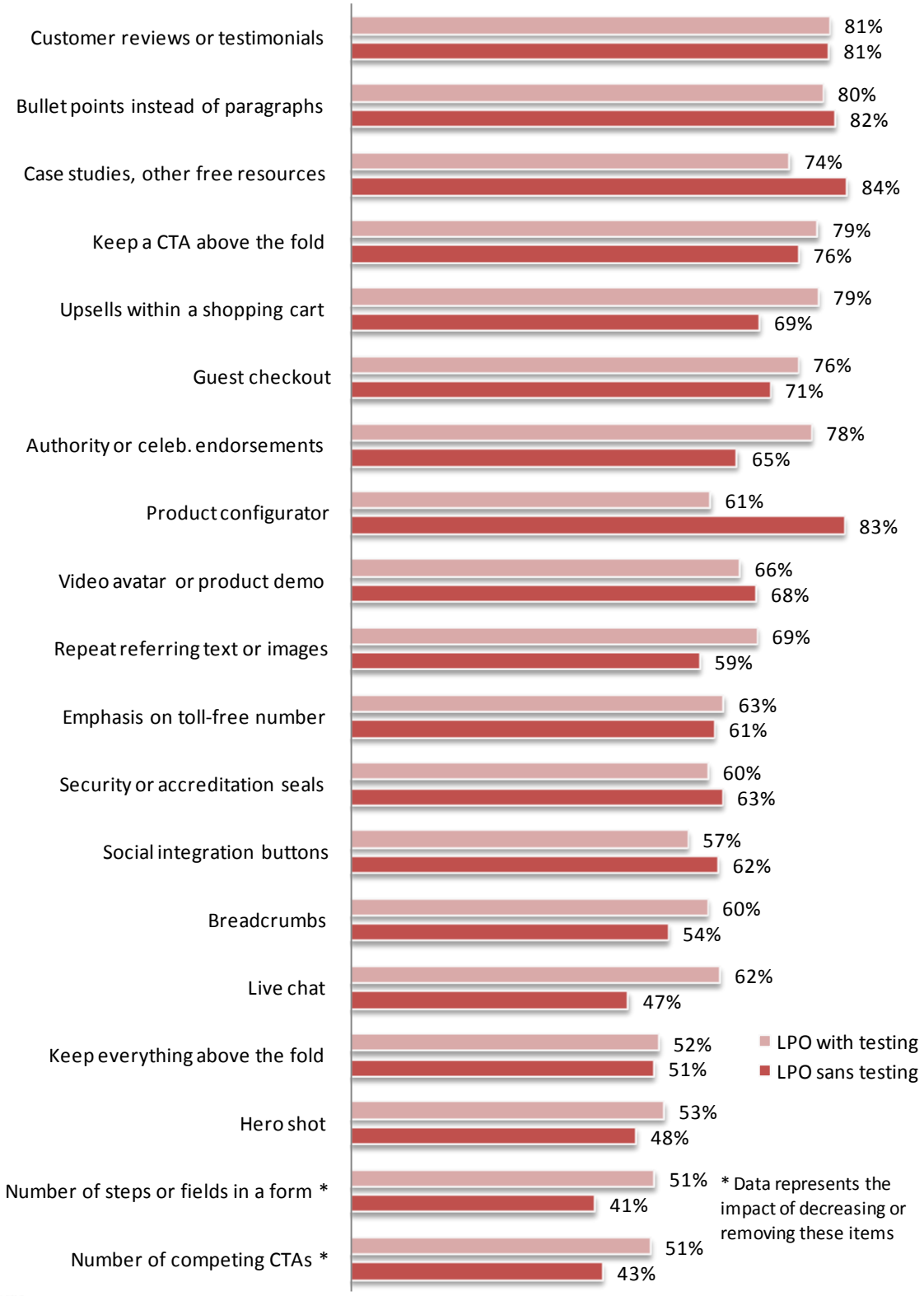
Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

Chart: Positive impact of each tactic or feature in 2010, by sales channel



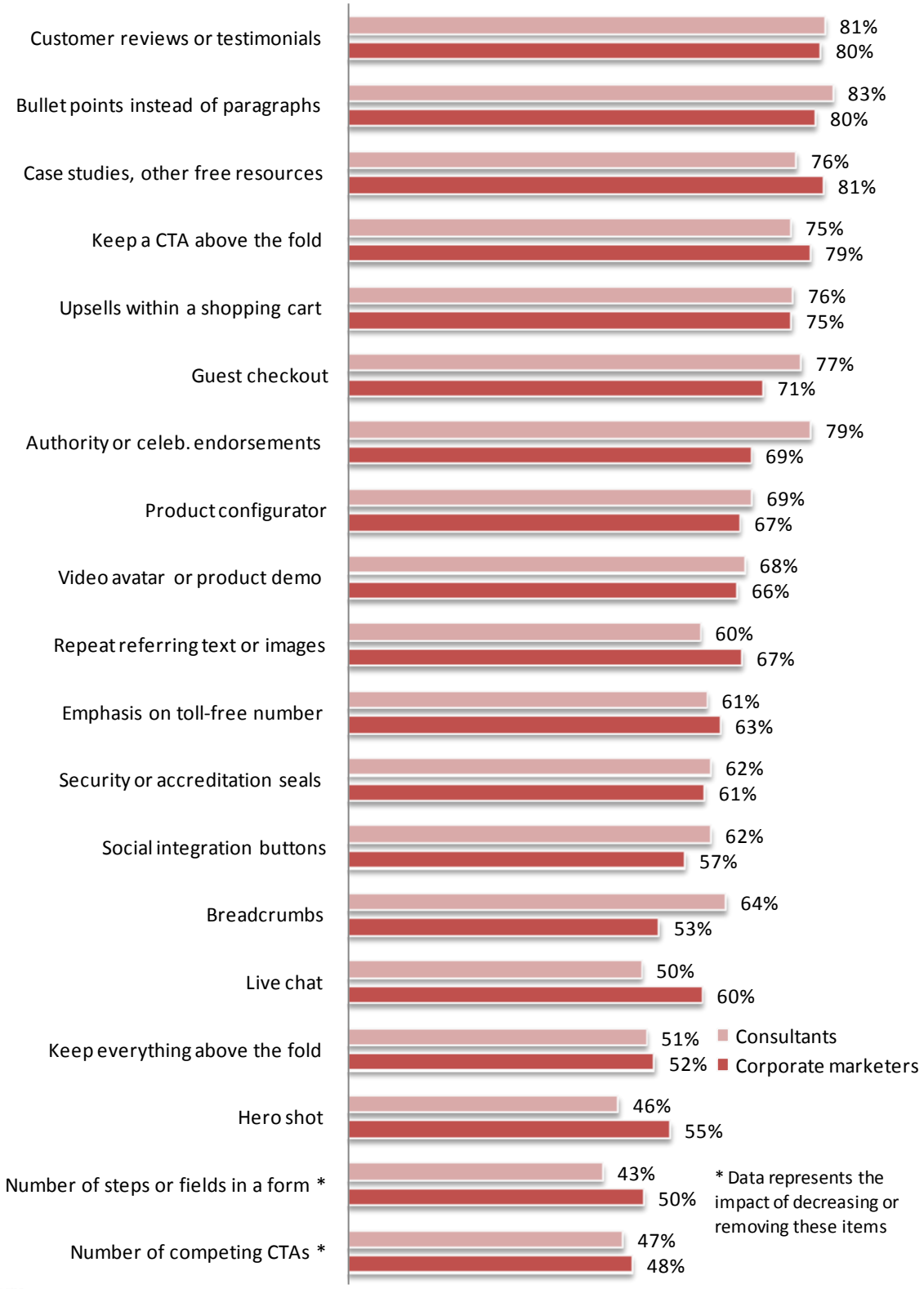
Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

Chart: Positive impact of each tactic or feature in 2010, by LPO practice



Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

Chart: Positive impact of each tactic or feature in 2010, by corporate vs. consultants



Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

MARKETER INSIGHTS ON OPTIMIZATION TACTICS

Q. 11.0 - What are some of the optimization tactics that have been especially successful?

Agency insights: Successful LPO tactics used without testing in 2010

Agency consultants that practiced LPO based on best practices expressed a number of ideas and experiences with respect to calls to action, reducing and formatting copy, and optimizing the flow of the website experience. This selection of responses deliberately includes contradictory tactics. Some marketers successfully increased, others decreased the number of CTAs. This difference of opinion highlights the importance of measurement and testing to determine the best practice in each scenario.

- Simple copy changes to optimize the clarity and immediacy of calls to action was the most helpful – however, we were working with a number of firms who were new to online campaigns, so this was the most obvious low-hanging fruit.
- Buttons and colors to grab attention for important actions, use of trust marks and form logic to shorten process.
- Call to action button locations and forms design and logic.
- Call to action regarding form that provides more information via email. Form is simply name and email.
- Significant changes in navigation logic and structure; additional calls to action; "fleshing out" body copy.
- Adding video, bulleted text, single call to action above the fold.
- Bullet points really helped get point across.
- User navigation by keeping it simple. Using multiple call-to-actions.
- Effective mailing/call system, constant renewal homepage, promo mails with easy clear linked, increase twitter activity w/good landing pages.
- Headlines and value propositions and layouts to optimize thought sequences.
- Keep it simple, let visitors know where they are, follow eye-tracking.
- Keeping navigation off the page. Keeping the page "above the fold." Offering one other link as a "relief valve" pending the complexity of the product. Making form submission simple (do not over engineer via design).
- Lean, and quickness of loading the homepage, although in flash it does render well on slower Internet connections as well.
- Optimizing a separate page with free resource downloads via email address (lead gen).
- Phone number in ads and in title tag (for one industry that does most of its sales via phone.).
- Reduce clutter; make sure of clear compelling messaging.
- Reducing copy, simply clear bullets and one simple call to action.
- Remember that the email is an email and let the landing page do the talking. Also keeping in mind that the landing page can only have one call to action before the reader becomes confused on what is expected of them.
- Reviewing form logic and qualifying questions that are actually necessary.
- Incorporate relevant content that visitors find valuable and want to share (via social integration buttons).
- Twitter updates, online easy booking form, more images on page.
- Testimonials and referrals via social integration.
- Endorsement, social integration.
- Guarantee images - trust images and statements.
- Upsells, cross promotions, time sensitive offers.

Agency insights: Successful LPO tactics used by testing practitioners in 2010.

Consultants employing testing provided many concrete examples of tactics that worked for them. Echoing previous content that led the visitor to the landing page was mentioned most frequently, along with reducing the number of form fields, keeping a CTA above the fold, and a number of other tactics that

appear in the preceding charts (largely redacted below). Indicators of credibility, such as accreditation seals and testimonials were mentioned by both groups of consultants, as was reducing copy and other ways of making it easier to scan visually. The importance of copy in various aspects – headline, body, button – came through many of the responses.

- Adding seals and accreditation, adding video customer testimonial, repeat text and images from referring source.
- Benefit reinforcement (reminder of why they should sign up), hero shot.
- Content to graphics was a big deal in helping with conversion rates as the page view times grew shorter. Form logic also played a role. But all this is dependent on if the traffic itself is viable or staged.
- Customer reviews and testimonials.
- Designing layout so the key impact (what's this page about, why does it matter, what must I do next) is all 1) obvious without reading, 2) compelling 3) on screen above the scroll line.
- Disabling variations on the long run tests increase our success target. Main header image should resonate with the emotion given in the body copy.
- Displaying the steps of the process (e.g. 1.sign-up 2.order 3.Enjoy!) Security seals.
- Headline and copy on the form page itself can drastically improve or decrease completion rates.
- Keep it clean and simple. Headline benefits, Buttons and navigational elements that contrast well surroundings, chucking down info into smaller but more steps using next-back arrows.
- Our clients are all micro businesses and have done much of the work themselves - copywriting (writing new copy and editing existing copy) including the copy for buttons, body and headlines probably gives the biggest lift in conversions to these sites. .
- Page flow to reg. form - how many pages is optimal for conversion, 1, 2, 3, etc... Each client is different but more the most part 2 pages are the ideal mix with a LP and reg. page.
- Personalization, based on dynamic links feeding from email campaigns.
- Providing more information. In many cases, customers didn't have enough information to make a decision.
- Reconfiguring our PPC ads to be quantitative instead of qualitative, and making sure our visitors get exactly what they are clicking for.
- Reducing the amount of text and making it logical for the user to read, we've tested creating paragraphs that stand out using styles that differ to the rest of the text and then broken text into shorter sentences with more paragraph breaks.
- Removing competing calls-to-action and number of steps or fields in a form.
- Simplicity of design, copy and call-to-action seems to help – clutter diminishes engagement – this makes design and sequencing of experience more important.
- Underlining links, making images clickable.
- Using a persistent cart. Making the cart more obvious. Making the link to the cart easier to find.
- We do a lot of PPC, so matching the keyword > advert > landing page copy as tightly as possible has worked well across all our campaigns.

