marketing experiments

The MarketingExperiments Quarterly Research Journal

Volume I, Issue 2 - Q2 2010

THE MARKETINGEXPERIMENTS QUARTERLY
RESEARCH JOURNAL

Volume I, Issue 2 *The Second Quarter of 2010*

ACKNOWLEDGEMENTS

We would like to thank all the Research Partners who have teamed up with us to conduct these experiments. For more information about Research Partnerships, please visit MarketingExperiments.com/Partners.

A publication of:
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Dear Readers:

For more than ten years, we've been seeking to discover what really works in digital marketing. After publishing 175 research studies, we are still learning.

In this special publication, our second MarketingExperiments Quarterly Research Journal, we used rigorous science to challenge certain so-called "best practices."

Our findings were surprising…

- MarketingExperiments labs discovered a 124% conversion increase from tying online efforts to an offline campaign even though there was no direct correlation between the two. How much impact does your offline advertising have on your online conversion? See "Integrate Your Marketing" on page 6.
- We created a 1:n marketing approach that produced a 109% lift and required no segmentation. While 1:1 marketing is a major buzzword, you may be better served by 1:n marketing. What's the difference? See "One-to-One Marketing at Four Levels" on page 80.
- Our research analysts found a hidden 31% gain be delving into some often-overlooked technology blind spots. What might your enterprise-level optimization software be inadvertently keeping from you? See "Technology Blind Spots" on page 112.

These are just a few of the insights in the four never-before-published research articles featuring 12 experiments in this quarter's issue. You'll also find 21 "how-to" articles culled from the MarketingExperiments blog, actionable lead generation advice from Brian Carroll, and social media guidance from MarketingSherpa.

Thank you for taking the time to read this issue. While you may have received a complimentary copy of this Journal, it represents a significant research investment. If you find it useful, please pass along this research to colleagues to help us build a community of evidence-based marketers that we can share ideas with as well as learn from.

Sincerely,

Dr. Flint McGlaughlin
Director of MECLABS Group

P.S. We want to hear from you. Please send your thoughts to the MarketingExperiments content team at editor@marketingexperiments.com or take three minutes to visit MarketingExperiments.com/Survey.

MARKETING OPTIMIZATION

Integrate Your Marketing:

How one company combined offline and online marketing to increase subscriptions by 124%

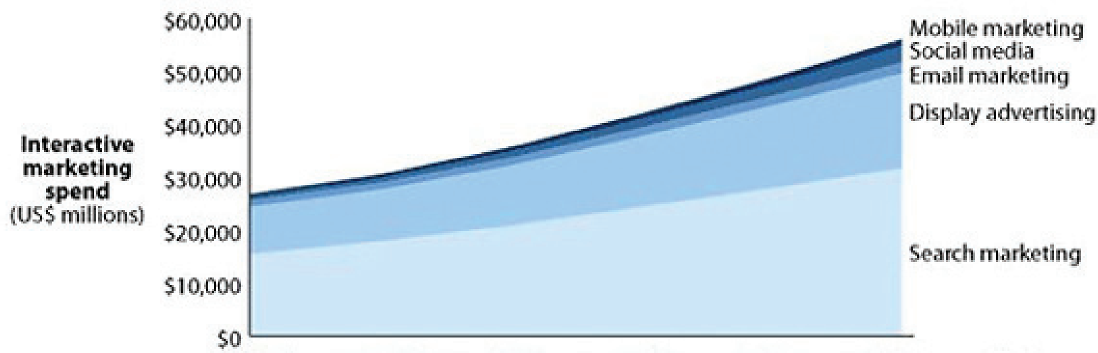
By Daniel Burstein, Jimmy Ellis, Pamela Markey, Austin McCraw, Arturo Silva, Gina Townsend, and Corey Trent

May 6, 2010

Now is a great time to be in digital marketing. Simply put, it is growing explosively.

To wit, earlier this year Pepsi decided to pass up on the Super Bowl (which is the Super Bowl of advertising) for the first time in 23 years in favor of online marketing. Pepsi was able to create a far deeper relationship with its customers online than it could with a 30-second ad of Beyoncé thanks to its [Refresh Everything] campaign. In fact, Pepsi has shifted almost one-third of its budget to interactive and social media. And that direction came straight from the CEO.

And it's not just Pepsi. As proof, the below chart from Forrester Research illustrates interactive marketing budget trends.



	2009	2010	2011	2012	2013	2014	CAGR
Mobile marketing	$391	$561	$748	$950	$1,131	$1,274	27%
Social media	$716	$935	$1,217	$1,649	$2,254	$3,113	34%
Email marketing	$1,248	$1,355	$1,504	$1,676	$1,867	$2,081	11%
Display advertising	$7,829	$8,395	$9,846	$11,732	$14,339	$16,900	17%
Search marketing	$15,393	$17,765	$20,763	$24,299	$27,786	$31,588	15%
Total	**$25,577**	**$29,012**	**$34,077**	**$40,306**	**$47,378**	**$54,956**	17%
Percent of all ad spend	12%	13%	15%	17%	19%	21%	

Source: Forrester's Interactive Advertising Models, 4/09 and 10/08 (US only)

47730 Source: Forrester Research, Inc.

And yet…even with this explosive growth, marketers are still investing a vast majority of their spend offline. The flipside of Pepsi's bold move – it still spends two-thirds of its budget in the traditional world. According to the above Forrester chart, even in 2014 (after explosive growth online), marketers will still spend almost 80% offline.

So what can we learn from this data? It is crucial to understand the connection between offline and online marketing. To get maximum ROI from your marketing spend, you must integrate all of your activities and make the connection between your traditional marketing and web conversions.

To help you do just that, we're going to answer five key questions in this article:

1. *How much do our offline campaigns impact our online campaigns?*
2. *How do we connect offline campaigns to our online efforts?*
3. *What negative impact can offline media have online?*
4. *How can we set up metrics to monitor and measure offline campaigns?*
5. *What impact can our online efforts have offline?*

HOW MUCH DO OUR OFFLINE CAMPAIGNS IMPACT OUR ONLINE CAMPAIGNS?

To begin delving into this topic, the researchers here at MarketingExperiments were faced with this first, foundational question. You may have some assumptions on how you would handle this question, but we've found, time after time, that our assumptions and intuition can often be incorrect.

So this led us to do some research with one of our Research Partners that has a large offline marketing presence with direct mail…

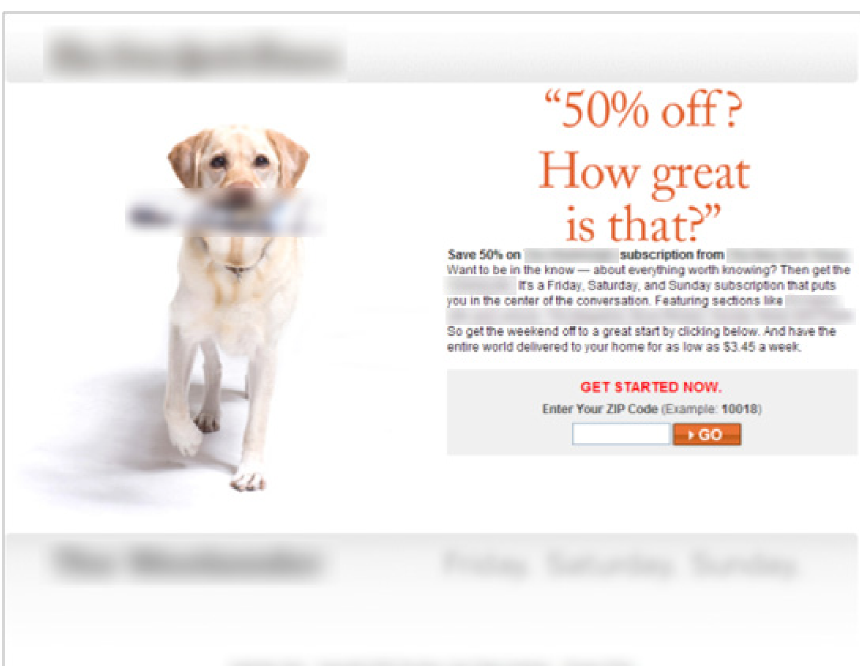
EXPERIMENT #1

Experiment ID: *(Protected)*
Location: MarketingExperiments Research Library
Test Protocol Number: TP1321

Research Notes:

Background: Well-known news publication offering home delivery services via online registration.
Goal: To increase the amount of home delivery subscriptions.
Primary research question: Which page/process will generate the most subscriptions?
Test Design: A/B multi-factorial split test of a landing page and registration form.

Control:



MarketingExperiments researchers had been testing a page that offered a weekend-only edition of their product. Here is the page we were testing.

It is very important to note that this page had already gone through a series of tests and had been improved greatly. However, we wondered how other marketing efforts affected the success of this page.

The researchers at MarketingExperiments wanted to test the hypothesis that different direct mail initiatives might actually affect overall web traffic coming to this page. Since this company had significant direct mail efforts, we wondered how much (if any) those efforts impacted this page.

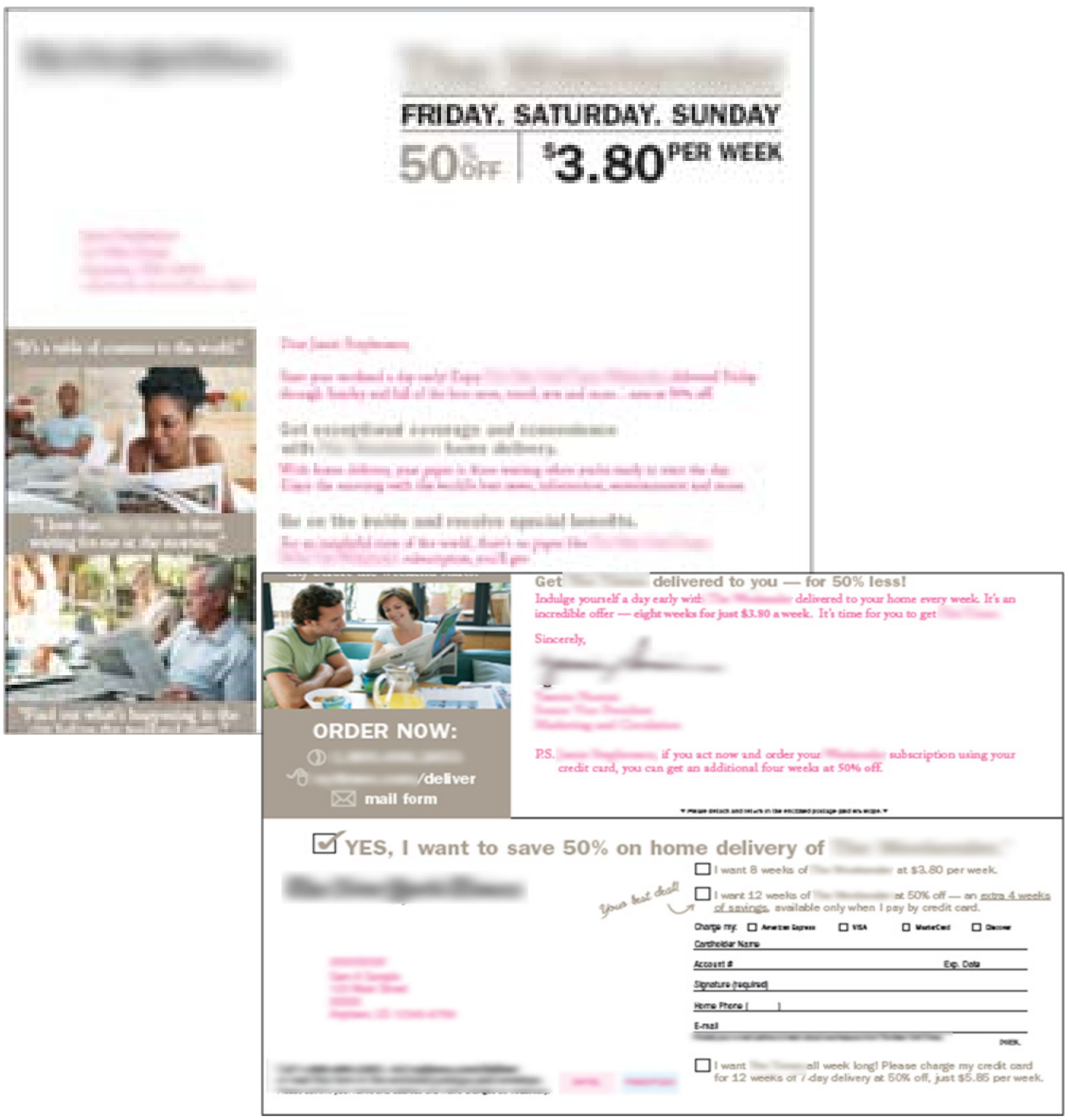
All of this company's direct mail efforts had unique, campaign-specific URLs that could be tracked and measured. In theory, everything should have been easy and clean to garner the impact of the offline campaigns.

But we wondered how many of the people who received the direct mail piece didn't follow the directions, went straight to the website, and found their way to the generic product page we were testing (the link to this page was clearly posted throughout the website).

So we set out to design a test that would help us gauge the impact of offline efforts.