B2B insights: Successful LPO tactics used without testing in 2010

- Automating forms to recognize users, allowing returning users to bypass longer forms and re-enter info they already gave us, focusing on one single offer rather than two similar offers. .
- Calls to action on left side and center of page rather than right side.
- Case studies and other free resources.
- Case studies and technical data.
- Changing header copy to incorporate key words.
- Color combinations. Eye flow. Compelling, benefit-driven headline.
- Copy position, use of specific words/phrases, short description below product links, colored

enhancement of certain important sections of the page.
- Cross-selling on a page. Calls to action up front.
- Customer reviews or testimonials, Security or accreditation seals.
- Decrease of an actual contact page, asking only for name, title and email address.
- Easing sign up re-design of site reduction in text and increase in graphics/ white space.
- Embedding video overview of product on LP.
- Give away samples of products in exchange for info.
- Having multiple calls to action, keeping them above the fold, and limiting the number of fields for initial inquiries to three. (I'm also working with HubSpot to develop inbound activity.).
- Improvement of sales copy length as well as quality of the call to action. .
- In the case of promo emails, announcing via Twitter that they will be sent and encouraging people to sign up to newsletter.
- It appears that the big and multiple buttons for a call to action did help.
- Keeping the information on landing pages constantly updated and fresh.
- Keywords in page descriptions.
- Making the call to action clear and above the fold.
- Only 1 has been successful: Ask only what we need for this action – discard all fields/questions or actions that take customer away from the 1 action we want them to do.
- Providing more detail at item level. (Links to requested specs/drawings. Adding recommended items and customer reviews).
- Quick (very short) contact forms on all or multiple pgs rather than one on contact pg.
- Reduction of text made the most difference and boy, does that get hard when dealing with technical material that needs to be comprehensible by the general public.
- Repeating the primary objective of the content in images, txt, buttons, etc.
- Shorter text w/ testimonials. Much smaller form length.
- Showing a large image of the product being offered.
- Simple things like Google Adwords to make the right selection of words that area actually searched! It has had an impact on how we write copy. Even LinkedIn increased the number of times the profile is searched.
- So far, our best response has been with repeating text and images from email.
- Social integration.
- Timing of when email was sent. Morning local time generated more conversions, but similar OR compared to a campaign emailed globally.
- Video has proven to be the most successful content source to increase email open rates and increase engagement

B2C insights: Successful LPO tactics used without testing in 2010

- Better, more current and relevant user-generated content.
- Bullet points and highlighted copy.
- Claim below logo more visible.
- Content of value; careful frequency of marketing; consistent offering.
- For text heavy pages, an anchored list of bullets at the top of the page (which served as a table of page contents) decreased bounce rate significantly and increased both time on site and conversion rates for us.
- I feel choosing the right headline and image is one of the most important factors of LPO success.
- I put pictures on the right side bar of the website so it will always be there regardless of what post to people read. The pictures can be clicked and the viewer is sent to a page that has the info of the product.
- I'm surprised different designs of button didn't make much impact on conversion but button copy did.

- Including sharing buttons and consumer testimonials.
- Initially we were building our landing pages with info below the fold and we had too much repeat information. Now, we our streamlining our pages and only including relevant copy and a video link to the event.
- Multiple calls-to-action in the form of text and images.
- Product videos, two-minute survey, details in return for prices and bonus offer, .
- Redesigning the page layout and copy, to ensure it is concise and persuasive, while showing visitors the benefit of moving through the process and giving us their details.
- Reducing competing calls, tying text images from referring source to LP.
- Repeat text and images from referring ad. Multiple contextual links to supporting information.
- Security seals, social integration, customer reviews.
- Simplify form, add phone number to top.
- Social integration.
- Success stories.
- Using more customer-centric language in navigation has increased the number of web (vs. more costly phone) completions of one of our processes by 30-40%.
- We enforced shopping cart follow ups and it turned out that 25% of the abandoned carts converted.

B2B2C insights: Successful LPO tactics used without testing in 2010

- Adding a blog, social media integration, and content localization into Asian languages.
- Careful rewrite for a selected set of keywords relevant to our target market. Changing adjective rephrasing. Moved homepage from 28th to 10th for keywords. Moved other category and product pages to about 1/2 of their previous values.
- Customer testimonials have been a big help. People do not trust financial institutions right now, but if they see someone they know had a good experience it can change perceptions.
- Don't know - tough to track, we simply don't have enough traffic.
- Emphasizing the benefits of products and services, and refocusing messaging to address issues for specific target groups, not internal ambitions. For example - subscription to newsletter - stating different benefits visitors get by subscribing + placing those/different ones on different page levels.
- Increasing bullet points versus text paragraphs multiple calls-to-action, especially above the fold differentiating the same product to multiple user groups.
- Keeping the call to action above the fold and minimize the number of CTAs.
- Keyword use.
- Live chat short form 1800 #.
- Redesign of our call to action button; limiting copy on page so the important information is highlighted and it's not text-heavy; call to action location on page.
- Reducing or removing anything that makes the customer has to stop and think. Less is more, simpler is better.
- Simplifying calls to action.
- Social integration navigation re-do helped organize content more effectively CTA higher on the page and more prominent.
- Using the same language consistently throughout; keeping copy to a minimum; using bullets.
- Video with keywords in the page info.
- We are developing mini videos to market a new image by one of our artists. The frustration is getting more traffic to watch these videos.

B2B insights: Successful LPO tactics used by testing practitioners in 2010

- A video demonstration of the service.
- Asking current customers for help spreading the word. Offering customer highlights for an upsell price.
- Blue underlining of links. Longer copy descriptions.
- Bullet points increase conversions significantly on Lead forms.
- Buttons - focus on benefits Headline copy - writing style.
- Call-to-action above the fold.
- Changing our tagline has had a dramatic impact on website lead conversion. Spookily, freakishly powerful.
- CTA: “free demo” above the fold, below “get a quote”.
- Hero shots as headers above our product grids have enticed more visitors to browse products. Moving our calls-to-action in the above-the-fold space has led more visitors to look into our product pages from product family pages.
- I find that the use of each tactic and its effectiveness varies depending on your promotion type.
- Immediately show products instead of a “welcome” text.
- Include presentation video with calls to action above the fold.
- Live chat - but led to staffing issues for phone coverage.
- Lots of pictures Clear instructions.
- Marrying the search term to the headline copy.
- Multipage forms seem to be one of the largest improvements we have made to our network of sites. A close second would be to have the security seals.
- Peer confirmation (e.g., “based on 812 responses...”).
- Placement of calls to action. Simplification of copy.
- Placing the form in a second page instead of putting the form right where people land.
- Professional copywriting was easily the most successful change for us.
- Reception of the answers on key words, and also on a combination of key words. Use of additional tools.
- Redesigning the Thank You page to allow for additional CTAs and form fields allowed us to dramatically simplify the Landing Page - both the number of CTAs (one) and number of form fields.
- Reducing form fields. Use Third-party to fill in company data.
- Relevant calls to action and trust elements.
- Return to basics: value prop and sub-value benefit.
- Stopped the auto-rotation of the content in our hero space on our homepage. Users can still click to rotate on demand.
- Subscription form in a modal box, w/ cookie for showing 1st time-only; body copy optimization/shortening; form layout (shortening predominantly).
- Text calls to action worked better than graphics. Assumption is that graphics were considered advertising and duly ignored.
- Toll-free number.
- Unique landing pages for PPC campaigns vs. website category pages. Eliminating large footer to shorten page and keep focus Value proposition within the headers Images of a person with the product vs. product alone.
- Using fewer graphics.
- We have had optimization success when we shortened up our body text, used green checkmark bullet points, and presented one or two calls to action max. When we keep our visitors focused on the task at hand, we have a much better conversion rate.
- Within each product, we put a button directly to “contact us” or “ask for a quote”. So directly when navigating we directed customers to contact and leave contact info & future interaction with our company.

B2C insights: Successful LPO tactics used by testing practitioners in 2010

- Adding trust elements (testimonials, guarantee icon) Placement of premiums (free gifts). Straightforward offer copy.
- Adding trust logos/markers.
- Addition of images that reinforce the message of the text.
- Amount of images on page. Simplicity.
- Being bold in testing.
- Benefits related taglines vs. humor.
- Case studies.
- Changing the location of the lead form. Simplifying the navigation.
- Clear toll-free phone number and consistent messaging from ads to landing pages.
- Clarify call to action. Reduce clutter.
- Customer reviews and offline sponsorship (motorcycle team sponsor) worked in respect of visitors viewing those pages converting better.
- Form layout and logic. Shortening body copy.
- Improving clarity of visual design; more “orderly” presentation.
- Keeping things simple, concise.
- Language around benefit to the customer/ addressing the perceived issue that they are having - rather than just selling a product.
- Language on payment page Presentation of service on landing page.
- Long copy vs. short copy. Use of testimonials.
- Matching images to buyers.
- Money back guarantee made a huge difference on the deposit screen along with phone number. Keeping the LP really simple helped as well, keeping it white and clean also improved conversion.
- More of a call to action instead of just information.
- More video, less text.
- Moving lead generation form above the fold.
- New form, live chat, calls to action above the fold.
- Post sell upsells, improving website load times, .
- Providing interactive tools and answering questions to pain points based on market research.
- Radically simplifying form pages - especially removing most of the copy on email landing pages. Header image made a tremendous impact to keyword testing.
- Removing extraneous information.
- Repeat text.
- Security seal made over 20% increase in registrants.
- Shadow box form fields in form.
- Social media integrations. Bullet point paragraphs multiple calls to action.
- Streamlining of text, optimization of page around the primary objective.
- Trust seals and social integration.

B2B2C insights: Successful LPO tactics used by testing practitioners in 2010

- 1:1 behavioral targeting is working well.
- Big call-to-action button. I mean, huge.
- Button design.
- Deleting unnecessary steps.
- Demo.
- Differentiation in colors and stronger value props.
- Distill down to single call to action for each LPO, avoids confusion. Shorten data collection to bare minimum for lead qualifications.
- Fewer steps to complete desired actions.
- Focused message.
- Having our homepage be more about our brand and DNA and less about the hard sell.
- Headline punch bullet points; clear call to action.
- Headlines and button copy.
- Hero shot.
- Incorporation of social media. Taxonomy changes.
- Live chat, shipping discounts.
- Making link colors in the text match the overall color theme of the page.
- Making personal calls upon receipt of form...or sending a personal email behind the AR response.

- Making the login process more stream line.
- Multivariate testing, usability testing, customer experience session replays.
- Putting offers on home page. Creating a “whole range” page. Adding Paypal. Improving pack shots. Customer testimonials are hugely important.
- Removing steps, adding upsell options.
- Sending prospects directly to our shopping cart vs. having everyone enter through our home page and finding our shopping cart.
- Social integration.
- Social integration has helped increase traffic substantially but still awaiting more conversion and other data before passing final judgment. .
- SSL live verification.
- Sweepstakes.
- Testing sending volumes to landing page instead of application - not successful. Added 3rd party endorsements above the fold - successful. Moved chat down - successful. Moved product pitch up- successful.
- Usability testing of high fidelity prototypes and low fidelity prototypes.
- Using color to focus eye-tracking.
- Video has had the largest jump in interaction and conversion.
- We are in the beginning stages of being more scientific about our site. That is about all we can say for now. We did build a landing page with one clear call to action and that page seems to be working better but we don’t have clear stats at this time.
- We took away the traditional free-flow navigation that allows users to jump randomly around the site. Each level of navigation digs the user one step down into a more defined funnel. This has reduced the bounce rate significantly.

CASE BRIEFING: DRIVING CONVERSION WHILE SERVING TWO MARKETS WITH ONE PAGE

SUMMARY

WorldAPP is a data collection company with a platform built on an online survey tool. Its marketing efforts are something of a challenge because the company serves two distinct markets. One page drives almost all of a company's lead gen and commands 85% of all its marketing efforts and budget.

CHALLENGE

Small- to medium-sized companies are offered a relatively simple one-size-fits-all product that is easy to deploy, easy to use and is not too expensive. Large enterprise customers receive a customized product that requires a high-touch effort from Sales and is significantly more expensive than the SMB version.

There was no way to offer pricing on the large enterprise solution since each product is unique to the customer, and the pricing information on the SMB version left potential enterprise customers feeling WorldAPP did not match their scale.

Yaroslav Stepanenko, Marketing Manager at WorldAPP, explained, "Every time we disclosed the pricing we just stopped catching the big fish." WorldAPP did not have an issue serving the SMB market with the shorter sales cycle, but landing enterprise customers was a major corporate goal.

CAMPAIGN

A dedicated landing page (DLP) with its own domain drives most of WorldAPP's lead generation, and commands 85% of all marketing budget and efforts. Traffic mostly comes from pay-per-click advertising, and visitor segments cannot be distinguished between SMB and enterprise based on the ad they clicked.

WorldApp developed four treatments to test the DLP. Stepanenko said the goal for each treatment remained the same – to get the prospect to submit a "free trial" form. The key marketing issue was how to present the different pricing tiers for SMB and enterprise customers. The lead form included six fields: First name, Last name, Company name, Title, Decision timeframe, and Comments and questions box.

Landing Page #1. Pricing matrix oriented to single user solutions

The first landing page treatment consisted of a pricing matrix with clearly defined dollar values for single-user solutions oriented to the SMB market. Larger enterprise prospects were targeted with a call-to-action to request pricing information. This treatment resulted in three problems: the exit rate went up, the number of leads went down, the quality of leads also went down. The reduction in lead quality was determined by Sales during weekly meetings with Marketing. The number of Sales-defined "good" leads went down 11%.

Landing Page #2. Matrix with product information, but no pricing information

This landing page treatment compared features of the SMB and the enterprise products. The call-to-action was for both SMB and enterprise prospects to ask to be contacted with more information via phone number or email. The page also featured clickable CTAs: 60-day enterprise evaluation, Request a quote, Free trial, etc. The second treatment performed 4% *worse* than the first in terms of "good" leads generated. Stepanenko speculated the problem with the second treatment was it did not provide website visitors enough information, such as pricing.

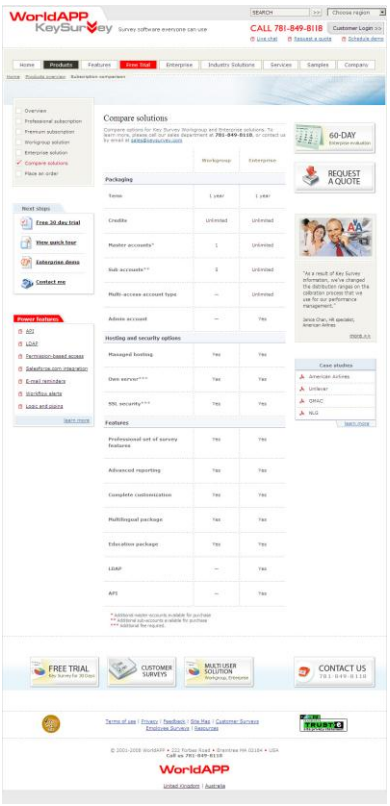
Landing Page #3. Add video to explain pricing

During video recording with the CEO of WorldAPP for internal training, Marketing realized a two-minute section provided a great pitch of WorldAPP's pricing model. Other than the video, this landing page treatment was essentially the same as the second treatment. Although 57% of page visitors watched the video and 27% watched the entire video from beginning to end, it did not improve conversion or lead quality.