Direct Mail Example:

Here is the actual direct mail creative *(Editor's note: All examples have been anonymized to protect the business intelligence of the research partner)*

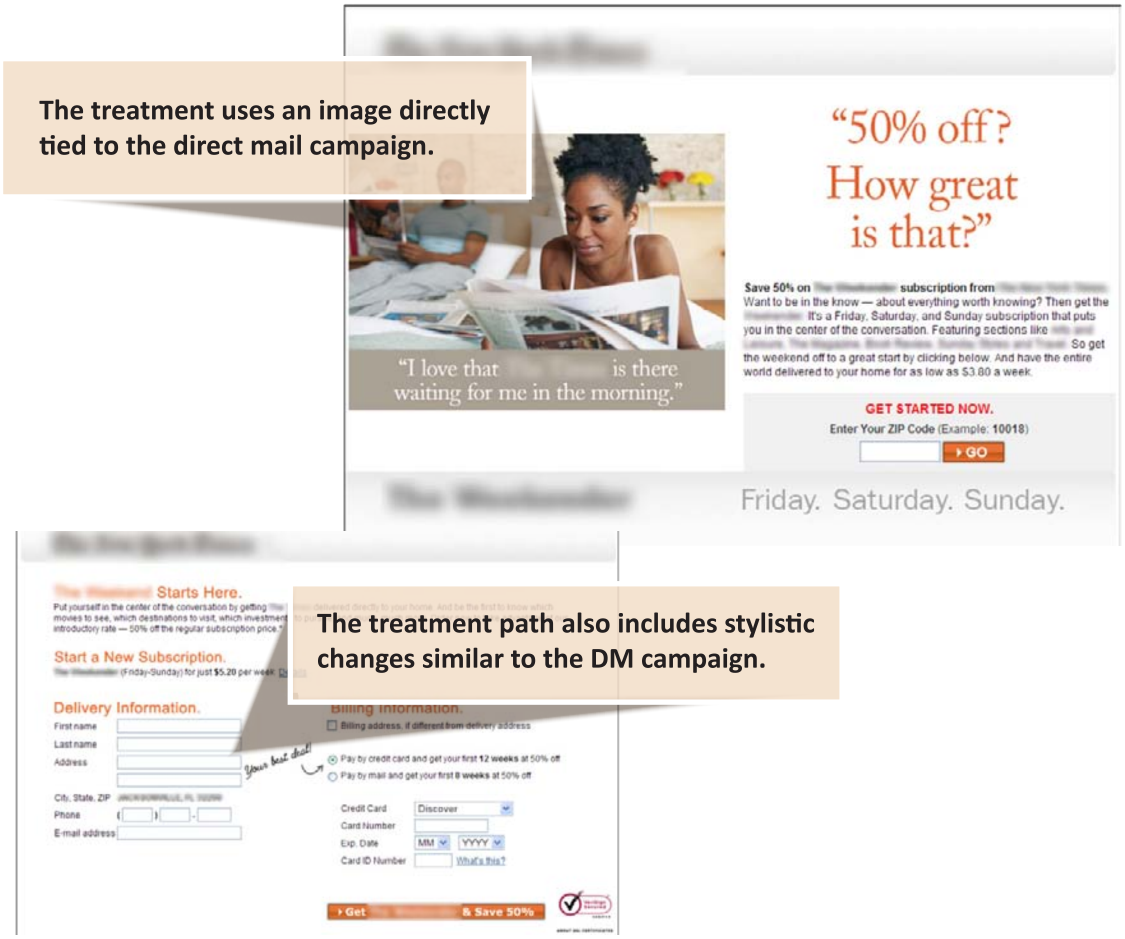


Treatment:

So we tested this hypothesis with a design tied closely to the imagery of the direct mail pieces to discover if it would have any impact on conversion. Instead of the picture of the dog, we inserted the picture from the direct mail piece. We did this to try to create relevance for those coming from the direct mail to this generic product page.

We also inserted some of the handwriting imagery from the direct mail piece into the web form. This was a really small change, but it created continuity in the messaging and feel of the sign-up.

We specifically ran this experiment while people were receiving the direct mail pieces in their mailboxes.



Results:

124% Increase in Total Leads

The highest performing treatment outperformed the control by 124%

	Conversion Rate	Relative Difference
Control	20.99%	-3.5%
Treatment 1	**1.23%**	**124%**

What you need to understand: For the two weeks of the direct mail efforts, the treatments outperformed the control by up to 124%. This is a significant increase and clearly demonstrates the potential impact and effect of offline efforts on our Internet campaigns.

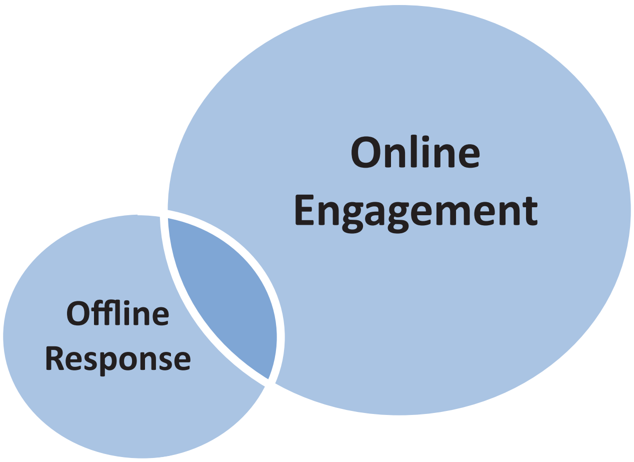
After the direct mail sends concluded, the results reverted to a non-significant difference. It was only during the direct mail efforts that the impact of the treatment was felt. This underscores the impact that offline efforts can have online.

What we discovered:

Key Principle:

So what can we learn here? There is significant potential in identifying and connecting offline response to online engagement. In this particular test we made relatively small adjustments to the Research Partner's online campaign to connect it with their offline campaign and achieved a triple-digit increase in response.

The key principle is that there's a significant opportunity to improve online response rates by closely connecting offline and online marketing campaigns. This means not only identifying the overlap, but then closely connecting the efforts so they are seamless.



While the direct mail pieces did provide specific tracking URLs, recipients still ended up all over their website and were looking for relevant information. So this overlap is going to happen whether you want it to or not. It's up to you to connect the pieces and achieve a higher response rate.

Just think about it. How much of your traffic right now is being affected by your offline campaigns?

HOW DO WE CONNECT OFFLINE CAMPAIGNS TO OUR ONLINE EFFORTS?

Now that we have concluded that there can be a significant impact between offline and online campaigns, we face an even bigger question. How do we make the connection?

The potential (positive) impact of offline efforts:

As we have just seen, connecting offline campaigns to relevant online web pages significantly increases response. However, this connection is made by more than just mirrored creative. You need to understand what motivates the visitors to your webpage and then match that motivation in the proper sequence.

Let's take a look at how this relates to our optimization methodology. Here is the MarketingExperiments Conversion Sequence heuristic:

$$C = 4m + 3v + 2(i-f) - 2a \text{ ©}$$

The most influential element in this formula is motivation. It represents the fact that visitors have different levels of motivation. For example, a visitor from your PPC campaigns will likely have more motivation than someone from an email list.

C = Probability of conversion
m = Motivation of user (when)
v = Clarity of the value proposition (why)
i = Incentive to take action
f = Friction elements of process
a = Anxiety about entering information

A visitor from an offline campaign is just another channel coming to your webpage with its unique motivations. You first have to under what is motivating the visitor, and then tap into that motivation with a relevant message. The more relevant you can be, the greater response you will see.

Your goal should be to start a conversation offline, and continue “right where you left off” online.

Creating relevant continuity:

It is important to make sure that your message is relevant and communicated and/or supported throughout the entire process to connect the offline and online conversations.

Relevance + Continuity = Conversion

Once we understand what is relevant to the motivations of our recipients, we then want to create continuity across the entire process. Take the value that you have identified and make sure that in every step of the process you are communicating it and supporting it.

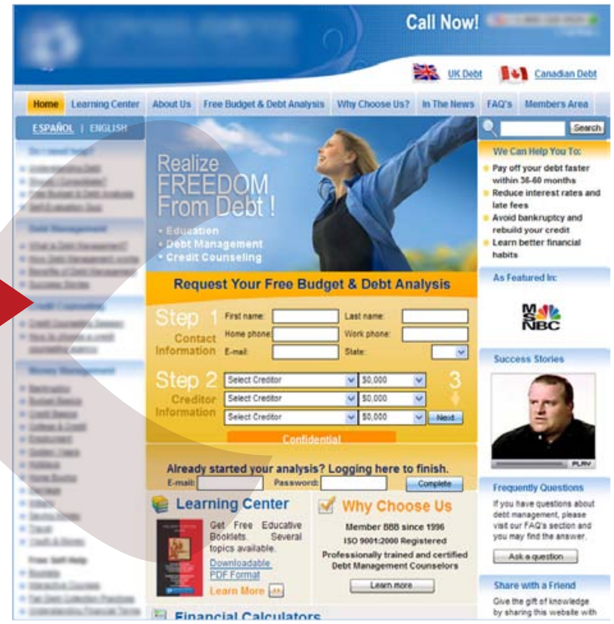
Let’s look at a specific example of how we created relevance and continuity…

Example #1

Here is an example that we have pulled from some of our work with Research Partners. This credit consolidation company ran television advertisements across multiple cable networks. The advertisement mainly directed people to pick up a phone and call. However, it did provide a specific URL for those who would like to access more information online.

Let’s first look at what not to do, and then we will look at what to do.

Not this:

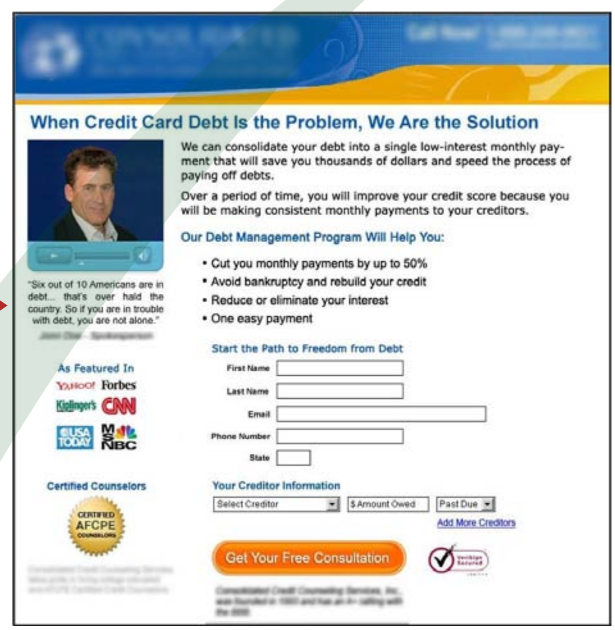


In most cases, it is not optimal to send offline, ad-specific traffic to an online generic homepage. There is an immediate disconnect. For example, by sending people from the television ad to a generic homepage, a huge reorientation is required and many people will likely bounce from the homepage when they don't immediately find what drove them there in the first place.

We see this all the time. Companies are spending millions of dollars offline to generate traffic and yet they send customers to a generic page that has no connection to what they originally saw.

If there is one thing that you can take away from this article that you can immediately apply to your campaigns, it is this: be as channel-specific as possible. Segment your channel as much as possible. Create offer-specific, channel-specific pages that tie directly to the messaging and value

But this:



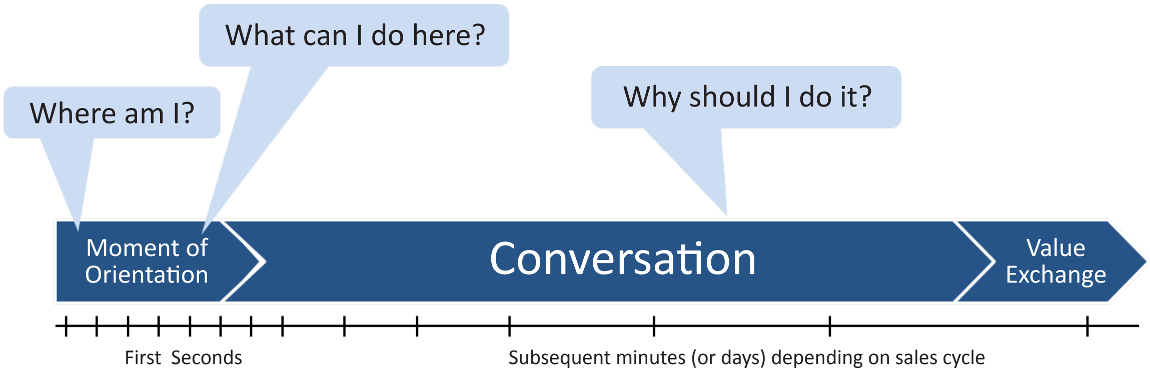
that specific channels have already seen and been motivated by.

Here is a dedicated landing page that specifically matches the message of the video. It even provides more video that connects with the ad. And there is a simple, clear goal that matches the ad message.

This channel-specific page connects directly to the offline campaign. The message of this page ties directly to the television ad that initially drove people to this landing page. There's even a video that is similar to the TV ad. And the offer is simple and matches the original offer in the TV ad. There are many things that this page is doing right, but what we want you to see is a really clear example of how you connect offline media to online conversion.

The moment of orientation:

It is important to note that confusion can be an immediate enemy to motivation. In order to keep



your visitors motivated from step to step, you must keep them grounded in the relevant value at every transition and moment of orientation.

For every step in a conversion process (for example, going from offline to online is significant step), there is a "moment of orientation." This is where the user takes the first seven or so seconds and tries to understand the answer to two crucial questions "Where am I?" and "What can I do here?".

In the "not this" example, where the TV ad sent people to a home page, there is a significant disconnect and it is hard for the customer to figure out where she is and what she should be doing.

In the "but this" example, we immediately greet customers with a message they are familiar with, and there is one simple objective.

If your customer can not quickly gain clarity, the conversation will never start and you will be "back clicked" into oblivion.

WHAT NEGATIVE IMPACT CAN OFFLINE MEDIA HAVE ONLINE?

The potential (negative) impact of offline efforts:

Important Note: Overlooking the impact offline activities have on your online efforts poses a significant threat to testing validity.

The six primary threats to testing validity are Selection Effect, Sampling Distortion Effect, Maturity Effect, History Effect, Instrumentation Effect, and Mortality Effect. (*To learn more about validity threats, please check out our [Fundamentals of Online Testing Training and Certification Course](#).*)

To see the correlation between offline and online activity, we will focus on the History Effect, which is the effect of a dependent variable by an extraneous variable associated with the passage of time.

EXPERIMENT #2

Experiment ID: *(Protected)*
Location: MarketingExperiments Research Library
Test Protocol Number: TP1321

Research Notes:

Background: Online sex offender registry service for parents concerned about their surrounding areas.
Goal: To increase the click-through rate of a PPC advertisement.
Primary research question: Which ad headline will produce the most click-though?
Test Design: We prepared a headline test using Google AdWords as the split-testing platform. The headlines were chosen by the participants of a certification course from a pool which they created. The test was conducted for seven days and received 55,000 impressions.

Control:

The problem with History Effect is that it can be so influential that it invalidates test results. For example…

Child Predator Registry Identify sex offenders living in your area. Protect your kids today. www.XXXXXXXXXXXXXX.com	Is Your Child Safe? Identify sex offenders living in your area. Protect your kids today. www.XXXXXXXXXXXXXX.com
Predators in Your Area Identify sex offenders living in your area. Protect your kids today. www.XXXXXXXXXXXXXX.com	Find Child Predators Identify sex offenders living in your area. Protect your kids today. www.XXXXXXXXXXXXXX.com

Test Design: We prepared a headline test using Google AdWords as the split-testing platform. The headlines were chosen by the participants of a certification course from a pool which they created. The test was conducted for seven days and received 55,000 impressions.

As you can see, the only thing that is different is the headlines. Three of these ads use the word "predator" in the headlines.

Validity Threat:

During the test, the Dateline NBC television show aired a special called "To Catch a Predator." This program was viewed by millions of individuals.

Throughout this program sex offenders were referred to as "predators." This language was used in three of our test headlines.

Results:

Headline	Impressions	Clicks	CTR
Predators in Your Area	21,096	1,423	**6.74%**
Child Predator Registry	14,712	652	**4.43%**
Find Child **Predators**	18,459	817	**4.42%**
Is Your Child Safe?	15,128	437	2.89%

What you need to understand: For the two weeks of the direct mail efforts, the treatments outperformed the control by up to 124%. This is a significant increase and clearly demonstrates the potential impact and effect of offline efforts on our Internet campaigns.

Immediately, thousands of people began searching for "predators" on Google.

So what were the results of our test?

So the question is, does the word "predator" increase click through as this test would indicate? If you were not aware of the external factor, you might conclude that it does and push out the new headlines to your PPC campaigns.

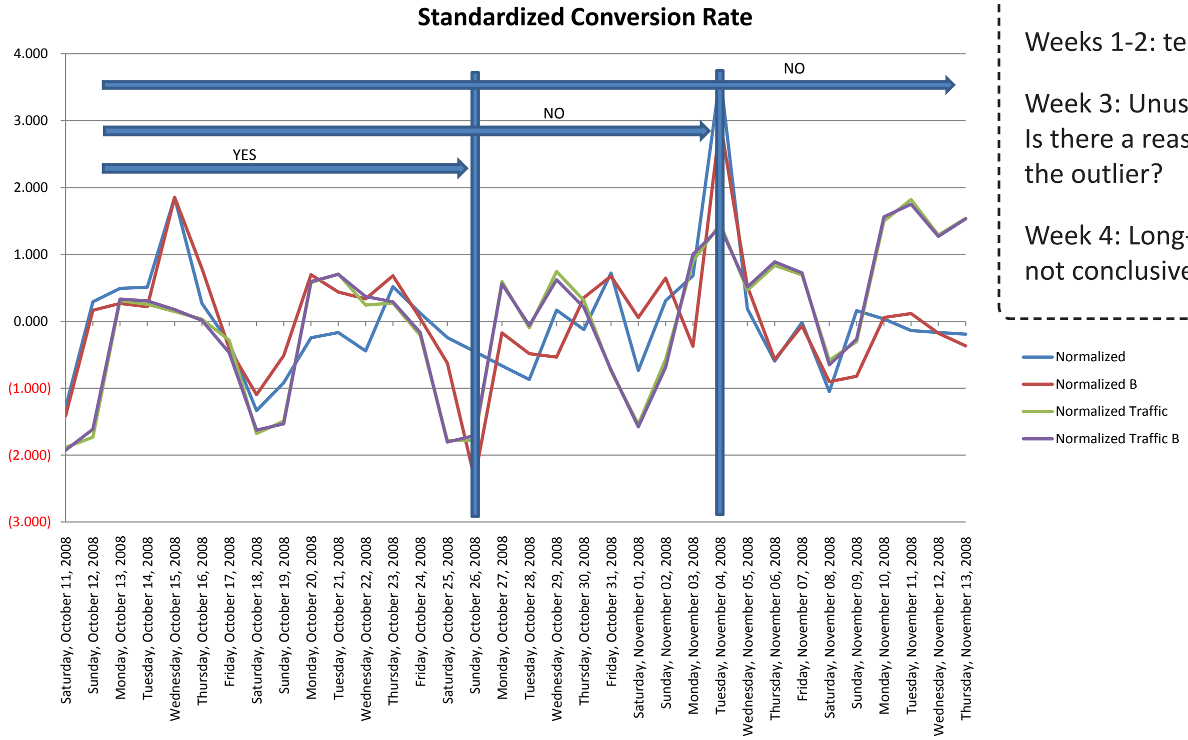
But what if the word "predator" only saw significant results due to the Dateline special? What if you were basing all you marketing decision on an invalid test result like this?

The bottom line is that the external factor in this test jeopardizes the results. An extraneous variable associated with the passage of time (the Dateline special) throws into question the validity of our experiment.

To be sure of the optimal headlines, additional testing would have to be conducted to determine the impact of the Dateline special.

Monitoring External Factors:

Graphed results of a 4-week email test with an e-commerce retailer:



Week-by-week Analysis:

Weeks 1-2: test validates

Week 3: Unusual deviation. Is there a reason to exclude the outlier?

Week 4: Long-term results not conclusive

Monitoring the effect external factors are having on your online campaigns can not only give you insights on how to be relevant to your visitors' motivations, but also protect you from making invalid test conclusions.

in this chart, we identified unusual results during a specific period of time, trying to figure out if they were from an external source.

So what can you look for in your own campaigns? There are two clues that something offline is affecting what you're doing online. First is the magnitude of traffic. The easiest clue of offline impact is an unexplainable temporary spike (or reduction) in the amount of traffic or views to a specific online campaign.

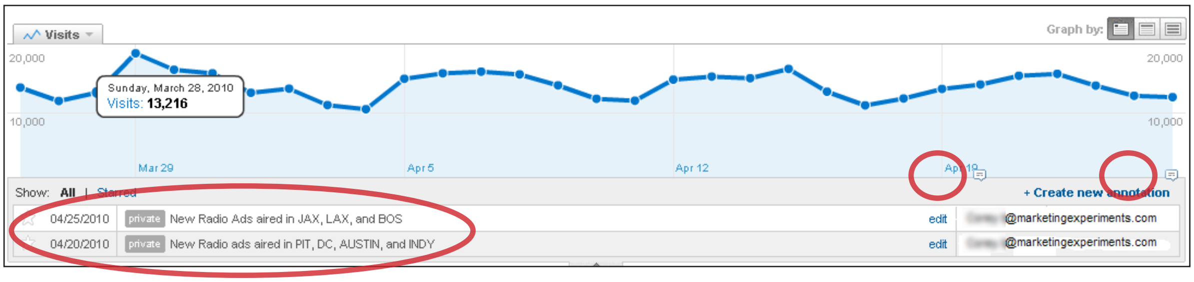
Also, keep an eye on the nature of the response. This is perhaps a more subtle clue of the effects of an offline campaign. However, if you see a noticeable shift (negative or positive) in the kind of response visitors are having to a specific online campaign. (e.g., conversion rates, sales, average purchase amounts, bounce rates, etc.), an offline campaign may be having an inadvertent impact.

EXAMPLE #2

Experiment ID: *(Protected)*
Location: MarketingExperiments Research Library

Research Notes:

Background: Alcohol recovery program was running radio ads driving traffic to the website for users to sign up for different recovery programs.
Goal: To increase the traffic.
Primary research question: How do we quantify this traffic, know who they are, and what they bought?



HOW CAN WE SET UP METRICS TO MONITOR AND MEASURE OFFLINE CAMPAIGNS?

Now that we have reviewed offline campaigns and their possible impacts to online processes, let's look at a case study where we tracked this using Google Analytics…

Setting up the metrics:
The radio ads drove listeners in different demographic markets to unique vanity URLs. We implemented a Google Analytics install that would track the URLs and then report on which ads were driving more revenue.

You can use Google Analytics' Annotations feature to note an offline campaign's impact on Internet traffic. In this example, we used historical annotations to make notes when certain radio ads aired for further analysis.

Here are some other considerations to keep in mind for tracking. Microsites, vanity URLs, and sub-domains can be great uses for tracking while still retaining your branding.

But be wary of making tracking items complicated hoops for the user to jump through. As noted earlier, keep in mind that these URLs might not necessarily be measuring every impact, since consumers will not type in onerous URLs when they notice a much simpler URL will get them to the same place.

Consider the effects of over emphasizing the offer in an attempt to force users to use special URLs or coupon codes. This will cloud your data. For example, if you use a 10% off coupon code in a magazine ad, you won't know whether customers visited your site because the magazine ad was strong or they simply valued the incentive.

You can also simply ask your customers questions at different points in the funnel. For example, beyond just relying on Google Analytics, you can also incorporate a "where did you hear about us?" field at the bottom of the checkout form, on the "thank you" page, or on first login.

Key Principle:

WHAT IMPACT CAN OUR ONLINE EFFORTS HAVE OFFLINE?

It's pretty easy for us to see the potential of connecting our offline campaigns to our online campaigns, but how often do we consider what impact our online campaigns can have for our offline campaigns. How can our online efforts increase the effectiveness of our offline efforts?

Online testing is a powerful resource for discovering the most effective messaging for offline campaigns and offers cost-effective pre-testing. Using online testing to pre-test your offline creative can have a huge impact on your results.

Online testing, in most cases, is also the most cost-effective way to understand your current audience and business model as well. You get real-time results and you can turn the tests on and off with the click of a button.

Testing messages online:

Online testing allows you to test many of the key elements found in offline campaigns.

Just about every aspect of your offline creative can be pre-tested online, including headlines, images, and the layout of information. Of course, you could also do this offline, but it's usually more expensive and more difficult.

Technology makes testing marketing campaigns online significantly less expensive. Online testing also produces quicker results that are based on real-time responses. And online testing provides more consistent sampling in shorter durations, and therefore provides more scientifically reliable data.

One caveat to keep in mind – it is important to mirror your audiences as closely as possible. The potential advantage of online testing for your offline campaigns is directly related to the degree of similarity between your online and offline audiences. If they are very similar (like mirror images), then the impact of connecting online and offline campaigns will be significant.

If they are not similar, however, then the potential impact is reduced. For example, according to the MarketingSherpa 2010 Email

Online testing allows you to test many of the key elements found in offline campaigns.

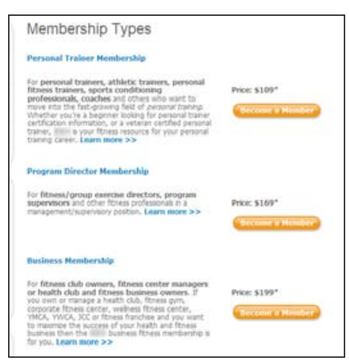
Testing headlines:

The Most Accurate Mailing Lists Available!

Vs.

Get 500 FREE Leads Added to Purchase

Testing benefit formulations:



Vs.

Testing images:

Vs.

Marketing Benchmark Report, 94% of Gen Y (ages 18-32) uses email while only 79% of those age 64 and up use email. So if you tested a product through email sends and intended to use the same message offline, your online sample might have been younger than the general population you are marketing to offline and therefore could skew your results.

BOTTOM LINE

There is significant potential in identifying and connecting offline response to online engagement. So you need to identify where your offline and online campaigns overlap and make sure you connect the two in a relevant way.

For conversion, you need relevance and continuity. The more relevant your campaign is to the audience and the more seamless you connect your messaging, the higher your conversion will be.

Monitoring the effect external factors are having on your Internet campaigns can not only give you insights on how to be relevant to your visitors' motivations, but also protect you from making invalid test conclusions.

Online testing is a powerful resource for discovering the optimal messaging for offline campaigns due to its low cost, speed, and reliability. In fact, in almost every instance you can use online testing to cost-effectively pre-test your offline campaigns.

In the end, integration is key. While your company or marketing department may be divided into different online and offline divisions, your customers do not see things that way. By ensuring all of your efforts are tightly integrate, you will improve your results and generate greater ROI on investments that your company is already making.

Ask the Scientist:

MarketingExperiments Optimization Sequence

By Bob Kemper,
Director of Sciences

May 24, 2010

Editor's Note: The MarketingExperiments community is an interactive group with a great deal of questions and answers [between marketers and their peers](#) as well as with the MarketingExperiments staff. Occasionally we publish these interactions on the blog when we think there is a particularly good question that our readers can benefit from...

QUESTION:

Hi, I completed the [MEC Email Certification course](#) a while back. I misplaced the MEC optimization formula. I want to share it with some internal people. Can you please send me the formula?

Thanks,

Karen
Customer Communications Manager
Cleveland, Ohio

ANSWER:

Ahhh, yes. You're probably thinking about the "Optimization Sequence," which applies to all channels. See if this looks familiar...

MarketingExperiments Optimization Sequence:

... meaning that when approaching an optimization initiative, you should first optimize the product factors of your offer – ensure you have the best product available, for at least one significant, describable customer segment.

Only after doing that should you optimize the presentation factors of your offer – ensure you have the best, most compelling offer value proposition available, for at least one significant, identifiable customer segment.

You do this by applying the relevant conversion heuristic (e.g., for a landing page: $C=4m+3v+2(i-f)-2a$; for an email offer: $eme=rv(of+i)-(f+a)$).

Opr > Oprn > Ocnn ©

Opr = Optimize Product Factor

Oprn = Optimize Presentation Factor

Ocnn = Optimize Channel Factor

Only once you have confirmed a reasonable level of optimality of both the product and presentation factors of your offer should you embark on optimizing the channel factors – driving as much profitable demand to your optimized conversion process as you can.

This is done by channel identification, selection and optimization, using techniques such as channel mapping, paid search optimization, SEO, affiliate blueprinting, etc.

All the best,

Bob Kemper
Director of Sciences
MECLABS Group, LLC

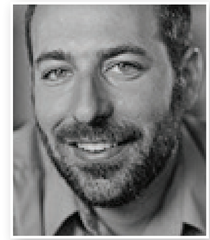
Related Resources

[Optimizing Your Landing Pages](#)

[Email Optimization](#)

[Optimizing Offer Pages](#)

Evidence-based Marketing: Why you need more than just numbers to truly drive ROI



By Daniel Burstein, Editor

May 28, 2010

Start mammograms at 50, not 40. With this advice, the United States Preventive Task Force set off a firestorm of controversy questioning everything from its motivation to wisdom.

These recommendations, and the controversy that surrounds them, are just the tip of the comparative-effectiveness iceberg. For those not familiar with the term, you will hear it more and more in the near future. The federal government is investing $1.1 billion in comparative effectiveness research to find the most effective treatments for common conditions.

Does evidence change behavior?

Hard data about what works best sounds good in theory, but researchers are finding that evidence is only part of the story. Convincing the public to accept new medical guidelines takes more than numbers. As Christie Aschwanden explains in the latest issue of Miller-McCune, "When it comes to new treatment guidelines for breast cancer, back pain and other maladies, it's the narrative presentation that matters."

So what do these insights into human nature mean to the evidence-based marketer? While the power of the testing-optimization cycle is discovering what really works for your organization, this knowledge alone does not drive change. Beyond proof, you need a few good communication skills. To that end, here is some quick advice to turn test data into action…

Paint the picture

While detailed data is the lifeblood for any successful evidence-based marketer, make sure you can communicate both the forest and the trees. So before you make any presentation about the results of your testing-optimization cycle, take a few steps back. What is the story behind the numbers? What is your overall story arc?

It will likely be something along the lines of, "We conducted a series of tests to help improve our marketing. From these tests, we learned what works for us and what doesn't. Now we can apply that knowledge across our enterprise, and by doing so, drive significant ROI."