Landing Page #4. Allow the visitor to express preferences to define segments

WorldAPP added a link to their Pricing/Solution Configuration Survey. The video was kept. Now WorldAPP was learning about its prospects' needs and providing a demo of its survey product at the same time. The average number of questions a prospect saw was six.

If the survey determined the prospect was from a SMB, a price was presented immediately. Enterprise prospects were informed a follow-up from Sales was necessary to provide pricing. For the follow-up call, Sales now had more extensive lead information.

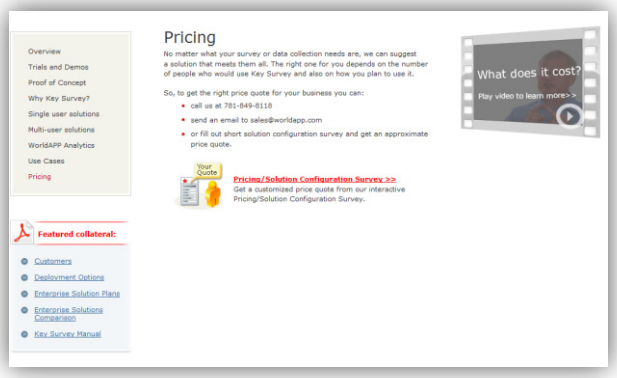


Landing Page #2

This treatment provided prospects with a reason to submit the form and differentiated SMB and enterprise prospects "under-the-hood" instead of explicitly. Importantly, the lead form was broken up, with only company and name up front. Even if prospects provided bogus information initially, they were likely to provide valid contact info at the end because they became serious about the product.

RESULTS

"It's kind of impossible to justify the value proposition on a pricing page for different audiences," Stepanenko stated. The SMB and enterprise prospects are too different in requirements and expectations, and it's just too difficult to convert both audiences with identical paths. The survey solution that addressed each prospect's needs individually solved this problem. The winning fourth treatment resulted in 48% of page visitors who clicked the survey link completing the survey and becoming a lead, with lead quality remaining the same or better.



Landing Page #4

CHAPTER 8: TESTING

The preceding three chapters covered measurement, strategy and tactics marketers have used in LPO over the last year. In those chapters, some data was presented with respect to the respondents' type of LPO practice – whether they were engaged in LPO using best practices only, or whether they also performed testing. This distinction was sometimes significant, reflecting both operational maturity of LPO practice in their organizations (the degree of making LPO a viable and routine component of digital marketing) and available expertise (whether in-house or obtained from consultants).

Testing can deliver definitive results, making marketers twice as likely to demonstrate ROI of their LPO efforts (as shown in Chapter 3), yet is also difficult and controversial. The responses to question 34.0 in Chapter 1 show that of the 36% of corporate marketers who reported performing tests in 2010 (not counting those who engaged an agency to perform testing for them), only 21% saw decisions made based on test results. This indicates that testing sometimes is either ineffective or distrusted, or both.

For testing to be a key part of decision making, it must first produce reliable data. This reliability requires the organization to possess appropriate expertise and dedicate sufficient resources to LPO. As discussed in Chapter 2, meeting these requirements without political support can lock marketers out of testing altogether. The critical resources needed to make testing a reality are not allocated until testing demonstrates results. However, even a pilot project demands time, resources and expertise that marketers may not have available to invest without support from the top.

This report has covered tactical optimization ideas, directions for LPO strategy and measurement considerations to help marketers identify low-hanging fruit for quicker tests that can produce demonstrable results with the least amount of initial investment. This short chapter adds a view into the testing methodologies and practices employed by some of the more advanced marketers. All data in this chapter is based on responses from marketers that were testing in 2010.

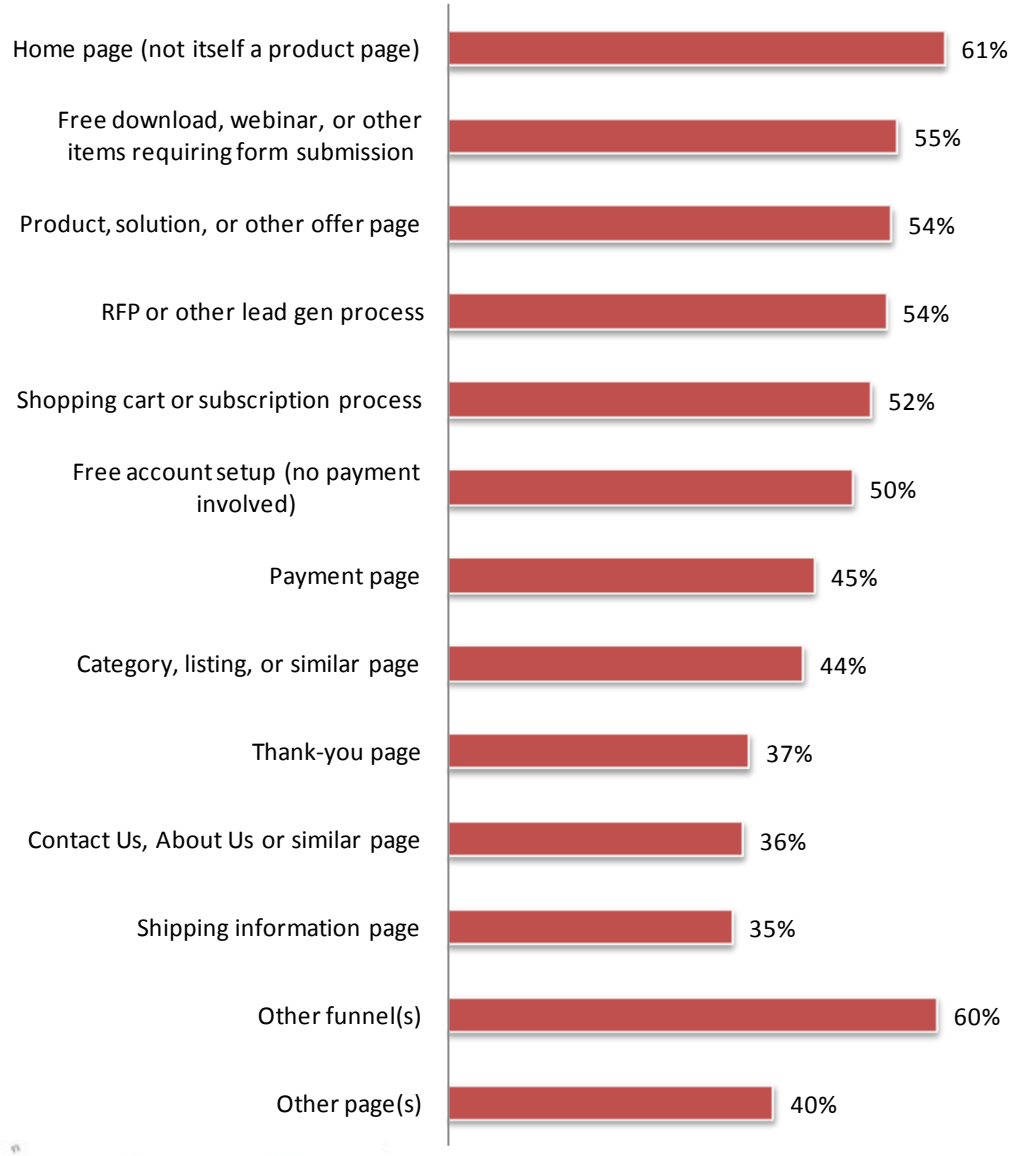
This chapter addresses the operation framework for testing the tactics described in Chapter 6, and adds new layers to the operational considerations from Chapter 4 and measurement considerations from Chapter 5. For marketers that are new to testing (or LPO altogether) and are starting to build a case for it internally, this chapter provides an understanding of the range of issues related to testing – a checklist of expertise areas that need to be covered and technology questions that need to be asked. For more mature testing practitioners, this chapter provides a comparative perspective on the decisions that their peers are making in the design of experiments, technical implementation and data validation.

For marketing executives, this chapter is useful for understanding the depth of testing operations and the range of in-house talent needed to accomplish them. However, the case for testing in terms of producing results and deserving a place at the budgetary and decision-making tables was already made throughout this report, each time the effectiveness of LPO was benchmarked among testing vs. non-testing organizations. The essential role of a marketing executive with respect to testing is to foster a culture, where any valid test result, whether it demonstrates a positive or a negative outcome, is valuable because it informs both immediate decision making (e.g., "we should go with version C because it outperformed A by 10% and B by 12%" or "this test shows that our great new idea is not great") and continuous optimization efforts (e.g., "based on the data from the last test, we need to focus our optimization efforts on the Payment page").

11 KEY PAGES AND FUNNELS TESTED IN 2010

Q. 20.0 - For each item that you had attempted to optimize in 2010, which ones were tested?

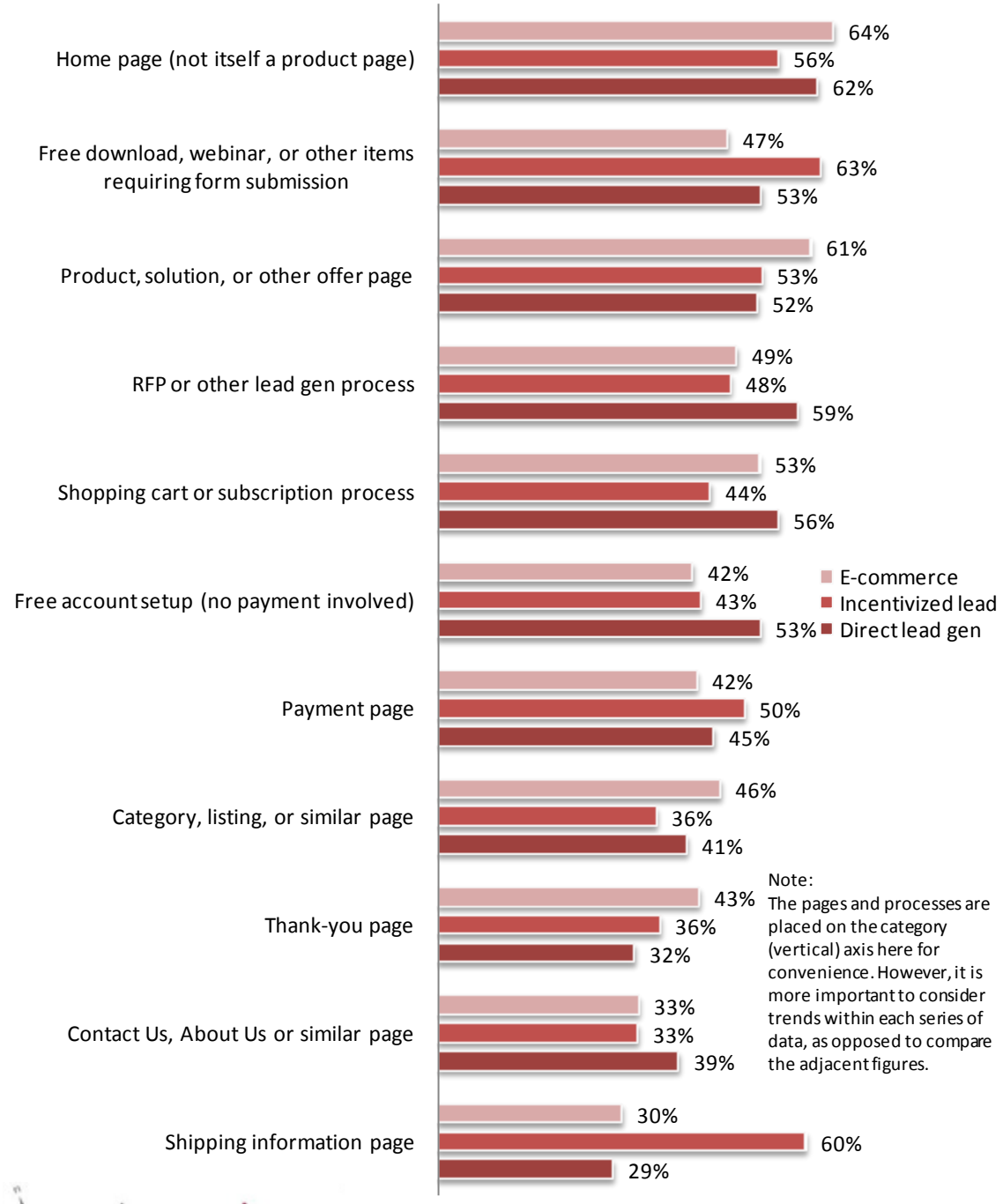
Chart: Pages and funnels tested in 2010



Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

This chart shows the percentage of specific LPO efforts that were test-based, which is in line with the finding in Chapter 4 that approximately one-half of LPO practitioners test. The decision whether to stop at best practices or to test them separates, *assuming* that what had worked in other cases (possibly with tenuous similarity, as discussed in Chapter 6) would produce the same results and *demonstrating* with statistical confidence that it does or does not. Without a culture of testing ingrained in the organization, the latter can make testing politically prohibitive. Human beings are, by nature, risk-averse, and if avoiding potentially "damaging" data is a personally safe tactic, the organization is deprived of valuable discoveries.