Make no mistake, the numbers matter. But make sure that they are only part of the story, not the main focus.

You succeed, we fail

People get defensive when you tell them that they're wrong. So if you're trying to convince a decision maker to change elements of a campaign that he developed, you will have to approach it strategically. The language you use to present these findings can go a long way to helping get him on your site.

For example, when your tests show a gain for an idea, credit him (when applicable). "Your headline delivered a 394% gain." However, when your tests show that an element underperforms, share the blame. "The squirrels that we put on our website underperformed the optimized treatments by 203%."

Accentuate the positive

Negative news tends to make people feel insecure, unsure, and even nervous. You've basically just dropped a problem in their lap.

So when possible, don't dwell on the negatives you have uncovered with your marketing experiments. And directly after presenting them, point to the positive corollary that you've discovered with your research. "While images of squirrels have been hurting conversion rates, pictures of families have driven double-digit increases." Always end on a high note.

Be solution-oriented

Don't just present the data. Include an action plan that shows how to put the findings into action. "We've identified the 27 places we want to swap out squirrels with families. Our design team has selected new imagery. Once I get your budgetary approval, we can have the changes done within 72 hours." Every problem should have a solution.

Focus on the bottom line

Most business-level decision makers do not care about testing. Or unsubscribes. Or even conversion. They care about making money.

Make sure the data you present uses metrics that really matter to your audience. While intermediate metrics are very helpful to you during the testing-optimization cycle, bottom-line, results-oriented metrics will always be better at helping you gain the authority to drive change that you seek.

Be right

Not to belabor the obvious, but if you're seeking to make changes based on the tests you run, make sure you're right. In other words, don't just rely on the numbers spit out by your testing platform. Technology doesn't drive testing success. People do.

Approach your tests with a scientific methodology. And understand how and why your tests are statistically valid. Because in the end, the most believable evidence-based marketer is the one who got down into the trenches and helped create the evidence firsthand.

Related Resources

The Business Case for Testing: How one marketer convinced her business leaders to start testing and drove a 201% gain in the process

Focus Groups Vs. Reality: Would you buy a product that doesn't exist with pretend money you don't have?

Cost of Delay: How to win approval for your test and test schedule

Photo attribution: pinkmoose

Tricks vs. Testing: The Battle for Internet Supremacy

By Adam Lapp, Research Manager, Optimization and Strategy

May 28, 2010

Nowadays the Internet is a battle royal. MySpace vs. FaceBook. We all know how that matchup turned out.

Google vs. Yahoo. This one's scheduled for 12 rounds, but I think it will be a knock out.

And Google Buzz trained for years for a title match but failed a drug test. So for now, Twitter still holds the Light Heavyweight Belt, but eventually everyone meets their match. Anyone remember Buster Douglas knocking out Mike Tyson?

This spectacular entertainment is appreciated by so-called "gurus" of epic proportions. The fight for Internet marketing supremacy is a quality collection of bouts that will satisfy many an Internet guru, but how will it impact the masses in attendance?

Will they follow the hot trends blindly? Will tricks for quick bucks convince them to throw in their monthly budget for an unproven, highly touted secret weapon?

So whether it's above-the-fold landing pages or live chats, you need to see the results before you invest your wad. There are reasons galore to believe "best practices" or "paradigm-shifting Internet sensation" hype and hope these latest and greatest tactics to generate revenue make a dent into your bottom line, but if you don't personally see the fight through you are merely gambling. Do you really want to do that? Before you start paying the piper, make sure you do your own research first so you have a high confidence level to make bets on the entire fight card.

THE UNDERCARDS

Above "The Fold" Page vs. Sequence of Thought

The Breakdown: The Fold is not new to the fight scene. He originates from a previous generation of fighters who have mostly retired or passed on. The Fold comes from the newspaper ring, where everyone fought for the space on the top half of the page. For people who didn't read an entire newspaper word for word, the top half of the newspaper page is where you would look for the most important and popular stories. Much of the content below the fold was missed.

The Fold has a new following on the internet. Everywhere I go people are talking about The Fold. He's the place on the page where a typical visitor's screen ends. Anything below him takes extra effort to get to either by manually scrolling or using your mouse wheel. Although it only takes a quick twitch of the index finger, many people will not exert this effort.

So what are we supposed to do? Cram every possible image, word, or call-to-action above The Fold? The answer is no, and our tests time and time again prove it.

With over a decade in the game, and 100+ professional fights under his belt, Sequence of Thought enters the ring to take down the champion. At first glance, The Fold appears ready. He's neatly arranged and he dons a beautiful new robe. The Fold feels this is good matchup for his style. He is typically at his best when he can use his brawn to draw in conversions without much thought. He wants you to press his buttons right away without even doing the pre-fight research.

But consumers are getting smarter, more keen. His tactics have got him this far, but The Fold has met his match.

The reason why Sequence of Thought can defeat The Fold isn't because of his appearance. The fight for conversions is not won on the page, but in the mind of the user. It's won before anyone even steps in the ring. It's won by understanding your visitors' motivations and anticipating what they will do, what punches they will throw before they arrive on your website.

What's their thought process? What information are they looking for? Do they need longer copy because the product requires a big decision? Or do you need to utilize the top half of the page to introduce yourself because you're unproven in the ring?

Not only is it vital to understand the motivations of the user before you build your page, but it's essential to test your way into an effective page design. Use metrics and data to fully optimize your site. Launch a test for a few weeks then analyze your visitors' actions in order to identify patterns and find the areas of your site where improvements will produce the biggest ROI gains.

For some product offerings, a short page is effective. But The Fold is not a one-size-fits-all type of fighter. Our research has proven that often a visitor will scroll if you lead them down the page, either through compelling content or product descriptions. If you tap into their motivations and provide them with what they are looking for, page length is of no consequence.

ADAM LAPP'S UNOFFICIAL SCORECARD:

The Fold – 76

Sequence of Thought – 102

Pretty Page vs. Ugly Page

The Breakdown: All of the promoters these days are looking for lean and chiseled with a marketable face. Their goal is to attract attention, put up a visually stimulating facade in order draw viewers to the fight and maximize pay-per-view orders. Pretty Page has lots of colors and images on it. (Do customer service reps really look like the stock photos? Wow!)

There's lots of flash (along with some Flash). White text on black background. I see at least three twitter icons. Gradients galore. And then there's that video that I had go out of my way to click pause just so I could focus on reading the actual content of the page.

The Pretty Page looks good. As it should be since you probably paid a small fortune to have it designed and developed.

But does a Pretty Page increase your conversion rate?

Meanwhile in the cellars of the arena, Ugly Page is whaling away at a punching bag. Unlike his opponent, Ugly Page is a grizzled veteran with an acute knowledge of how to win a fight. This comes from years and years of experience. He knows that conversion doesn't depend on looks, having the biggest biceps, or wearing the most colorful shorts. He knows that conversion depends solely on your strategy. And strategies are not built from the latest trends or by implementing quick hits that you learned at a one-day marketing conference. They are built from testing. From figuring out definitively what works and what does not work.

But the point is not that Ugly Page is a better fighter than Pretty Page. In fact, Pretty Page may eventually become a much better fighter than Ugly Page. The important thing to understand is that strategy is more important than design. You could have the best-looking page in the world, but if it hasn't been tested, if it hasn't been optimized based on what you learned from data and results, then it's nothing more than a pretty page.

The fighter that will prevail is one that tests the layout, tone, copy, and positioning before testing images and color schemes. Ugly Page learns how to communicate his value as a fighter before he adorns himself with a fancy robe. He reduces friction and anxiety before his publicist gives him a makeover.

The bottom line is that the ideal testing sequence is to test key strategies first, figure out which works the best, then add an aesthetic layer.

ADAM LAPP'S UNOFFICIAL SCORECARD:

Pretty Page – 88

Ugly Page – 96

Let's get ready to rumble

Throughout the week, I'll be shedding light on more Internet marketing fights right here on the blog. We have Flash Banner vs. Headline, Quantity vs. Quality, Heat Map vs. Data Analysis, Bounce Rate vs. Conversion, and finally…the main card…Tricks vs. Testing.

Related Resources

The Magical Metrics Tour: Demystifying the secrets behind analytical "tricks" to help you drive ROI

A/B Split Testing – How to use A/B Split Testing to Increase Conversion Rates, Challenge Assumptions and Solve Problems

Multivariable Testing – How testing multiple changes simultaneously can save you time, speed up your optimization schedule, and increase your profits

Flash Banner vs. Headline, Lead Quantity vs. Lead Quality: The fight for online marketing ROI continues

By Adam Lapp, Research Manager, Optimization and Strategy

May 12, 2010

Editor's Note: Research Manager Adam Lapp is reviewing the battle between common Internet marketing practices to help you determine which optimization strategies are most effective and give you ideas for new tests. On Monday, we published Part 1 in this series. Here is Part 2…

Flash Banner vs. HeadlineFlash Image vs. Headline

The Breakdown: That was interesting, wasn't it? Flash Banner entered the ring pumped up and ready to go and then, all of a sudden, his corner guy came flying into the ring bringing the bout to an abrupt halt. A very disappointed showing for all of the fans. Colors and images got tangled with each other, the message slipped to the canvas, and the product offering went flying between the ropes. And just like that, the fight was over and the fans never got a chance to understand what was going on.

Even though it looked good in concept, if the visitors don't have a chance to understand who you are, what your best move is, and why you're a better fighter, then what's the point? Flash Banner didn't even get a chance to show his patented left hook. He didn't get a chance to show the audience all of the hard work he put into training. On to the next fight before bets could even be taken.

But there was a clever marketing pitch, some rhyming, a slogan. Flash Banner should have had a better showing. What happened? His objective eluded him. There should have been a click, a purchase, something. But can such a big decision really be made in a flash?

The results say no.

Does the Flash Banner on Adobe.com really convince me to buy Creative Suite 5? Does it even compel me to click forward? Well it was above "The Fold," and we all know how that fight turned out.

Standing there in the middle of the ring and clearly the best pound-for-pound fighter in the world is Headline. As the flow was interrupted by Flash Banner, the headline spoke clearly to the audience telling them in just three to five short seconds why he was their best choice. He told them he has won 14 fights in a row, that he has trained non-stop for six months, and that he could match any fighter in the world's offer.

Immediately the crowd stood and cheered for Headline to be given the next fight. The visitors decided that what Headline said that evening was worth the effort to continue on and not exit the arena.

Headline is the first text a visitor will see, so it has much potential for a large impact. The post-modern consumer sees through the Don Kings of the world. They are inundated with email, TV commercials, and even in-your-face displays at the grocery store. They have limited time and are deeply skeptical of salespeople whom they can't even speak to.

The Bottom Line: With this in mind, it's much more important to be specific and transparent about your fighter's talents and unique abilities than "flashy." Flash can be very useful when used appropriately, but it can only get you so far. Clearly communicating what you have to offer and why you are the best choice for your market is much more enduring strategy for increasing revenue.

ADAM LAPP'S UNOFFICIAL SCORECARD:

Flash Banner – 55

Headline – 89

Lead Quantity vs. Lead Quality

The Breakdown: Standing toe to toe staring each other in the eyes, it's easy to see that the fierce battle of Lead Quantity vs. Lead Quality shows no signs of letting up. In the time since their last bout, Lead Quantity has racked up 12 favorable decisions. But many of those were all far lesser opponents. He defeated a fighter with no budget for a trainer. He knocked out a fighter who was a fill-in for someone who became ill. The odds makers couldn't attract any bets with fights like these.

In the mean time, Lead Quality has only fought two fights. But each was a pay-per-view spectacular. He defeated the fifth and seventh most qualified fighters in the world. Lead Quality trained mercilessly for each fight. He didn't just fight anybody, his opponents were required to take Olympic-style drug tests. They had to be a certified member of at least two boxing organizations.

Sure there was a lot of friction in the process, but he didn't waste the time of the viewing audience with meaningless fight cards. Lead Quality benefited from the strategic application of friction in his pre-fight requirements, but is Olympic-style drug testing too harsh?

Undoubtedly so. He actually would have been able to schedule a bout with the number three fighter in the world if he relaxed his qualifications.

Now arriving here on two different paths, Lead Quantity faces down Lead Quality yet again. These fighters don't seem to get along. But why? Both fighters could benefit so much from each other.

Decreasing, or "dialing down" friction, results in increased Lead Quantity.

Increasing, or "dialing up" friction, creates increases Lead Quality.

A perfect fighter would be a one-two combination of both lead generation strategies. He would test his way into the fight scene to determine the appropriate balance between increasing volume while also increasing Lead Quantity. Increasing both requires a fighter with versatility in his striking repertoire.

At last the bell rings. The fighters trade punches. Jab, cross, hook, upper cut. After six rounds, the score cards are equal at three rounds a piece. Lead Quantity appears to be pulling out in front in the seventh as he unleashes a flood of punches, however few are connecting.

As we near round ten, both Lead Quantity and his team are tiring. So much effort with little result. However it appears he does have a five to four advantage over Lead Quality. But wait! Lead Quality has just connected a big one that equals the efforts of Lead Quantity. All of his patience has paid off.

The Bottom Line: Marketing wants a flood of leads. Stacks and piles of business cards and new contacts. This is their core metric. It can be an impressive sight. But it falls on the sales team to call Fred, the plumber, to see if he wants to buy new parts for his commercial lawnmower, a dead-end that could have been eliminated by adding one simple field to the form.

Oversimplified? Sure. But this is how the battle over Lead Quantity vs. Lead Quality plays out in many organizations.

So how do you determine how many fields, which information request, or how many steps will strike that balance between Lead Quantity and Lead Quality. Well, this answer is simple. It's testing.

For example, if you have a one-page lead generation form, try running a test that delays the phone number or address request until the second page. Your lead generation will undoubtedly go up on the first page, that's not rocket science. But what's the impact on the quality of complete leads you receive (both steps completed)? You may find that you receive far less complete leads, but the leads you do get are extremely qualified.

You will also be able to score leads based on quality, assigning visitors who completed two steps as "A" leads and visitors who only completed the initial step as "B" leads. Then your sales team can only move on to "B" leads after they have exhausted time and effort with the "A" leads.

ADAM LAPP'S UNOFFICIAL SCORECARD:

Lead Quantity – 65

Lead Quality – 65

It's a draw.

Related Resources

Tricks vs. Testing: The Battle for Internet Supremacy

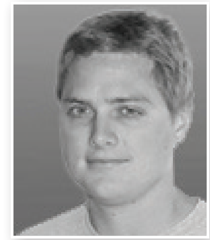
Lead Generation Optimization: Finding the right amount of friction

Optimizing Your Headlines: How changing a few words can help (or hurt) conversion

Five Dials To Tune In Your Lead Generation Process

Flash in a Pan: Do loops of creative on home pages deliver ROI or higher bounce rates?