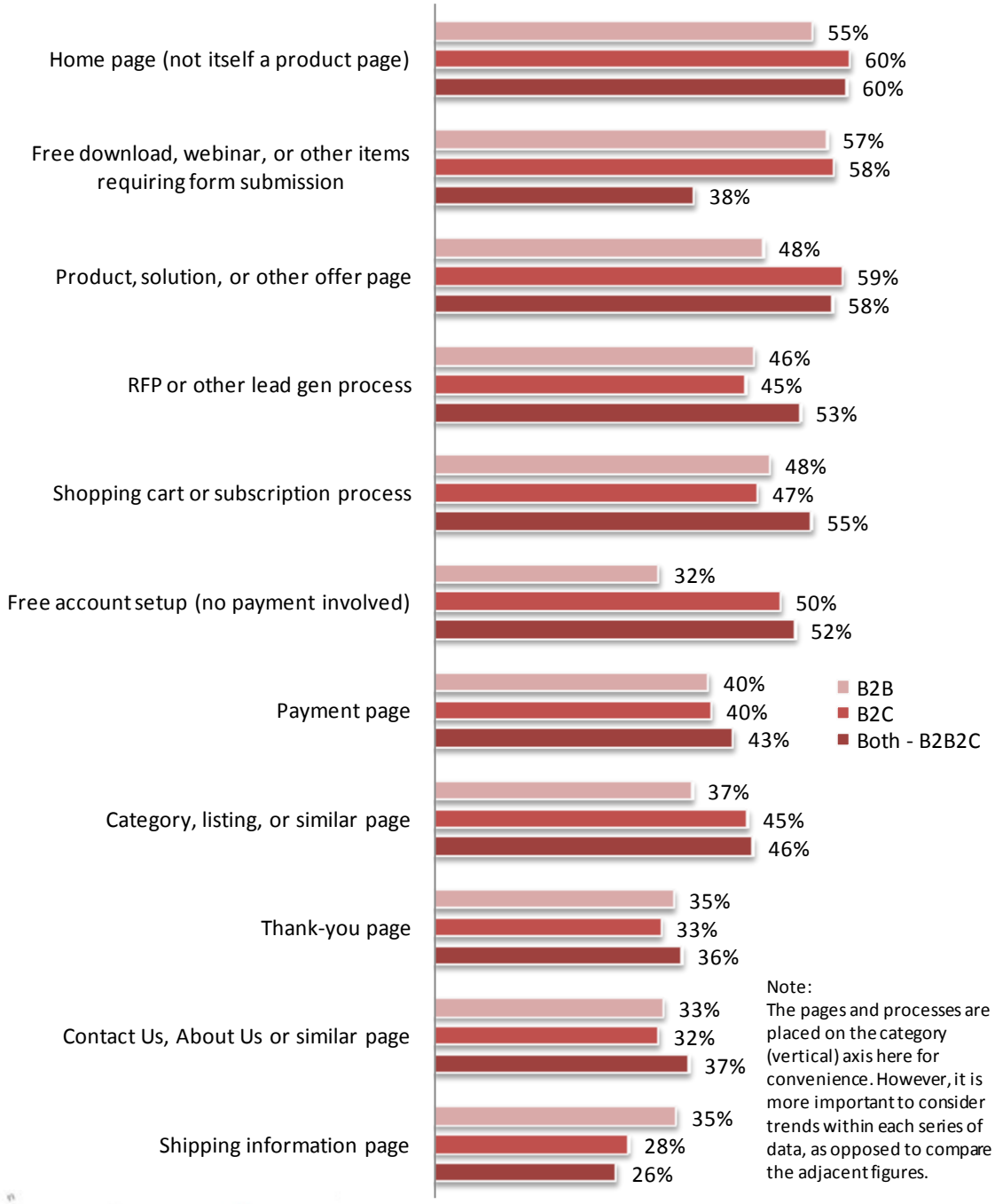
Chart: Pages and funnels optimized in 2010 with testing, by website objective



Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

Not surprisingly, marketers tend to test pages that are more central to achieving their primary website objectives. Also, it is interesting that pages that do not ostensibly "fit" with those objectives, like the shipping information page for incentivized lead marketers, are also more likely to be tested. This indicates that marketers invest in testing when adding more unorthodox features or functions to their websites.

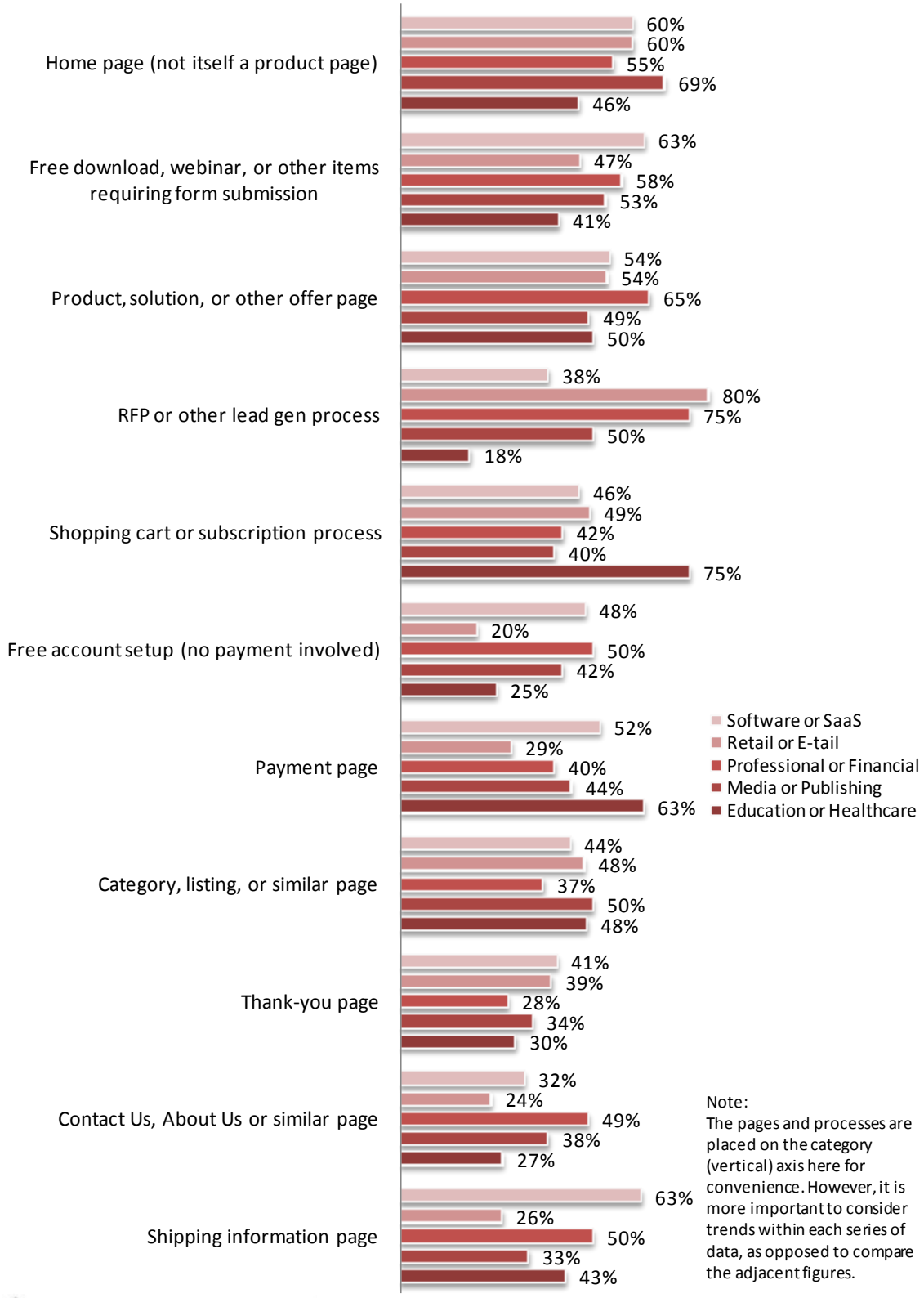
Chart: Pages and funnels optimized in 2010 with testing, by sales channel



Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

Marketers focused on the consumer channels tend to conduct more testing overall, as discussed with respect to testing-specific challenges in Chapter 4. Otherwise, the patterns are close to the aggregate. The next chart shows that marketers are especially interested in testing pages that introduce new optimization objectives, such as the Payment page for the Education or Healthcare segment. It should be reiterated that these figures represent a percentage of LPO *projects*, not of marketers (otherwise would be much smaller).

Chart: Pages and funnels optimized in 2010 with testing, by industry

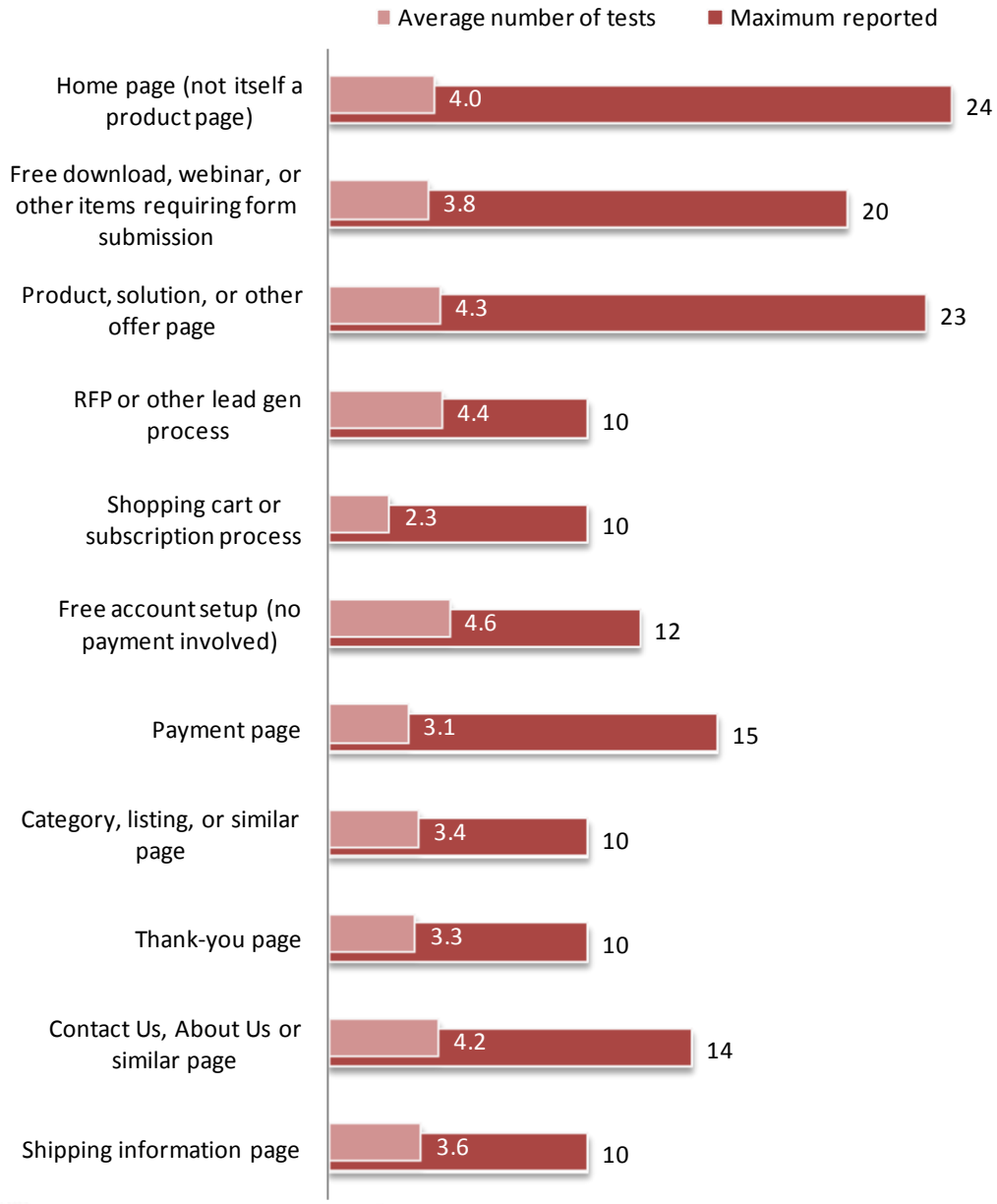


Note:
The pages and processes are placed on the category (vertical) axis here for convenience. However, it is more important to consider trends within each series of data, as opposed to compare the adjacent figures.

Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

Q. 23.2 - [To produce measurable impact,] how many tests and total weeks of testing did it require?

Chart: The number of tests per page or funnel to achieve measurable impact in 2010



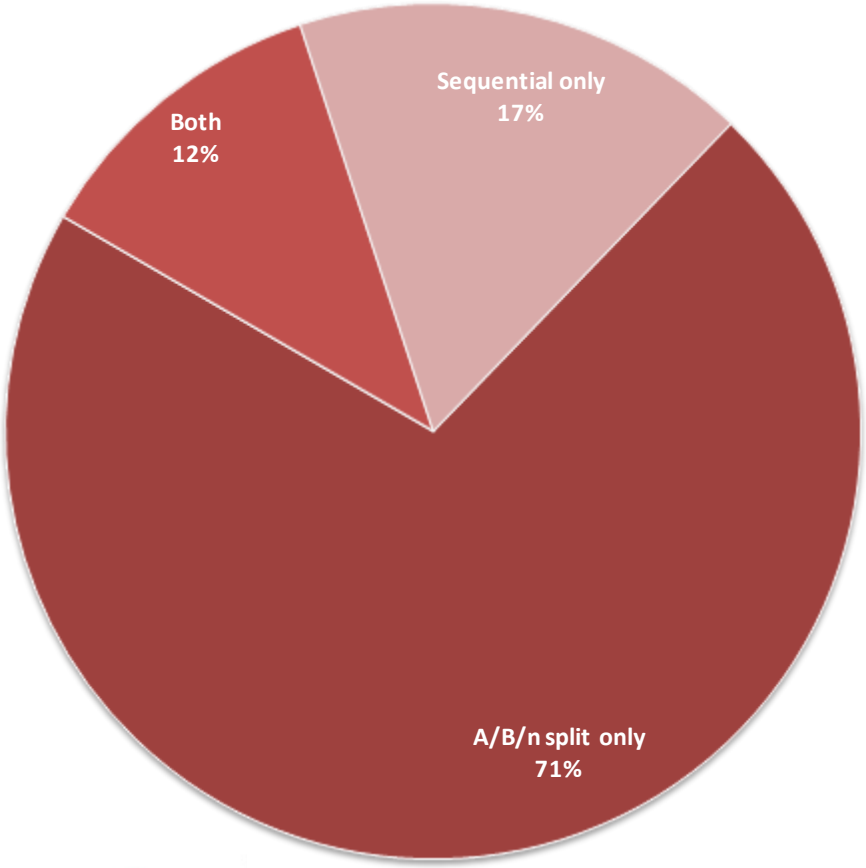
Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

While test *duration* is determined by a combination of factors – some outside of the marketer's control, such as the amount of available traffic – the *number* of tests that marketers performed to obtain measurable impact reflects the iterative nature of LPO testing. While testing itself is not a guarantee of achieving positive results, it is a methodology that makes it possible. With an average of three to four tests, and most of the projects requiring fewer (the median, not shown, was consistently smaller than average), achieving positive ROI is clearly within reach. Maximum duration is shown to reflect the level of variability.