Online Marketing Tricks vs. Testing: The Thrilla on Mozilla



By Adam Lapp, Research Manager, Optimization and Strategy

May 14, 2010

Editor's Note: Research Manager Adam Lapp is reviewing the battle between common Internet marketing practices to help you determine which optimization strategies are most effective and give you ideas for new tests. On Monday, we published Part 1 in this series. On Wednesday, Part 2. Well get ready fight fans, hold on tight to your Mozilla Firefox, Apple Safari, or Google Chrome browser, because here comes Part 3…

Heat Map vs. Data Analysis

Breakdown:

When Heat Map enters the ring, he's very intimidating, and looks great on the surface. He always shows up in a flashy, beautiful silk robe and has crazy music playing when he enters. Heat Map was a wizard at getting attention and he values the things that give him attention the most. He points to the camera flashes and banners and professes his love with a big red kiss.

All of Heat Map's theatrics are fine. It's part of the show. However, he gets himself into trouble by making outlandish conclusions about his opponents, like being able to know exactly what punch his opponent would land just by looking at the color of his clothes. Many times when Heat Map thinks someone will punch him in the rib cage, they instead throw a cross to his temple.

For his fight against Data Analysis, he trained mercilessly in the gym – lifting weights, doing crunches, and hitting punching bags. When it came time to fight, he strolled into the ring confident that his opponent's strength was the left hook. Why? Well because he saw a red and yellow tattoo of a python on his left bicep.

Too bad he didn't actually watch footage of Data Analysis's previous fights. If he had, Heat Map would have known that most of his punches come from the right. What a shame to see him knocked out in a matter of seconds.

Sometimes Heat Map is right about his opponent though. Sometimes the key to victory is written on one's sleeve. But it's very, very dangerous to rely on just "sometimes."

Data Analysis on the other hand is subdued and quiet. A stark contrast to Heat Map. But under that calm exterior is a supreme confidence because, unlike Heat Map, he has been studying his opponent's film for hours. He's learned that Heat Map throws himself a little off balance every time he attempts a left hook. He knows that Heat Map doesn't bob and weave, but instead focuses his attention on one thing…in this case it's the tattoo of the python.

Bottom Line: Data Analysis has been training hard, bringing in numerous sparring partners who fight like Heat Map. He uses his insights from these exercises to model what fight techniques he thinks Heat Map may try… predictive modeling. From the film studies, he performs a regression analysis to determine the relationship between Heat Map's jabs and his upper cuts. He figures out a correlation between the two – every time Heat Map throws two jabs in a row there is a high probability for an upper cut to follow.

The fight starts, and Heat Map is looking good, fancy footwork, doing a great job dodging that left hook. But 1:19 into the first round, he goes *for the double jab and Data Analysis clocks him. He had been waiting for that the whole time. KO in the first round. Most of the time Heat Map is a solid bet, but any smart gambler will always look past the impressive exterior to see if his head is really in the fight.*

ADAM LAPP'S UNOFFICIAL SCORECARD:

Heat Map – 4

Data Analysis – 9

Bounce Rate vs. Conversion

Breakdown: This is a very unorthodox fight, and I don't know how the promoters sold this one. Boxing commissions from several countries turned it down, and eventually they had to film it for the Internet from an undisclosed location.

Bounce Rate is just a cruiserweight fighter. Sure, he's a good boxer and everyone knows who he is. His technique is all about speed. It's about unleashing the first jab in a split second. But Bounce Rate's fight record has more losses on it that wins. For such a quick fighter, a throwback to Sugar Ray Lewis, it's difficult to understand why he doesn't receive more favorable decisions.

So it's strange that a heavyweight is on his radar. Each time a referee raises the hand of Conversion, somebody has a serious payday. But Conversion hasn't accomplished everything on his own. He relies on a whole team to prepare him for a fight: Clarity of Value, The Friction Reducer, and The Anxiety Mitigator.

Unlike the team behind Conversion, Bounce Rate's trains alone and his preparation is usually focused on one punch, one quick hit. That quick hit can be very effective, but after that's thrown, Bounce Rate relies strictly on improvisation hoping that the momentum of the first punch leads to a decision. Sure that first jab is important and Bounce Rate should do everything possible to land it, but he's focused entirely too much on a short-term goal, on a secondary objective.

The fight began predictably. Bounce Rate unleashed his first jab in a hurry and the crowd cheered. "Success" they chanted repeatedly! For the first few rounds, Bounce Rate went wild flinging himself all over the ring. Conversion couldn't touch him. It seemed certain that he was ahead on the scorecard, but when the numbers came in, Bounce Rate's success had no impact on Conversion.

Bottom Line: In the next few rounds, Conversion began executing his fight plan. He threw fewer punches than Bounce Rate, but they were much more quality shots. He still had not captured the crowd's favor. For six rounds they stubbornly championed the smaller Bounce Rate. Conversion knew he was the better fighter, but there was only one way to sway the crowd…RESULTS.

All of a sudden, Conversion caught Bounce Rate with a cross and down he went. One, two, three…As Bounce Rate was down, Referee ROI just stood there. Four, five, six…still down and ROI did not move. Seven, eight, nine, ten… Knock out! Referee ROI grabbed Conversion's glove and raised his arm in the air.

ADAM LAPP'S UNOFFICIAL SCORECARD:

Focus on what matters. All you need to know is that conversion won by KO.

Tricks vs. Testing

I hope you've enjoyed this three-part "boxing" series where we've pitted the latest and greatest tricks against proven principles that have come from Testing. Whether it's a Flash Banner or an Above-the-Fold page, the important thing to remember is to test instead of implementing blindly based on someone's "can't miss" recommendation. Because while these proven principles have been very successful for our Research Partners, unless you test them yourself and discover what really works for you, they are no better than tricks.

And over the last ten years, we've seen a lot of Tricks come and go. Some have worked and some haven't, especially in the short term. But without Testing, it's impossible to understand why a Trick was successful or why it wasn't.

Because Tricks are popular for a reason. They can be wildly successful…for "some" businesses. The primary question is, can they be successful for your business. And that's why Testing gets the TKO against Tricks. Testing gives you the business intelligence to discover what really works, right now, for your company.

That's why, at the end of the day, Testing will always defeat Tricks. But I'll drop the fight analogy right now, because the two can work together. This is not a zero sum game. Whenever you hear somebody tell you to "Try this trick" or "Implement this tactic," apply scrutiny and determine for yourself if you think it can work for your business or not. If it has a chance, give it a shot. But test it against what you know already works to see if it works better. Or not. In this way, you will continually improve your marketing performance.

Related Resources

Tricks vs. Testing: The Battle for Internet Supremacy

Flash Banner vs. Headline, Lead Quantity vs. Lead Quality: The fight for online marketing ROI continues

Face Your Fears: Why visitors really bounce from your site, part 3

100 Tips for Trade Show Lead Generation

By Brian Carroll, CEO of InTouch

May 11, 2010

Lead generation remains the top reason most companies exhibit at events and tradeshows. And B2B marketers are constantly looking for ideas they can use to drive more ROI from their events budget.

I came across this helpful post by Mike Thimmesch on [100 Trade Show Lead Generation Ideas] that's worth checking out. The following is a sampling of Thimmesch's tips that I though were useful:

4. Go to fewer trade shows, but put more effort into booth staff preparation and promotions for each remaining show.

6. Track leads to determine and expand in the shows with the best ROI

9. Get a booth space closer to the hub of traffic, or by a bigger competitor

28. Have your sales people invite their prospects to visit your booth and set up meetings in advance

29. Send an email invitation to the show's pre-registered attendee list for this year, and the registered attendee list from last year

30. Use social media to reach more attendees

32. Post your trade show schedule on your website with a link to sign up for appointments

45. Giveaway something useful to your target audience

46. Have a contest for attendees in your booth

After reading the list of 100, here's a few more tips I would add:

1. Follow-up quickly after the event. Think about your follow-up process before the event happens not afterwards.

2. Create event follow-up content pieces, talking points and email templates for your sales team to use to add value and continue the conversation in a relevant way rather than "pitching" everybody.

3. Develop a nurturing track that for event attendees connects with the theme or the content of the event. Try to do this at least for a few months at minimum.

4. See the event as a conversation (or conversation starter) not a acampaign. Don't stop the dialog. Brainstorm ways you can keep the dialog going.

What other tips would you add to this list?

Related posts:

[Lead Generation tips for Tradeshows Conferences]

Ask the Scientist: Price testing methods and practices

By Bob Kemper, Director of Sciences

May 5, 2010

Editor's Note: The MarketingExperiments community is an interactive group with a great deal of questions and answers [between marketers and their peers]() as well as with the MarketingExperiments staff. Occasionally we publish these interactions on the blog when we think there is a particularly good question that our readers can benefit from…

QUESTION:

I am in the process of doing a short survey of our clients to gauge interest in some new products we will be introducing in the fall. I want to find out what they would be willing to pay for these individual products.

Arm and LegMy gut tells me that if I list three prices, they will always select the least expensive. Is there a way to ask a price (or range-of-price) question that truly elicits a reasonable response?

We are doing the A/B/C testing on price once we roll out the products. I am now at the point of trying to determine where to set price for testing purposes. Any guidance you could provide would be greatly appreciated.

Deborah
Vice President of Marketing
Overland Park, Kansas

ANSWER:

Deborah, your sense is consistent with our experience. Asking customers what they would be willing to pay is at best an unreliable way to determine the optimal price for a new product. The two best approaches in our experience are to base initial new product prices either on "comparables" or "value."

Comparables: If there are other similar products on the market, then you can get a sense for a good starting point based upon the range of what customers are already paying for the closest competitive offerings.

Value: If there is insufficient information available about comparables (e.g., because the new products are truly breakthrough in nature), then you can try to discover what your ideal customers are currently paying to satisfy the need your new product fulfills, or what it is currently costing them by failing to satisfy the need.

For example, let's say you make a webcam system for builders and commercial developers that would allow them to remotely monitor their building sites for theft and vandalism over the Internet. You might base your initial per-camera pricing on what it costs to hire a nighttime security agency to guard an equivalent area.

Or you could base pricing on building industry and insurance industry statistics about average annual losses due to theft and vandalism and on the rates to insure unsecured building sites. Then, determine whether adding your system might, in addition to reducing losses, qualify to reduce those insurance rates. This is referred to as "value-based pricing."

You may be able to extract value from customer surveys by asking them about the nature and annual costs of the problems that your new product addresses and how much it currently costs them to either solve or make do without a solution.

Again, though, once they perceive the risk that their answers might influence future product pricing, the predictive accuracy diminishes quickly.

I hope this is helpful, Deborah.

All the best,

Bob Kemper
Director of Sciences
MECLABS Group, LLC

Related Revsources

Price testing online subscriptions

Landing Page Optimization – Finding ideal price points

Offer Pricing – How to test and optimize your pricing

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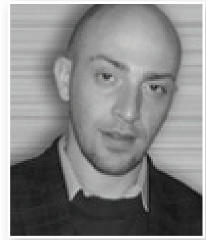
Multivariate Testing: Can you radically improve marketing ROI by increasing variables you test?



By Boris Grinkot, Senior Manager, Research and Strategy

April 26, 2010

As I was reading a few LinkedIn discussions about multivariate testing (MVT), I began to wonder if 2010 was going to be the year of multivariate.

1,000,000 monkeys can't be wrong

Multivariate Testing (MVT) is starting to earn a place in the pantheon of buzzwords like cloud computing, service-oriented architecture, and synergy. But is a test the same thing as an experiment? While I am not a statistician (nor did I stay at the Holiday Inn last night), working at MarketingExperiments with the analytical likes of Bob Kemper (MBA) and Arturo Silva Nava (MBA) has helped me understand the value of a disciplined approach to experimental design.

What I see out there is that a little knowledge is indeed a dangerous thing. Good intentions behind powerful and relatively easy-to-use platforms like Omniture® Test&Target™ and Google® Website Optimizer™ have generated a misleading sense that as long as a multivariate test is large enough (several hundred or more combinations being tested), at least one of the combinations will outperform the control.

This notion has become the value proposition of a growing number of companies offering services around either the big-name or their own (simpler, and often therefore easier to set up) MVT tools. They are ostensibly betting on the technology, and not on a systematic approach to experimental design or any particular UI/UX (user interface/user experience) optimization theory.

Even though, as Bob has pointed out to me, it is reasonable that an MVT setup with a billion combinations may not yield a lift over the control, my contention is that the risk-weighted business cost of a dissatisfied customer is low. Therefore, little stops the burgeoning MVT shops from safely offering a "100% lift guarantee." Just like the proverbial million monkeys with typewriters, somewhere among thousands of spray-and-pray treatments their MVT tests are expected to produce one that's better than the rest.

1 monkey with a stick

One major difficulty with testing in general becomes painfully obvious with MVT: the more treatments, the longer the test will run. For most companies, what looks at first like a great test may require a year's worth of traffic to get statistically valid results.

In response, one emerging MVT service model offers getting to a "lift" faster by using adaptive elimination of likely underperformers, in exchange for the test results providing limited information beyond identifying the winner. Such test results are not as useful as their full-factorial brethren for designing subsequent tests because adaptive elimination of treatments makes it difficult to extrapolate the psychological factors and consumer preferences responsible for the test outcome. The immediate business benefits, however, are more immediate.

So, where exactly is the problem? As marketers, are we in the business of employing the scientific method to design graceful experiments or is our fiduciary duty to get measurable results? I humbly suggest that as marketing professionals, we should neither bet on nor be satisfied with just one test, no matter how successful it is.

The bad news and the good news is that we must design an experimental plan to optimize continually, to learn from preceding test results, and to respond to changes in customer preferences, market conditions, and our ability to segment data and traffic. Expertise in experimental design and understanding how to interpret results simply cannot be replaced by set-it-and-forget-it technology (yet).

Economy of testing

That is not to say that MVT provides incorrect results. The results are mathematically valid, even if they do require a long time to obtain. At the same time, from the business point of view, investment into experimental design expertise is expensive. Understanding volumes of published research consumes valuable time. The 100% guarantee sure sounds good.

And so the "guaranteed lift" offers will appeal to the spendthrift marketers who are yet to delve into the science of optimization. The critical issue in the economy of testing is whether methodical design of experiments is likely to provide greater ROI through an interpretation-driven sequence of test iterations than a successful, but terminal one-off test. Our research supports the former.

2010 may become the year of multivariate, but I hope that it will also quietly set the stage for an upcoming year of ROI-conscious design of experiments.

How do you use multivariate testing? Have you created an experimentation plan or do you rely on a series of one-off tests? Share your triumphs and concerns in the comments section of this post or start a conversation with your peers in the MarketingExperiments Optimization group.

Photo attribution: kevingessner

Cost of Delay: How to win approval for your test and test schedule

By Jon Powell, Research Analyst

April 12, 2010

Experienced online marketers have heard this saying at one point or another: we just don't have the resources to do what you're asking. Maybe the resources aren't there or maybe your project is last in line. Either way, somebody else is determining the destiny of your plans and your message just isn't being heard.

So, many marketers scramble for decision makers' attention. They'll set up big meetings, put together big PowerPoints, big Gantt charts, and stay up all night practicing the perfect pitch – all to get a simple, disheartening response. There is a more effective way to get approval.

The cost of delay

You sell your decisions makers more effectively by presenting them with a simple, relevant metric: the potential cost of delay.

Decision makers need information they can understand, and the language of money (money lost to be more specific) can be one of your most powerful tools. If your company's website is bleeding and you are tasked to fix it, there is no better way to start the conversation than by showing how much blood is being lost on a monthly, weekly, or in some cases daily basis.

Remember, this is the same blood that helps pay for all those other priorities sitting in front of yours.

The solution is at your fingertips

If you are testing on behalf of your company, you will likely have all the information you need to get started.

1. **Start with your web analytics**. Every test should have an objective, and knowing the objective from a web analytics perspective is your first step. This could be a sale, a lead, or sign-up on the page or process want to test.
2. Understand its financial impact: Look at each test's success metric and ask yourself:
    a. How much is that lead worth (over time)?
    b. What is the likelihood that the completed step will become a lead, and then revenue for your company?
    c. What is the average order value of a person completing their order on this page/process?

All of these questions begin to connect your web analytics with your transactional/financial data. Healthy companies keep tabs on what each of their processes is worth, and make business decisions based on these business-level metrics. If you do not have a basic understanding of the financial impact (for better or worse) of what you are testing, you are walking a dangerous path.

1. **Connect the dots:** For example, you know that step two of your order process is seeing a 70% drop in visits and that the average customer order size is $150. If you were to recover, say, 10% of those visits that are typically lost thanks to the intelligence you gain through testing, how much revenue would those tests drive?
2. **Ask the big question**: Are we (as a company) willing to risk losing this much money by not getting this test up in time for this season's peak?

You cannot possibly know all the competing priorities on your decision maker's list, so you can't actually do the full analysis for them. **Taking this approach, however, gives them the information they need and the attention your test deserves to complete the analysis** – comparing the potential loss to the cost of pushing those other priorities back (or acquiring the resources).

Empower yourself and your test schedule by clearly communicating the problem to your decision makers to show how your testing may solve these business-level problems over a set period of time.

Related resources

A/B Split Testing

Welcome Message Sequence Tested

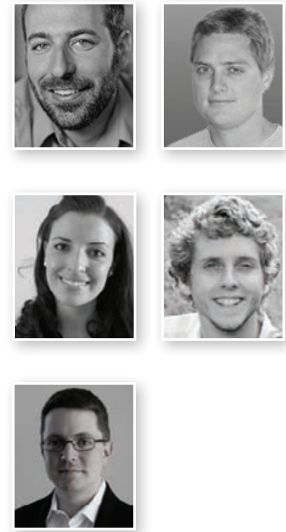
Site Compatibility Tested, Section 1 (Research)

Site Compatibility Tested, Section 2 (Analysis)

Photo attribution: jjvaca

The Business Case for Testing:

How one marketer convinced her business leaders to start testing and drove a 201% gain in the process



By Daniel Burstein, Adam Lapp, Pamela Markey, Austin McCraw, Andy Mott

April 15, 2010

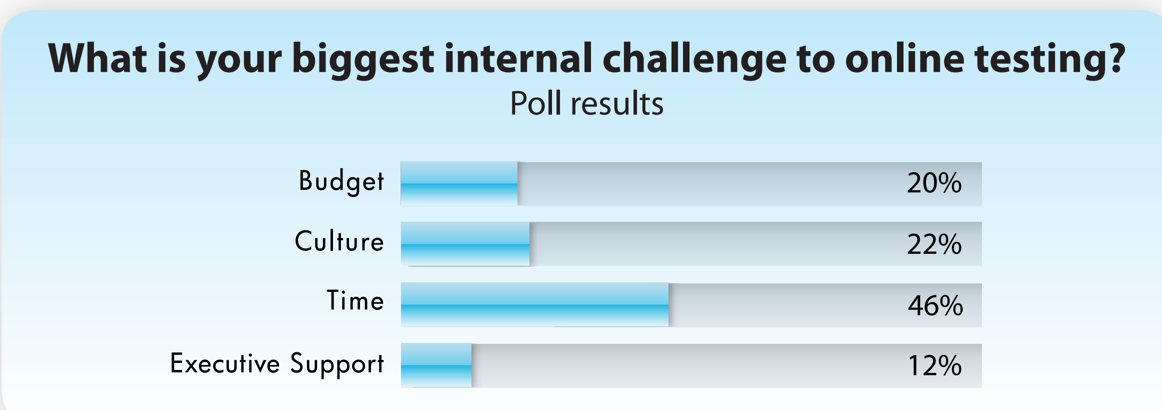
Trying to gain the budgetary and executive support to create a culture of testing in your organization? We're here to help. This article will provide you with a behind-the-scenes look at the story of how one marketer was able to champion online testing within her organization and the lessons you can learn from the significant success that resulted.

In so doing, we'll share results and analysis from 14 different landing page designs across multiple experiments and provide you with the strategic business advantages of online experimentation and how to overcome the common challenges to testing.

What is your biggest internal challenge to online testing?

In a recent poll of the MarketingExperiments audience, we asked about the biggest internal challenge to online testing. Most respondents answered "time constraints." Which, put another way, means they don't have the resources or strategy in place to leverage the testing-optimization cycle.

To help you sell your organization's decision makers and get the resources you need, we'll culminate this article with a four-part success strategy for creating a "culture of testing" across any organization. By creating a culture of testing, you will ensure that your organization has the resources and strategic vision to improve ROI with real-world, real-time data.



To help you do just that, we'll go behind the scenes of the experiments involved in a testing-optimization cycle. So let's start by looking at the story of our successful marketer.

It begins with the first experiment, think of it as a proof of concept…

EXPERIMENT #1

Experiment ID: *(Protected)*
Location: MarketingExperiments Research Library
Test Protocol Number: TP1306

Research Notes:

Background: Provides end-to-end market solutions for small-and-medium-size businesses.
Goal: Increase the amount of leads from an online form.
Primary research question: Which page will obtain the most form submissions (i.e. leads)?
Approach: A/B/C/D multi-factorial split test that focused on increasing overall communication of the value proposition.

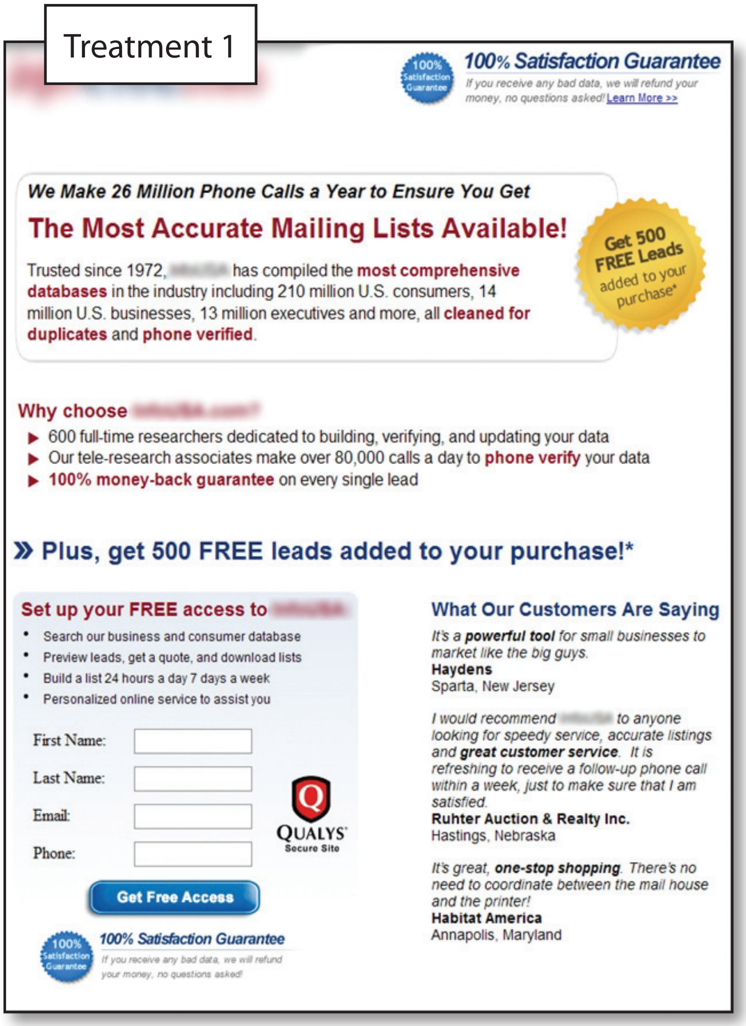
Control:

This was the primary landing page for this Research Partner's paid search campaigns. Our team analyzed this page using conversion optimization methodologies, such as the MarketingExperiments Conversion Index heuristic…

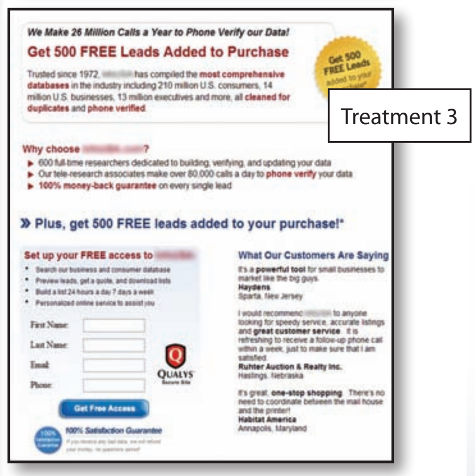
$$C = 4m + 3v + 2(i-f) - 2a\ ^{©}$$

Treatments:

After applying the heuristic above, the researchers decided to test a radical redesign of the page and created three optimized test treatments. They shared many of the same elements including optimized headlines and sub-headlines, copy, layouts, credibility indicators, and calls-to-action.



Treatment 2 offered a look at an actual prospect list.



Treatment 3 offered an incentive in the sub-headline.

Results:

201% Increase in Total Leads

Treatment 1 increased visit-to-lead conversion by 201.3%

	Conversion Rate	Relative Difference
Control	4.86%	-
Treatment 1	**14.65%**	**201.3%**
Treatment 2	13.37%	175%
Treatment 2	13.10%	170%

What you need to understand: By applying a systematic optimization methodology and creating a radical redesign, Treatment 1 achieved a 201% increase in conversion on the first test of this landing page. And while Treatments 2 and 3 did not perform quite as well, they still produced triple-digit conversion gains over the original page.

Given the above results, even a novice tester would be intrigued by the commonality across all three treatments of the radical redesign. This is why the testing-optimization cycle is so important. While a 201% lift is nice, further testing is still needed to master how to apply these results in other ways to increase results in other areas and discover if more growth is possible.

The Challenge:

So let's go back to our story, and take a look at what the marketing team did next. The marketing team did not settle for these results, but used them as a proof point to gain greater budget and strategic authority, and get deeper into the testing-optimization cycle.

Of course, if everyone could start with results like these, selling the testing-optimization cycle would be easy. But if your proof of concept does not start with a big win (and, as with anything, sometimes it takes a little practice to get it right), we have to address the possibility of starting this conversation without strong results to back you up.

Initiating the Conversation:

The execution-oriented challenges you face are likely a main concern for you, but that is not what business leaders care about. They want to know bottom-line results. So to create a testing-optimization cycle, you are going to have two cross two gulfs.

First you must move from "I know testing is important and I need to start doing it" to "I've executed a series of scientifically and statistically valid tests." This is where your execution challenges lay.

But to truly gain value for your business leaders, you must go from merely executing those tests to being able to proudly proclaim "My testing strategy and execution plan is contributing to the financial results of my company." This is what your business leaders want to hear.

To present a case for testing in such a way that you can overcome both of these gulfs, focus on these four key benefits:

1. **Realistic innovation** – Testing allows you to discover what really works for your market with real data and precision, instead of relying on tired old practices.

2. **Non-speculative reliability** – Testing provides solid data that is based on customer behavior rather than speculation.

3. **Real-time speed** – Testing produces real-time results.

4. **Precise results** – Testing gives marketer's the ability to measure their return on marketing efforts with precision. Testing provides measurable data as opposed to unproven opinion (at worst) and educated guesses (at best).

So now in our story, our marketer has sold the business leaders on beginning a testing-optimization cycle. She has run her proof-of-concept test, and is now ready to start using those results to further optimize with more experiments...