TESTING METHODOLOGIES AND OPERATIONS

Q. 46.0 - In test implementations, in what order are the treatments published?

Chart: A/B split or sequential testing performed by marketers in 2010

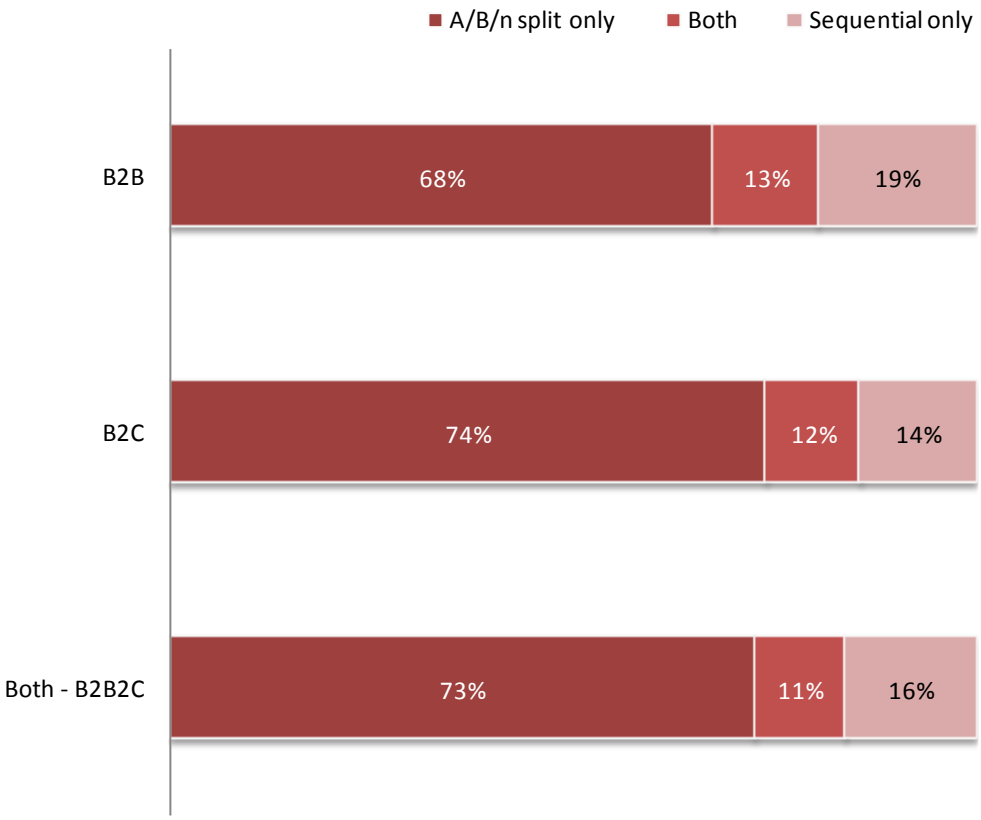


Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

There is substantial confusion about the meaning of the term "A/B split testing." It seems that the term is much more familiar than "sequential," and has come to mean "single-factor testing," discussed next. *A/B split* and *sequential* are two ways – primarily, sets of technology considerations – of presenting different treatments, independent of the number of variables being tested. In the "split" test scenario, all treatments are distributed simultaneously among incoming visitors pending site visits. In the "sequential" scenario, only one treatment is available at a time, so the data collection periods are non-overlapping.

Split tests normally utilize a randomization mechanism to avoid any systematic bias in matching visitors with treatments they receive. Split tests are also a good way to prevent major validity threats that arise from the interaction between test subjects and the environment. Since all treatments are exposed at the same time, external interactions that change with the passage of time can be considered controlled-for because they apply equally to each treatment. Sequential testing is often necessary because of technical difficulties in setting up a split test environment. To make each treatment's data sample more representative and mitigate time-related validity threats, the treatments can be exposed for a number of shorter, interleaved time periods.

Chart: A/B split or sequential testing, by sales channel



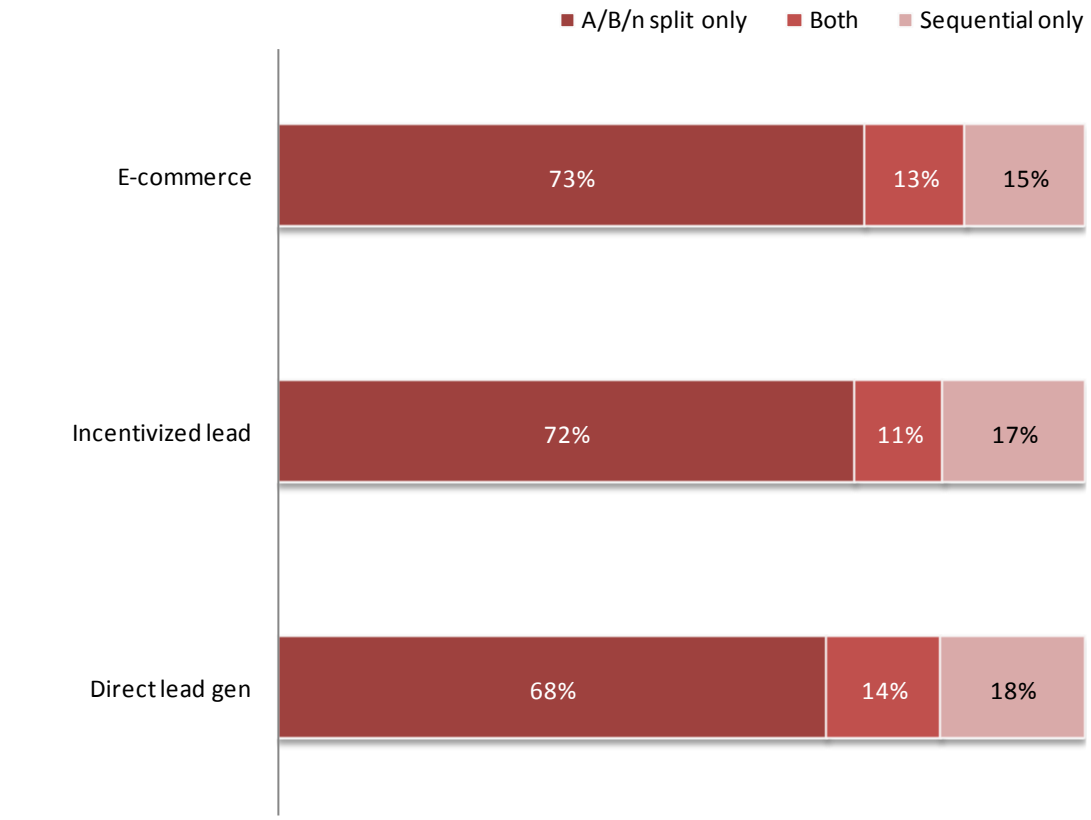
Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

The nearly identical ratio of sequential to split testing among corporate marketers and agency consultants (next page), suggests that implementation and technology factors significantly influence the decision of whether to implement sequential or split tests. Technology limitations can delay agency consultants' best efforts to design and manage experiments on behalf of their clients. The advantages that agencies offer typically end at technical implementation, rightfully owned by the clients' IT departments.

However, even when the technology aspect is not entirely prohibitive, the investment of time and effort into setting up a split test is not practical for some marketers. Simply tracking the original version of the page or process (the control) allows the establishment of a set of historical data that can be used when a new version (the treatment) replaces the control. Then, the test would be completed by tracking the treatment for enough time to obtain a sufficient number of samples.

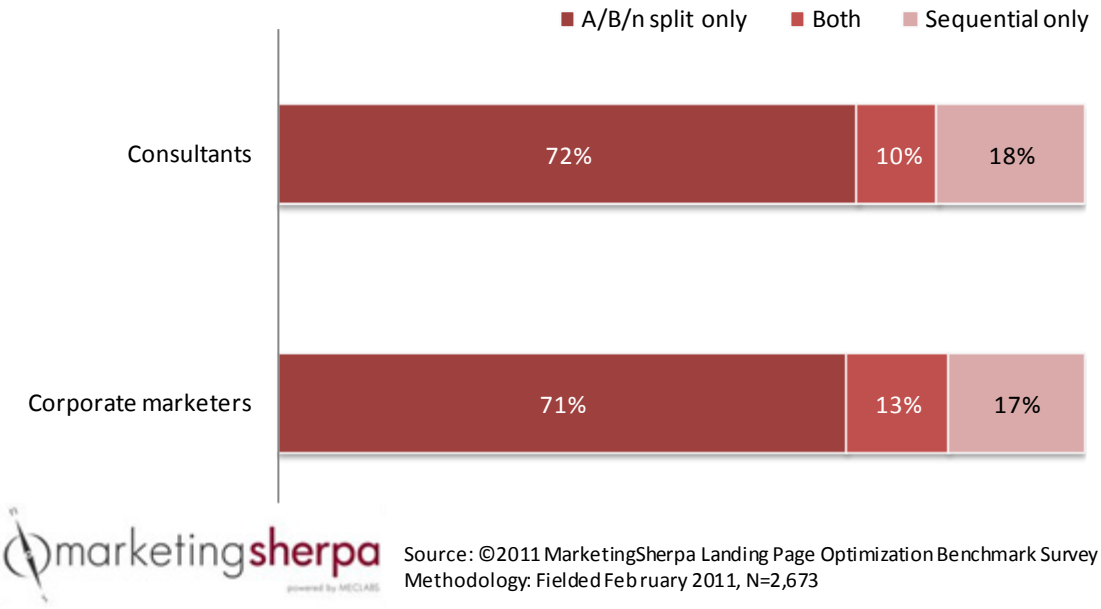
The variation in the chart above (the higher likelihood of split testing in B2B, which addresses relatively smaller audiences) attests to a notorious "test killer." Low website traffic makes split tests take extraordinarily long to reach statistical significance, and dramatically increases validity threats due to external influences. As a result, many marketers abandon testing altogether, not realizing that sequential testing, which can use historical data for the control, is an option.

Chart: A/B split or sequential testing, by website objective



Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

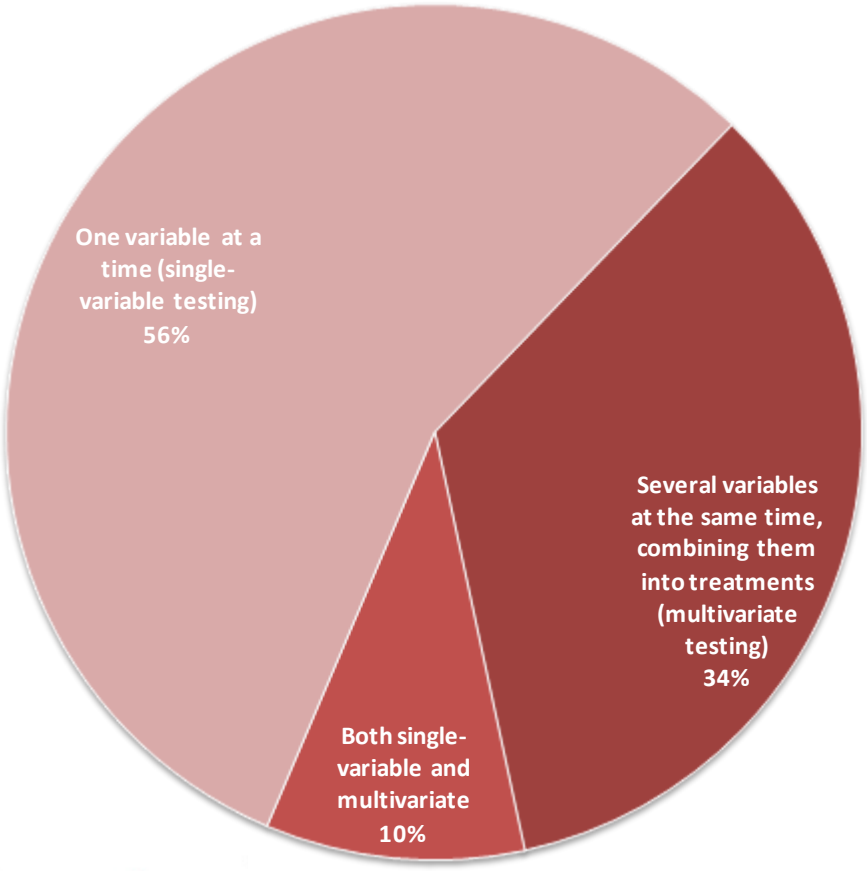
Chart: A/B split or sequential testing, by corporate vs. consultants



Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

Q. 47.0 - How many variables or elements did you change in a given test in 2010?

Chart: Number of variables tested together in 2010



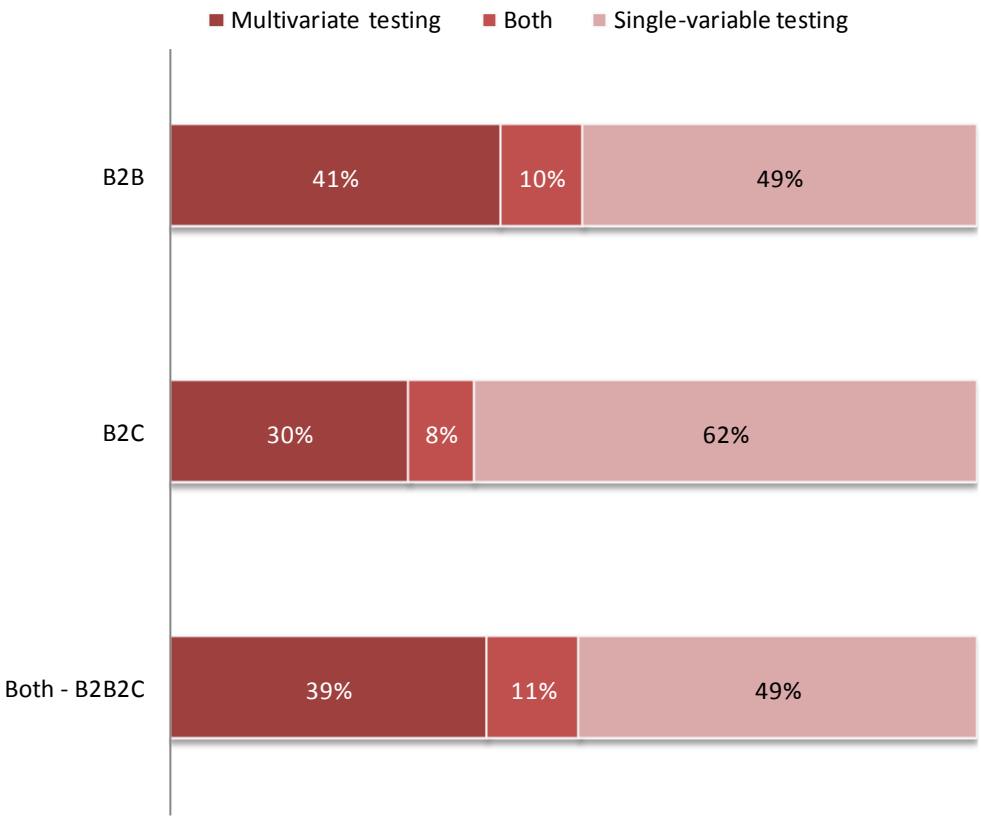
Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673

The number of variables tested can simply reflect the ability to generate optimized treatments – a key challenge discussed in Chapter 2. Also, IT and traffic challenges to split testing similarly affect the number of variables because having more variables often means more treatments. However, there is a key methodological difference between these two choices.

Incorporating more changes into a treatment may increase the chances of improving the KPI ("the more optimized, the greater the likelihood of a large difference in performance"), but it correspondingly reduces the ability of the experimenter to draw valid conclusions from the outcome. For instance, if both the headline and the location of the CTA are changed in a single treatment that outperformed the control, it is difficult to know how much each of the two changes influenced the performance gain. It is possible that the headline was mainly responsible (i.e., the same outcome would have been achieved by just changing the headline), that the location of the CTA was, or that both contributed significantly. It is even possible that one of the changes had a *negative* impact, and that the other would have performed even better alone.

By testing one variable at a time, the impact is clearly attributable. However, it is also possible that several variables produce a successful outcome *only* when combined. Single-variable testing cannot take advantage of combined influence of multiple variables.

Chart: Number of variables tested together, by sales channel



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Methodology: Fielded February 2011, N=2,673

The methodological consideration seemingly outweighs those of technology and traffic. B2C marketers, who typically enjoy more traffic due to larger addressable market sizes, are significantly more likely to choose single-variable over multivariate testing. This suggests that while traffic volume is, on average, higher, the number of different segments that B2C websites serve reduces the interpretability of test results. When multiple segments of visitors are included in traffic to test treatments, the segments themselves could be considered as test variables. For example, treatment 1 can perform best for the A segment, while treatment 2 does so for the B segment. However, if each treatment also contains two variables as in the example on the previous page, then it may be that the headline in treatment 1 is responsible for its success, while the location of the CTA is in treatment 2. For this reason, analyzing data by segment during tests is critical. In this example, it is possible that taken in aggregate, both treatments 1 and 2 do not outperform the control, if each received visitors from segments, for which they are *not* optimal.

From the perspective of deciding on the number of variables, a single-factorial test can be effective in uncovering visitor segments. For example, a specific change in the call to action can show that a certain sub-set of visitors converted higher than the average after the change, while another sub-set – lower. If it is possible to use both calls to action (or use corresponding messaging in the ad that drove the traffic), then the subsequent pages can also be optimized differently for each segment. In this case, each segment is defined by the messaging, to which the visitor responded. If the number of variables is increased, the effect of each variable can be different for the same segment, potentially reducing the aggregate impact.

Chart: Number of variables tested together, by website objective

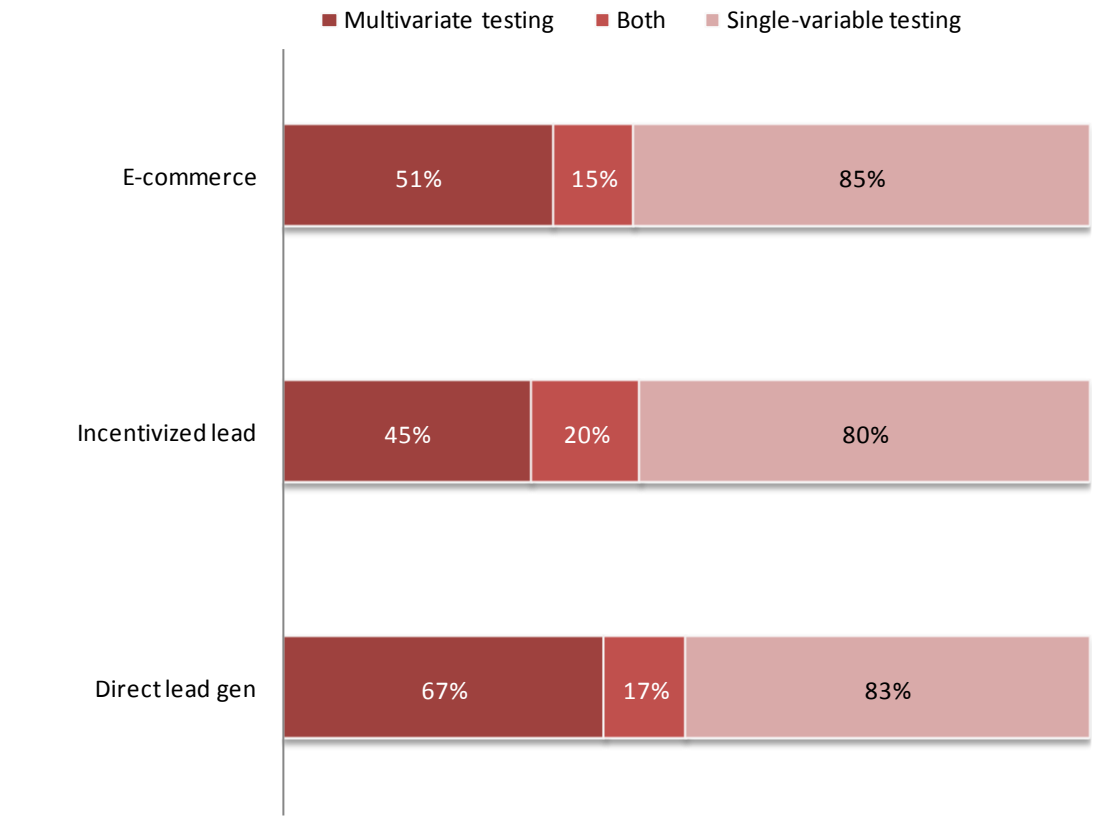

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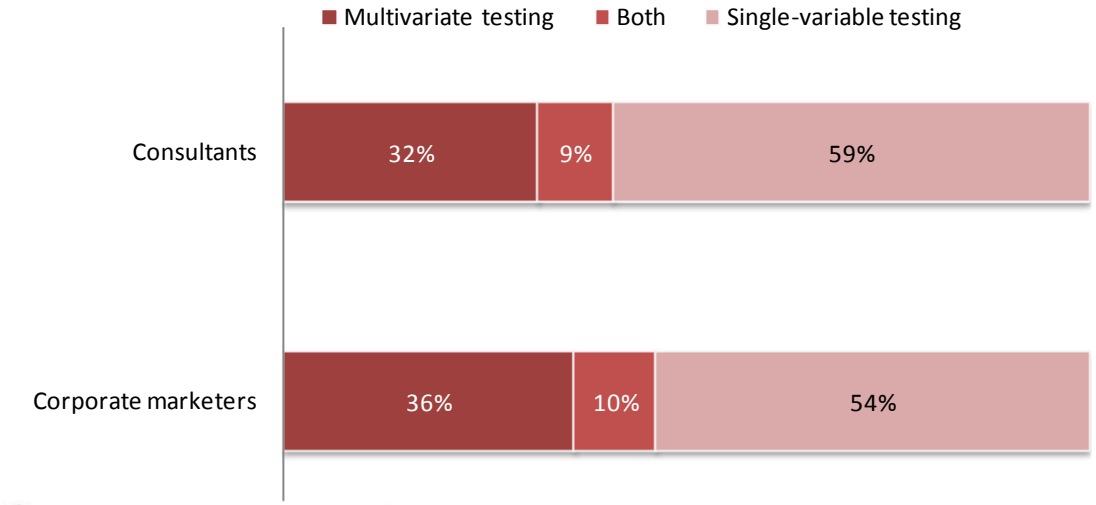
Chart: Number of variables tested together, by corporate vs. consultants



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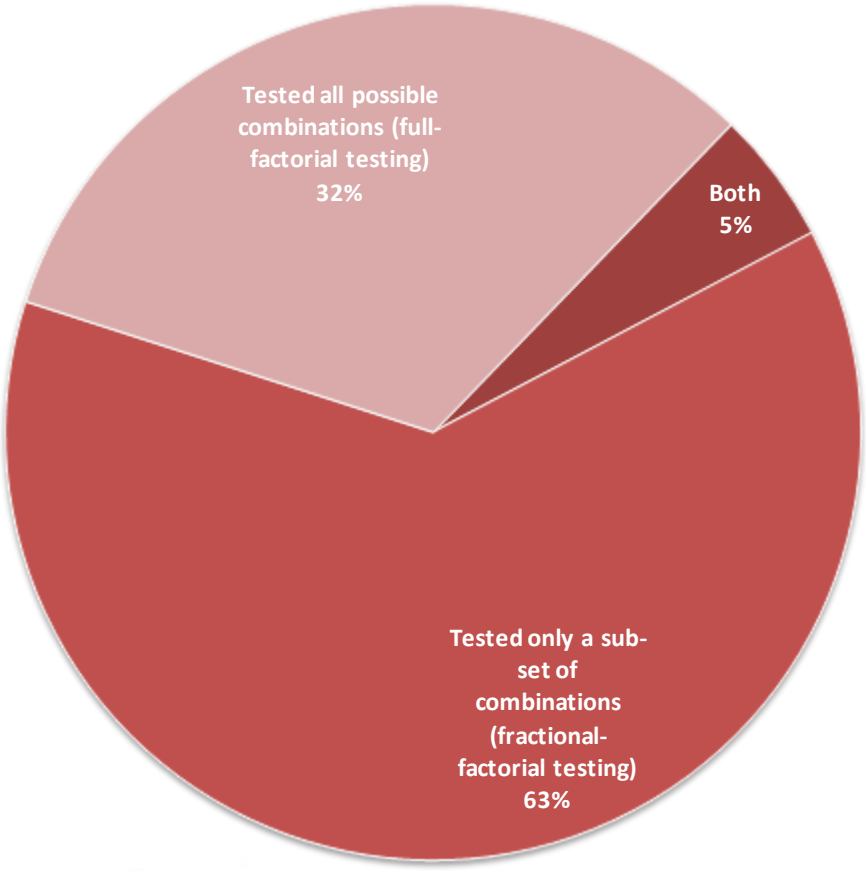
Q. 47.1 - In multivariate tests, did you test all or a sub-set of possible combinations of values?

Chart: Multivariate testing methodology to minimize test duration



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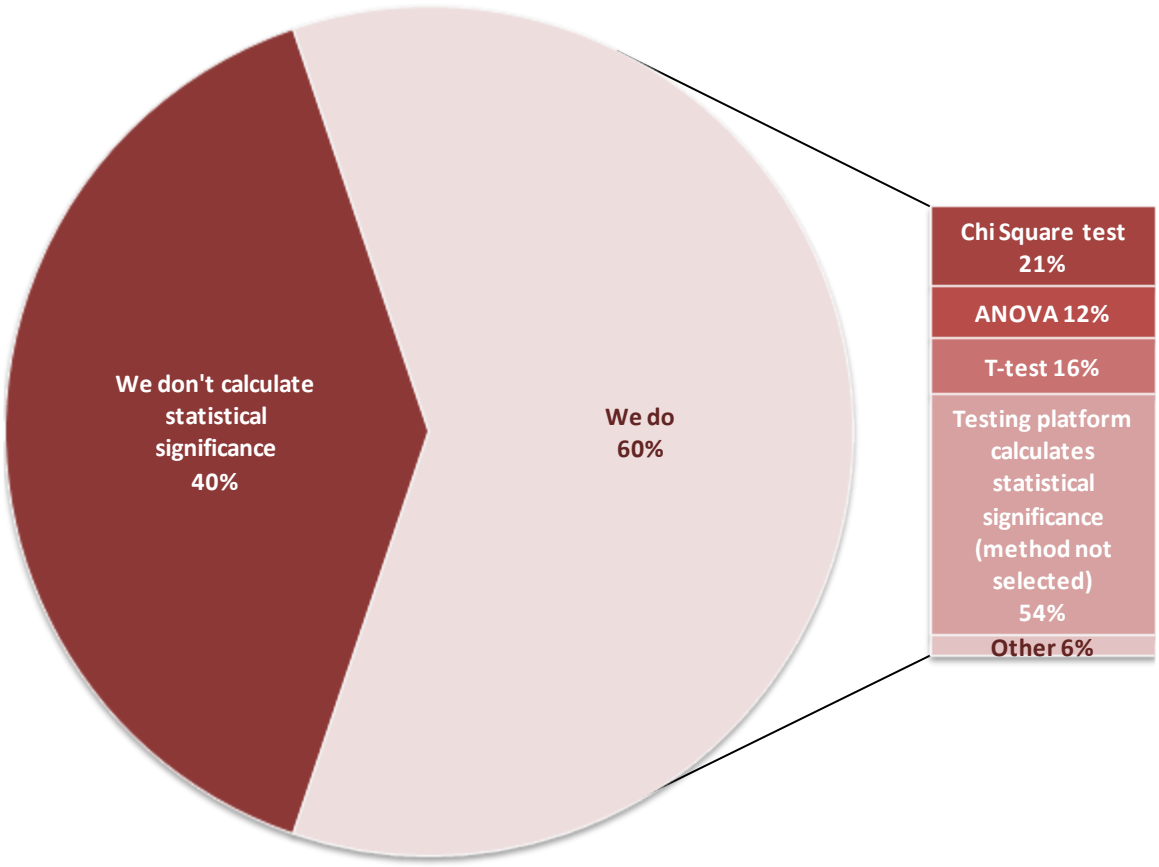
Multivariate testing is an excellent way to account for interaction between variables and test more complex treatments. However, these benefits come with a cost – the need to generate a large number of samples, which can quickly run up into the millions. Few sites can boast that kind of traffic, but statisticians have a few tricks up their sleeves effectively to reduce the number of samples required to get to a valid result, by pruning off the treatments deemed less likely to win in the test. A test starts out with the full complement of treatments, but as samples are collected, the algorithm chooses the treatments to drop from the test, leaving more traffic for those that remain.