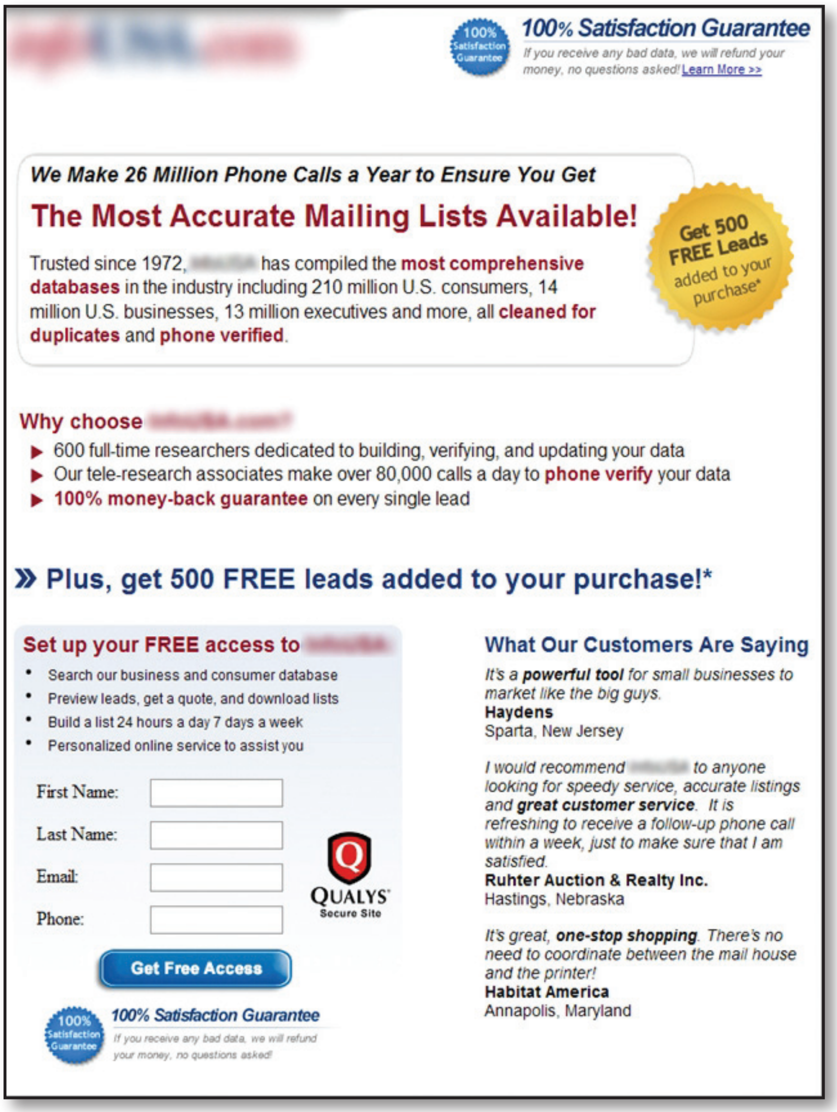
EXPERIMENT #2

Experiment ID: *(Protected)*
Location: MarketingExperiments Research Library
Test Protocol Number: TP1323

Research Notes:

Background: Provides end-to-end market solutions for small-and-medium-size businesses.
Goal: Increase the amount of leads from an online form.
Primary research question: Which page will obtain the most form submissions (i.e. leads)?
Approach: A/B multi-factorial split test that focuses on graphic design changes.

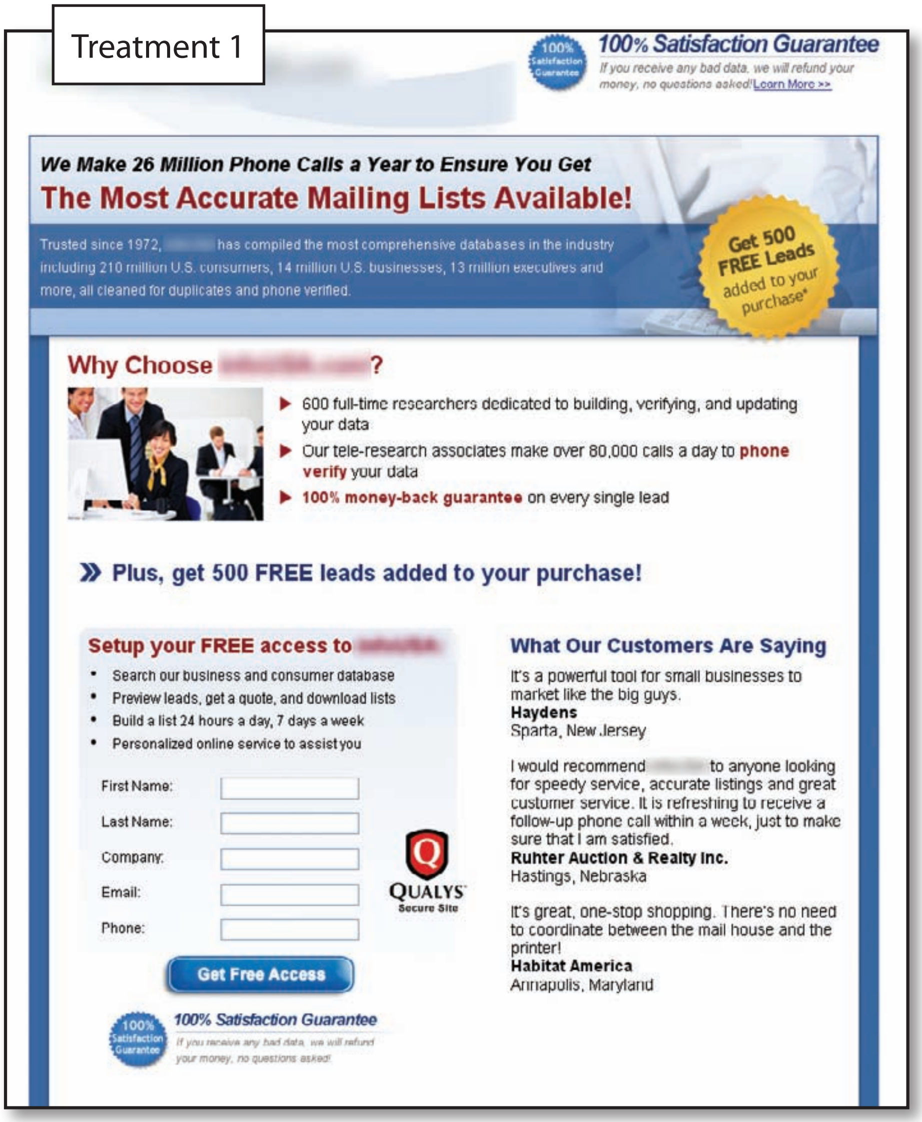
Control:



The winning treatment (201% gain) from the first experiment became the control for the second test. This page was tested against a more stylized design.

Treatment:

The new design kept the overall copy and structure of the page intact. There were, however, significant changes in the graphics and style of this page.



Results:

2% Increase in Total Leads

The treatment increased visit-to-lead conversion by 2%

	Conversion Rate	Relative Difference
Control	12.24%	-
Treatment 1	**12.53%**	**2%**

What you need to understand: The redesigned treatment did not significantly increase conversion enough to establish one page as better than the other. The value of this test was learning that increasing the aesthetic appeal of this page did not have a negative effect on conversion.

A test result like this tells you that if someone is married to a particular look and feel, or if your boss likes dancing squirrels, it doesn't matter. If you test it and come up with a result like this, it isn't a battle worth fighting.

The Setback:

The second experiment was a setback for the hero of our story. After receiving a triple-digit gain with their first test, she needed to understand how to manage expectations with small gains.

She did that by focusing on what lesson she could learn from this test. Namely, that aesthetic appeal was not important to this segment of the audience. And she used that discovery to drive great success later in the testing-optimization cycle.

So, how should you handle insignificant results?

The significance of insignificant results:

First, as with any test, make sure your results are valid and understand what valid means to you. And don't just let a tool make that decision for you. Be sure that you have enough understanding of your business, including any possible validity threats, to understand what is actually happening with your tests.

In the end, deciding on your target statistical significance is a business decision. However, a good rule of thumb is a 95% confidence level in both your aggregate and daily data.

Once you're sure that your results are valid, understand that learning what doesn't matter is just as important as learning what works (and doesn't work). Remember, the only failed test is the one that fails to teach.

Most importantly, don't be afraid of negative results. Use them to learn and further optimize for the next series of tests. You can't get real value from testing by just executing a single test.

And, if negative results do occur, focus on what you have learned from them when communicating the results to key business leaders. This will help your credibility.

So now let's look at the next experiment our marketer ran after notching that 2% gain…

EXPERIMENT #3

Experiment ID: *(Protected)*
Location: MarketingExperiments Research Library
Test Protocol Number: TP1324

Research Notes:

Background: Provides end-to-end market solutions for small-and-medium-size businesses.
Goal: Increase the amount of leads from an online form.
Primary research question: Which page will obtain the most form submissions (i.e. leads)?
Approach: A/B multi-factorial split test that focuses on graphic design changes.

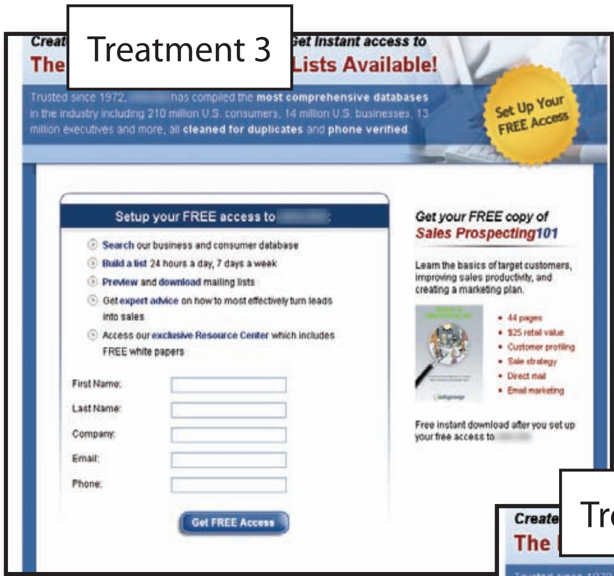
Control:

The winning treatment from the second experiment became the control for the third test.

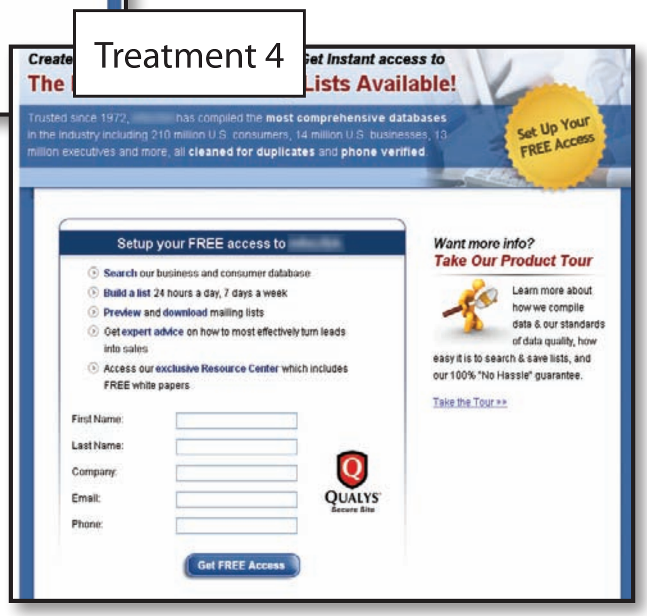
Treatments:

The first treatment tested against the control adjusted the focus of the page to a more research-centric message

The second treatment reduced the length of the page and mainly brought attention to the lead-submission form. It also used testimonials as supporting value.



The third treatment was similar to the second, but it included a free white paper incentive as part of the offer.



The fourth treatment was similar to the second and third treatments, but it provided a product tour as supporting value.

Results:

29% Increase in Total Leads

Treatments 2 and 3 increased visit-to-lead conversion by 29%

	Conversion Rate	Relative Difference
Control	10.07%	-
Treatment 1 (Research Focused)	12.04%	19%
Treatment 2 (Shortened w/ Testimonials)	**13.00%**	**29%**
Treatment 3 (Shortened w/ Incentive)	**13.02%**	**29%**
Treatment 4 (Shortened w/ Tour)	12.53%	24%

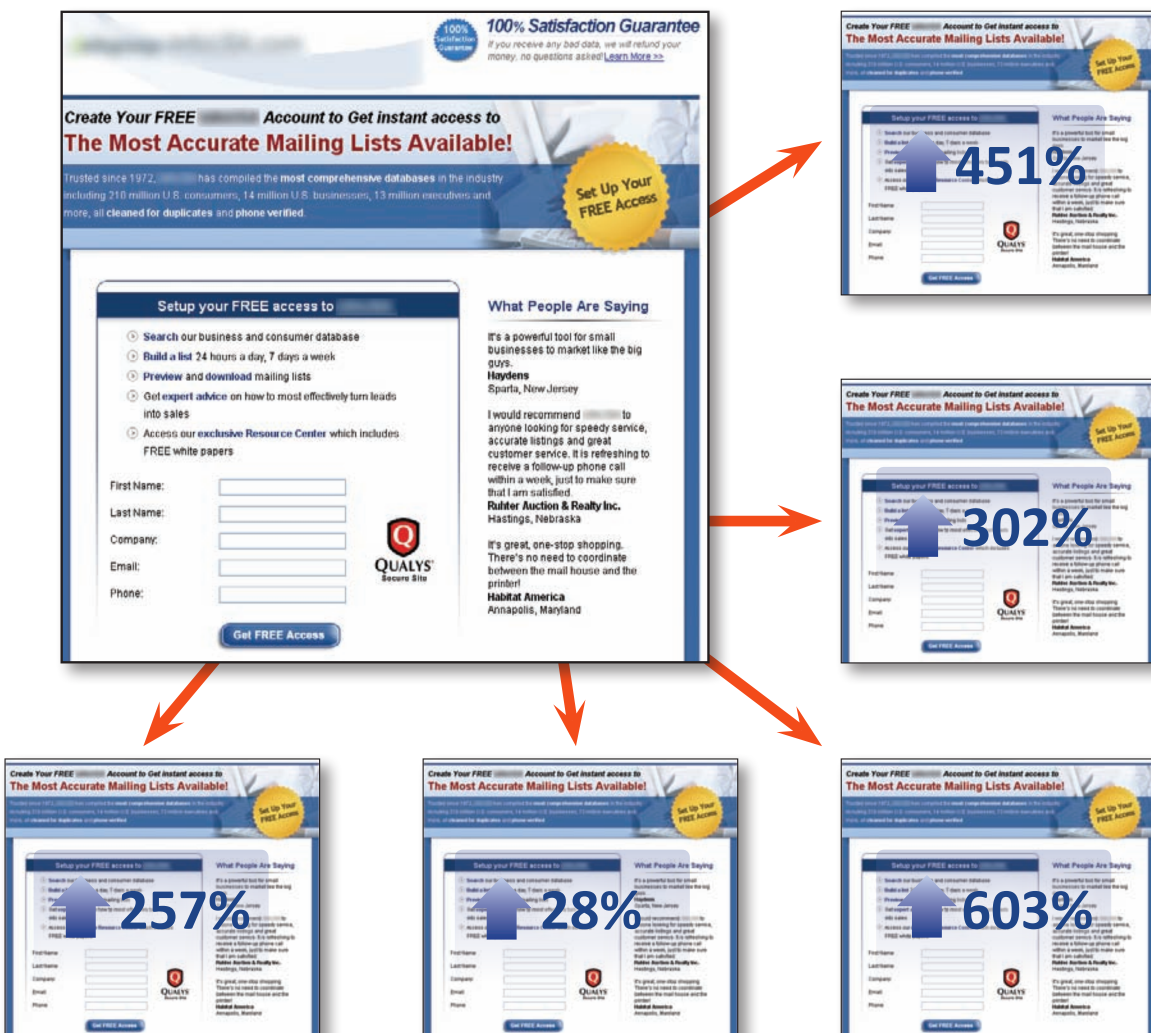
What you need to understand: Despite already seeing significant gains on this page, both Treatment 2 and 3 were able to increase conversion by 29%. This underscores the need for continual testing, and that even optimized pages can be improved.