A number of statistical methods exist to make this possible, and some companies have developed proprietary solutions. As there is a significant amount of educated guessing (albeit, by an algorithm) is involved, the main trade-off in fractional-factorial testing is that there is a significant possibility that the truly "best" performing treatment could be dropped from the test based on such a guess, before it has a chance to "prove" itself on a larger sample size. However, with a consistent testing program, the benefits from testing quicker and therefore getting better- (even if not best-) performing pages up sooner beats potentially having to wait for a full-factorial test to complete with statistical significance.

Therefore the choice directly depends on the relative number of treatments and available traffic.

Q. 48.0 - What statistical methods do you use outside of the testing platform to calculate statistical significance?

Chart: Statistical validation of test results by marketers that manage online tests



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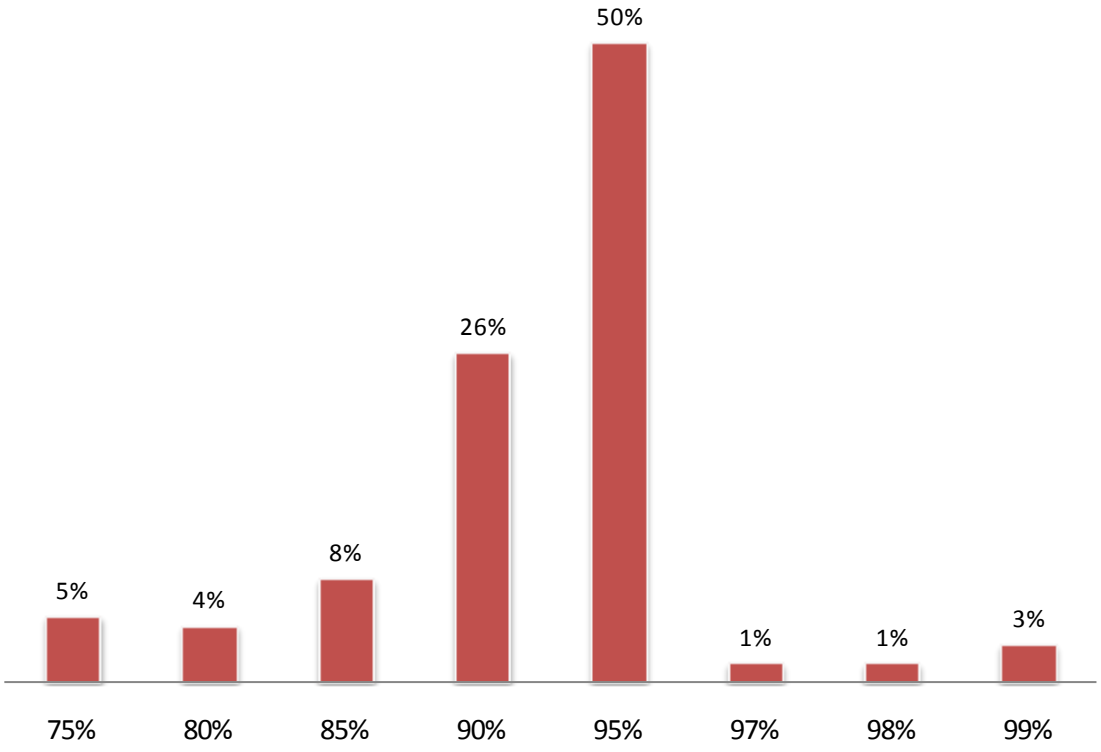
This chart demonstrates how marketers who had indicated that they were involved in generating a formal design of experiments, calculating the appropriate number of treatments and traffic volume for a test, or operating hands-on a testing platform – arrived at statistical significance for their test results.

It is no surprise that the statistical methodology in use may be obscured by the testing and analytics software in a marketer's toolkit. However, it was surprising that between one-third and one-half of testing-savvy marketers did not calculate statistical significance at all. This means that even though they test, they determine (and presumably, act upon) a test's winner without solid quantitative analysis to support it.

This certainly does *not* imply that every marketer should go out and get a degree in statistics. However, in the ROI-driven world of digital marketing, testing without calculating statistical significance of the data is not much different than not testing at all – unless the difference in performance is so dramatic that one can feel confident without the analysis. Apparent small improvements in the conversion rate may be the result of chance fluctuation in the visitor segments on the site, competitor campaigns, etc., which may be large enough to move the needle, but small enough to be invisible to the marketer as validity threats.

Q. 48.1 - What is the minimum Level of Confidence you typically require to determine a test winner?

Chart: Typical required levels of confidence to validate test results used in 2010



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The 95% level of confidence is the magic number most choose. Almost exactly two standard deviations from the mean, 95% level of confidence implies that there is only five percent chance that the sample data is not a true representation of the population.

Translated into website optimization language, this means that if changing the headline improved the conversion rate by ten percent after receiving 100,000 visitors, and statistical analysis confirms this with a 95% level of confidence, then there is only a five percent chance that the new headline will not perform better in the long run (of course, this "confidence" does not take into account everything else that might change in the future, such as other items on the page, visitor preferences, competing offers, etc.).

To increase the level of confidence (i.e., to make it less likely that the apparent outcome is not "real"), more samples must be collected. As with the number of variables, this affects test duration and therefore the number of tests that can be conducted in a given budget year, since tests should not be run simultaneously on the same traffic (otherwise interactions are not accounted for). Three numbers typically govern test duration: the desired level of confidence, the number of treatments, and the minimum expected KPI difference between treatments. These numbers will allow the marketer to calculate the minimum sample size per treatment and project the amount of traffic (and therefore, time) required for the test.

CASE BRIEFING: TWO EXAMPLES OF TESTS THAT STOPPED SITE-DESIGN BICKERING

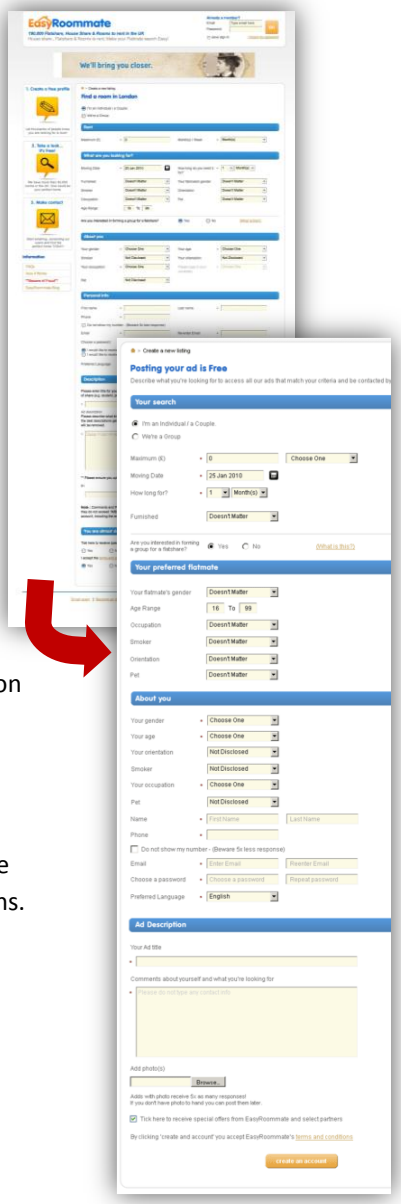
SUMMARY

Sometimes your team can agree that a website needs changes, but how it should be changed is a different story. If team members have different thoughts on the right direction, it's time to run tests and dig into the data – because no one can argue with metrics. EasyRoommate, which operates a network of roommate-finding websites in 29 countries, ran three tests to circumvent office conflict and redesign key pages, increasing 3-15% in different markets.

CHALLENGE

Baptiste Intsaby, Director of Business Development saw that at times, there was friction between him and managers – particularly last year when many managers wanted to tweak their websites. "We never managed to really decide what was good for our users and what was not good, because all the ideas seemed good," Intsaby explains.

Last year, they invested in an A/B Web page testing tool to determine the best page designs for the U.K. site. Then, they planned to apply their lessons on other sites in the network and measure results. The strategy worked. Site performance improved across the network, and the team now has data-based design changes to share with site managers.



Test #1. Improve "Need a Room" registration form

EasyRoommate's visitors searching for rooms must register with the site to freely browse and contact others. Basic registration is free. Intsaby and his team saw an opportunity in the "need a room" registration form. The page requested 27 fields of information organized into six categories, which looked cumbersome.

The team individually tested four changes to the page:

- Reorganize categories from six into four: Search criteria, preferred roommate attributes, personal attributes and ad description
- Removing six required fields
- Organize fields into a single column, as opposed to two columns
- Combining winners of the three previous tests

Each test took about two and a half weeks to reach statistical significance. The entire process, including planning, design and coding, took about three months.

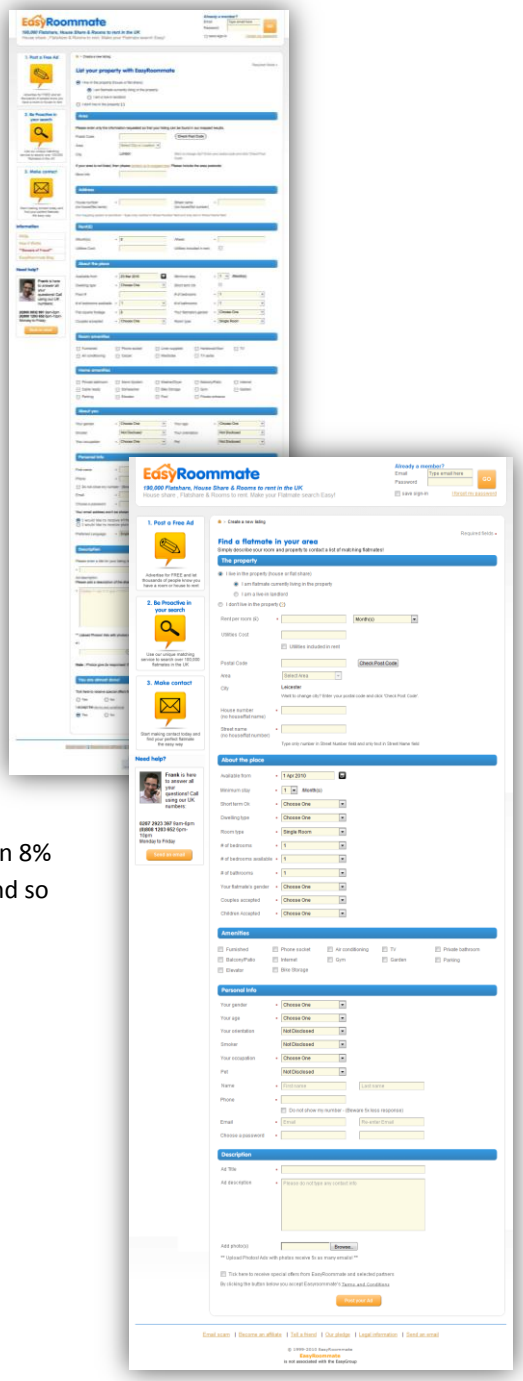
Tests that improved results:

- Reorganizing the fields into four categories improved results
- Organizing the fields into a single column.

Test that did not significantly improve results:

- Removing some of the fields

The team applied the changes on all EasyRoommate sites. On average, the new page increased form completion 10%.



Test #2. Improve "Have a Room" registration form

EasyRoommate visitors wanting to offer a room had a similar registration page to fill out. Early on, the team spent three months testing changes to this page, including:

- Reordering the field categories on the page
- Changing the fields' positions
- Splitting the page into four separate steps/pages

"We did a lot of different tests for this page, and they were not successful at all," Intsaby says. Following the success of the tests on the "Need a Room" page, the team decided to test the same concepts on the U.K. "Have a Room" form. They organized the fields into a single column down the page and reduced the number of categories from ten to five.

"The uplift is really different based on the country. For example, we saw an 8% uplift in the U.K., a 15% uplift in the U.S., and only a 3% uplift in France, and so on."

APPENDIX

BENCHMARK SURVEY DEMOGRAPHICS

The demographic data that follows provides a succinct way to visualize the types of companies, whose collective wisdom, experiences, and challenges are portrayed in this report. However, it should be noted that these companies are not representative of *all* businesses, even if we would want to focus on those that have some Web presence. Most small local businesses that are online are still largely unaware of LPO as a category, and therefore unlikely to have responded to this survey. Insofar as MarketingSherpa's target demographic is *not* small/local businesses, this report is no less valuable, but this missing demographic must be acknowledged.

Furthermore, even among more digitally advanced organizations, survey respondents tend to be closer to the "advanced" end of the spectrum. They are more likely to be aware of LPO as a category (otherwise they were much more likely to discard our invitation to take the survey in the first place), they are more likely to have direct experience with LPO (otherwise, they would have had less to share – except challenges they've faced), and finally they are more likely to have been successful (as success would have kept LPO at the top of their minds, also making them more amenable to sharing their achievements than stalemates or failures).

In that sense, the level of successes reported here should be expected to be greater than the true average across *all* companies out there. However, the trends remain representative and the specific examples concrete. Moreover, the higher degree of success among this report's respondents also means that the best practices reported are representative of the more successful LPO practitioners. In particular, LPO consultancies, which by their nature are more experienced in and focused on LPO, are singled out in charts, where their practices diverge from the average.

Chart: Survey respondents by geographic region

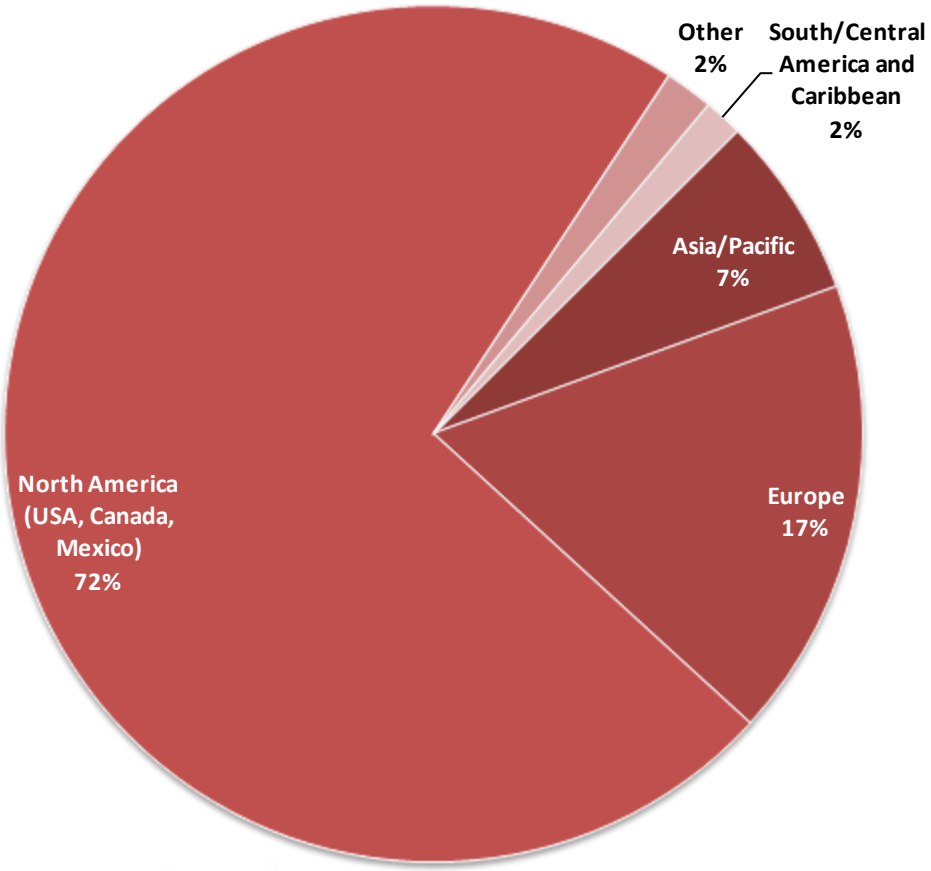


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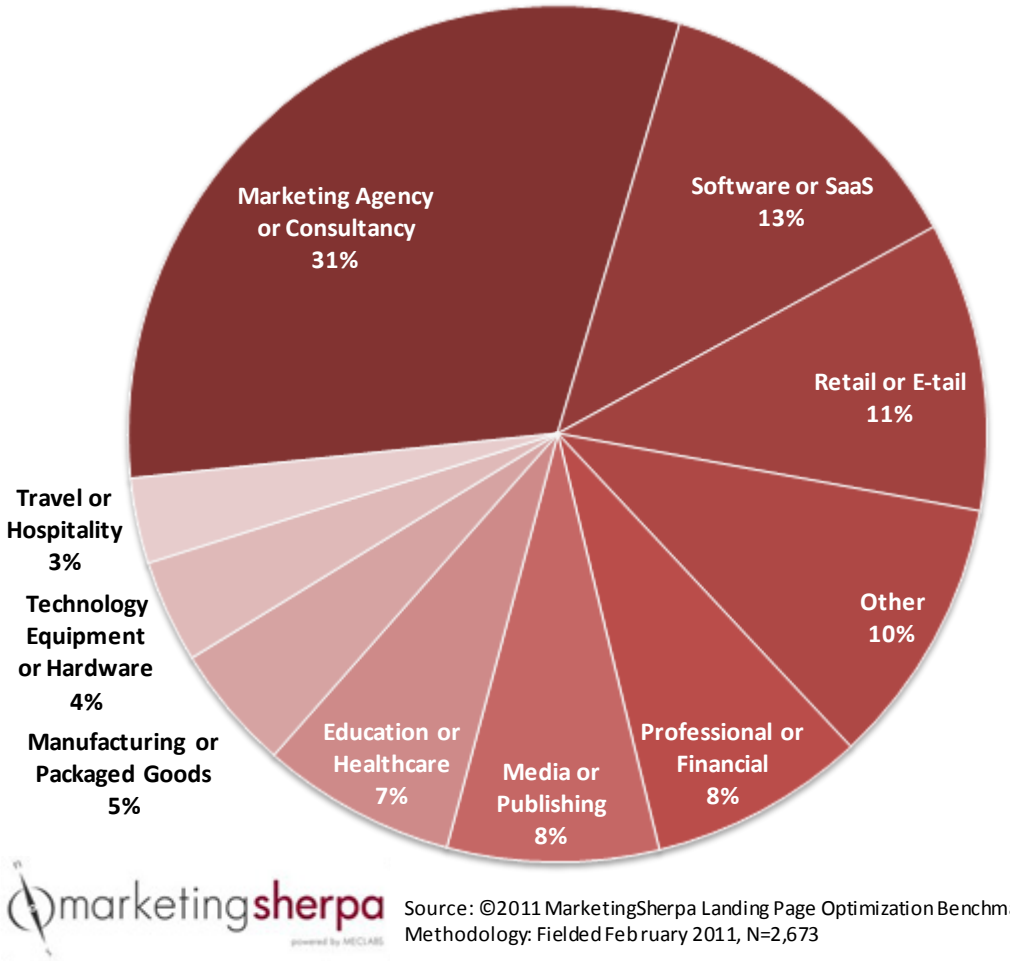
Chart: Survey respondents by industry type



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Of respondents that selected *Marketing Agency or Consultancy*, 13% (not shown) indicated that they were an in-house marketer for the company, while the other 87% indicated that they provided marketing services to the company's clients. Only the latter group is included in the "consultants" segment in this report. Also, this group is excluded from all sales channel and company size segments for the purpose of charts, where these segments are used.

Chart: Survey respondents by primary sales channel

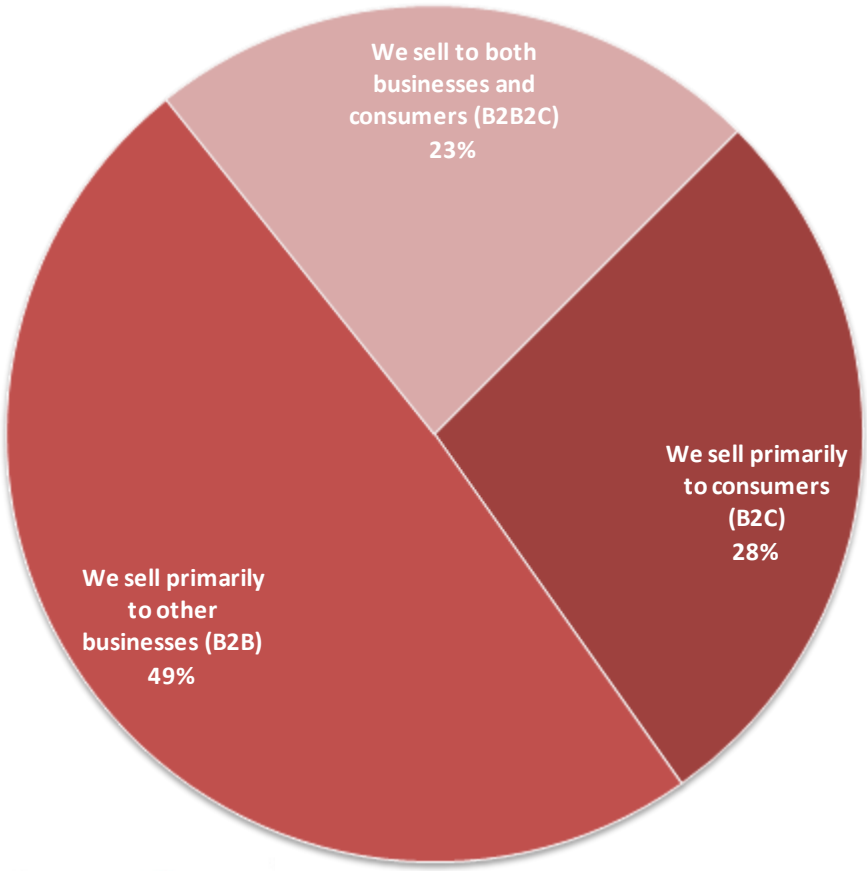

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Chart: Survey respondents by organization size

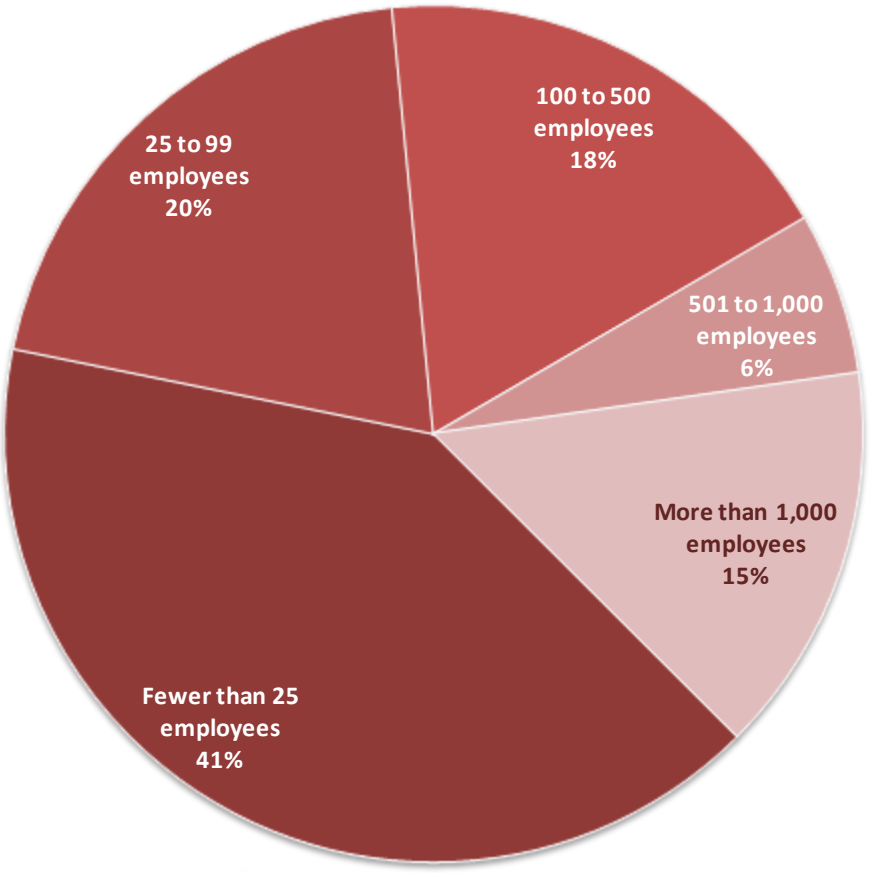

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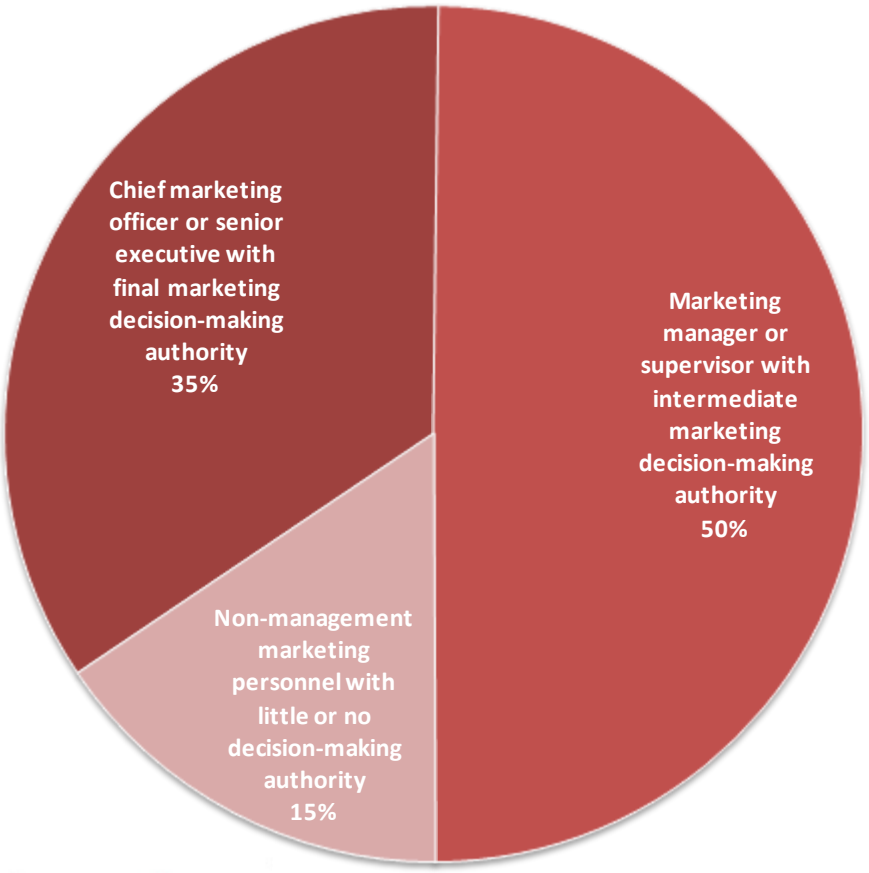
Chart: Survey respondents by organizational role



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1300 Marsh Landing Parkway Suite 106
Jacksonville, FL 32250

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