This experiment was also a good example of why even experienced executives should not just rely on their gut. The details of this test were published on CMO.com, and the audience was asked to pick which treatment they thought was the highest performing page.

CMO.com readers chose the control as the one that would be the most effective – 40% of senior-level marketers voted for that page. Interestingly, and perhaps tellingly, only 21% chose Treatment 3, and a scant 8% chose Treatment 2 – the actual winners. Treatment 1 garnered 23% of the votes, and Treatment 4 grabbed 12%. All of which makes a good case for testing vs. intuition.

Results across other campaigns:

The discoveries from these three tests were applied to other landing pages and pay-per-click (PPC) campaigns. The results were impressive.



The Victory:

So let's go back to our story and see what this meant for the marketer involved in the huge gains you see above. This was an organization that had automated reports of every day's sales sent to key executives. The executives were used to seeing a 5% conversion. Then one day, the numbers started to explode. 15%. 16%. 14%. 17%.

The marketer literally had a train of executives coming by her desk and asking what was going on. Was she measuring differently? New tracking software? Was there a glitch?

And she got to explain that these improved results were no error. She had instituted the testing-optimization cycle in the organization and was making a significant impact on the bottom-line results.

Going back to the two gulfs we discussed earlier in this article…the marketer in this story noticed a need for testing. She was able to cross gulf one by implementing a testing-optimization cycle. And she was able to cross gulf two, and ultimately draw the attention of the company's business leaders, by creating a testing strategy and execution plan that contributed to the financial results of her company.

What can you learn from her success?

1. IDENTIFY – Communicate the **business problem** and present a possible solution. Have a good idea? You don't know if it's actually good unless you test it.

2. TEST – People respond most honestly with their actual behavior. And we measure actual behavior with testing. More than a single or one-time test, commit to the **cycle of continual optimization and testing.**

3. ANALYZE – Learn from all of your tests. Learning what doesn't matter or work is just as important as learning what works. And then use the metrics you gain throughout the process to clearly prove the **ROI and results.**

4. APPLY – Discover transferable solutions to apply and re-test across the entire enterprise.

Common Questions:

Editor's Note: While the focus of this article is on "how to create a culture of testing in your organization" as opposed to just "how to test," discussing this topic tends to raise a common set of basic questions from our audience, and we thought it worthwhile to address a few of those here. If you have any questions that are not covered here, feel free to ask them in the MarketingExperiments Optimization Group.

Q: How long should a test run?

A: At least long enough to answer your experimental research question with the minimum desired level of statistical confidence. The primary factors influence the duration of such a test are traffic level, the relative difference in performance among the experimental treatments and the level of statistical significance (confidence) you require in order to call the test conclusive. As you evaluate these factors, you should also consider any known market or product-specific characteristics that might affect the motivations or relevant behaviors of prospects, such as seasonal cycles or disruptive external events like market swings or developments in world news.

***Q:** When is a test valid?*

A: A test is considered valid when a sound experiment design has been properly executed and the test results indicate that its research question has been conclusively answered with at least the stated minimum level of statistical confidence.

Now, that's a bit of a mouthful of semi-formal, semi-technical science jargon, but taken in little bites, it can easily be understood even by those who lack a PhD in statistics.

So, here are the "bites": A test is considered valid when a sound experiment design has been properly executed and the test results indicate that its research question has been conclusively answered with at least the stated minimum level of statistical confidence.

A sound experiment design. A sound experiment design is one that mimics the larger system that it is intended to make inferences about closely enough that if followed as designed, the results will accurately predict the outcome in the larger system when subjected to the conditions that the experiment was designed to test.

Properly executed. Proper execution of an experiment design refers to the diligent confirmation of all of the design conditions, the faithful execution of all of the experimental steps prescribed by the test design, in the prescribed order, and the accurate recordation, analysis and interpretation of the test outcomes.

Its research question. Every sound inferential experiment begins with a "primary research question;" and all elements of the test design, from the variables chosen for variation among the treatments to the procedures and the tools used for measuring the outcomes, are specifically designed around answering this primary research question.

Minimum level of statistical confidence. Because in the "real world"—the world outside the classroom, where one is not privy to the actual percentage of the country's entire population who prefer Product-A over Product-B—we are always faced with the need to make important decisions with less than 100% certainty. As such, we use a subset (a.k.a. "a sample") of the population to represent the whole and use some well-established mathematical methods to estimate how likely it is that the assumptions we make based on the samples are actually wrong (i.e., not representative of the whole population of interest). Every sound test design includes a statement of the minimum level of certainty required to consider the experimental outcome "conclusive."

So, when can we consider a test we're running valid? It's when we've prepared and executed on a sound test design and the results show that we've answered our primary research question with at least the level of certainty that we needed to make a confident decision. 'nuf said.

Oh, if you're interested in learning more about how to prepare and execute a proper test, and how to calculate and interpret the test results, you can find many related Research Briefs and Web Clinic recordings by visiting www.marketingexperiments.com and searching the research archives using the search term "online testing." If your needs are more urgent, and you are looking for a comprehensive, structured, end-to-end training program to build your online testing expertise, you can opt instead for the MarketingExperiments "Fundamentals of Online Testing" professional certification course series, which is available both online / On-demand through the MECLABS Learning Laboratory.

***Q:** If I run an A/B test, how can I learn anything other than A is better than B?*

A: The best way to answer that question may be to address, in a sense, its logical complement.

The only way I know of to AVOID learning anything from an A/B test other than (Treatment) A performs better than (Treatment) B is to forget everything you've learned about the principles of Offer/Response-Optimization and create your experimental treatments randomly, with complete disregard for any optimization principles. In that way, your test will be designed such that you've made no hypotheses about the causes of recent performance results, nor about how the new design(s) might perform. Under those circumstances, the results of your test would then be interpreted with the myopic scope of simply whether "A" or "B" performed better during the test period. Even worse, without a contextual sense for the objective performance of the original (Control) environment, you'd be largely without contextual clues about how well the outcome of your test reflects how the system would actually perform if you replaced the old "B" with your new "A".

So, presuming that you have at least some conceptual model of the factors and principles of website or email conversion, you will design your tests and treatments such that you have a specific expectation about what the results will look like—e.g., a decline in Click-throughs, but a rise in Conversions—and whether they come out exactly as you expected or dramatically different, you will have learned a great deal more than simply which treatment is "better."

BOTTOM LINE

To gain the budgetary and executive support you need to fully leverage the power of the testing-optimization cycle, you must cross two gulfs. First you must move from "I know testing is important and I need to start doing it" to "I've executed a series of scientifically and statistically valid tests." This is where your execution-oriented challenges lay.

But to truly gain value for your business leaders, you must go from executing those tests to being able to say "My testing strategy and execution plan is contributing to the financial results of my company." This is what your business leaders want to hear.

To get across both "testing gulfs," focus on the four key advantages of online testing:

- The ability to innovate your offering
- Reliable results based on real-world situations
- Real-time speed that assures you stay connected to the realities of the marketplace
- The precision of results based on actual customer interaction with your product, value proposition, and messaging.

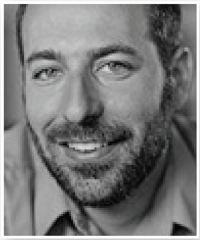
Once you gain approval for the testing-optimization cycle in your organization, ensure you are achieving full value by focusing on what you can learn from the tests based on your knowledge of your business. In other words, don't just rely on tools to do everything for you. In this way, you can learn from each test, whether it achieves positive of negative results. Remember, the only failed test is the one that fails to teach.

In the end, it comes down to harnessing four key control points. Identify key business problems and present a practical, results-based solution. Test to determine the validity of that solution. Analyze your results to learn where you can get the greatest ROI and efficiency gains for the least investment and effort. And apply and re-test those transferable solutions across the entire enterprise. Then repeat.

If you follow this process, you will be able to execute testing and subsequent testing-based optimization in a way that contributes to financial results of your company…and your career. The marketer in this article was handsomely rewarded with a well-deserved promotion. Of course, correlation does not imply causation. A marketer savvy enough to successfully employ the testing-optimization cycle is likely a high performer in other areas as well. However, driving an increase in marketing performance, with the hard numbers to back up that success, certainly couldn't have hurt.

SOCIAL MEDIA MARKETING

Facebook Case Study: From 517 to 33,000 fans in two weeks (plus media coverage)



By Daniel Burstein, Editor

May 26 2010

OK marketer, put yourself in these shoes (they're more like boots actually). Your state government is facing massive budget shortfalls. Teachers are being laid off. Draconian cuts to vital public services are being announced left and right. And amid this tumult, you are the one tasked with using your marketing prowess to stave off disaster itself.

The above paragraph probably makes you feel better about your own challenges, but think for a second…given the above situation…and very little resources…what would you do?

Social media marketing for a social cause

At the end of May 2009, the [California State Parks Foundation]() (CSPF) found itself in this very position after learning about massive cuts in state funding that threatened to close 220 California state parks.

In response, this nonprofit organization quickly launched a multichannel effort with its agency, Adams Hussey & Associates, that included direct mail, telemarketing, email, and social networking. I want to focus on that last part for this blog post. Because what amazed (and impressed) me the most was that CSPF used Facebook to shape the larger conversation about this topic.

Before I get to that, let's look at how CSPF used Facebook. They optimized their existing [Facebook fan page]() to promote awareness, discussion, and (hopefully) attract new activists and members. "Find us on Facebook" language and graphics were featured in every email and all over the site.

The "Friend Get a Friend" campaign launched on Tuesday, May 26, on Facebook via an update to 517 fans – "This year's cuts are ten times as bad, so we need ten times the fans on Facebook." The update explained to recipients the imminent threat parks were facing and set a deadline and a goal – 5,000 fans by Friday (May 29).

The second Facebook update was sent on Monday, June 1 at 12:12 p.m. PST, stressing a 24-hour deadline and asking for fans and petition signatures. The California budget committee was scheduled to meet on June 2, so media coverage was at its height.

The Facebook factor shapes the conversation

"The California State Parks Foundation, the lead public organization advocating keeping the parks open, had its fan base on Facebook increase from 500 to 33,000 in the past two weeks, reports Jerry Emory of the Foundation."

– Tom Stienstra, *San Francisco Chronicle*, Sunday, June 21, 2009

Now this next part is truly impressive. With just two updates on Facebook (and in all fairness very smart cross-promotion through other channels), CSPF created a proof point for keeping the parks open, helping them meet their "promote awareness" goal.

That's right, the Facebook campaign itself actually entered the public debate. The massive growth of this fan page caught the media's attention and was mentioned on several TV news spots and in national news articles. They took advantage of a timely and newsworthy story (the California budget cuts were all over the news on- and offline) and created a talking point to meet their communications goals (several news oulets mentioned the Facebook growth as evidence of a grassroots swell).

As mentioned in the beginning of this post, raising awareness wasn't their only goal. So let's take a look at some of the other success metrics. Those two simple Facebook updates (aided by the cross-channel campaign) have helped raise several hundred thousand dollars in nonmember, one-time gifts.

In addition, CSPF more than tripled the size of its email list and acquired many new activists that are being converted to donors online and via the telephone.

CSPF is routinely using social media now. A subsequent Facebook and Twitter promotion gained 285 new members in four days, and their Facebook page has now grown to 54,000 fans.

Other success metrics were a little harder to meet. While California's budget that was passed at the end of July 2009 did not close the originally proposed 220 parks, budget cuts forced nearly 150 to partially close or reduce services.

What you can learn from this case study

Nonprofit organizations are a natural fit for social media campaigns. People (who believe in your cause) want to help, often don't want to expend much time or money, and want to look good to their friends, family, and social network. A social media campaign lies at the nexus of these three motivations. And, most importantly, it gives your fans an easy way to act.

Of course, the benefit isn't limited to non-profit corporations. To wit, the Pepsi Refresh Project uses social media to leverage those same motivations. And this isn't just a side project for Pepsi. They made a strategic decision to use a social media activism campaign as their main 2010 marketing push…instead of the Super Bowl. This is the first time in 23 years that Pepsi has not advertising during the Super Bowl.

So what can you learn from CSPF? When creating a social media campaign, keep a few important principles in mind:

- A tight deadline always spurs action online.
- When supporters can get instant feedback on the effects of their efforts (seeing fan numbers grow) it makes them even more motivated.
- The best campaigns cross pollinate. CSPF didn't just use Facebook. It also used direct mail, telemarketing, and email in a tightly integrated fashion, including a custom URL for the Facebook fan page. Even better, add other social networking platforms to the mix, such as Twitter.

- Be clear. While social media has grown explosively, not everyone you reach will be clear on every convention of every social media platform (which are constantly subject to change). As opposed to showing first-time Facebook fan page visitors the default "Wall" tab (which has no clear call to action), CSPF created a pseudo "New Fan" landing page that included three simple buttons:

  1. "Click 'Become a Fan' above to join the conversation!" (Please note, as of last month, Facebook replaced its "Become a fan" terminology with the "Like" button)
  2. "Join CSPF"
  3. "Take Action"

- Institute back-end tracking on clicks and conversions to determine where supporters are coming from (this is one thing CSPF would do differently next time).

Mapping an effective media strategy

I found this case study while perusing an early draft of an upcoming book from MarketingSherpa. To read the entire case study, along with ten other case studies from leading companies and 27 real-world examples of what works, order your copy of the soon-to-be released Social Marketing ROAD Map Handbook: A method for mapping an effective social media strategy.

I want to thank Lead Author Sergio Balegno for letting me take an early look at his research, even though he was still editing it as I poked around. And full disclosure: While Sergio and I are not related, MarketingExperiments and MarketingSherpa are sister companies.

Related Resources

The MarketingExperiments Quarterly Research Journal, Q1 2010 (Social Media Marketing begins on page 51)

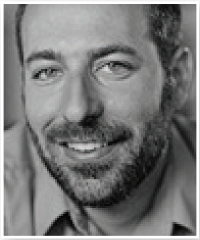
Social Media Marketing in Four Steps

Facebook and Omniture: A welcome step in social media measurement

Please Be My Friend: Taking the first step beyond just being on Facebook

Develop Your Social Marketing ROAD Map Strategy

Social Media Case Study: Facebook plus integrated marketing helps raise $950,000



By Daniel Burstein, Editor

June 14, 2010

Recently, I wrote about a case study that included excellent use of integrated marketing and social media – Facebook Case Study: From 517 to 33,000 fans in two weeks (plus media coverage). The MarketingExperiments community of marketers wanted to get a deeper look at the details, so I figured, why not go straight to the source?

Brenna Holmes, a senior online account executive and strategist at Adams Hussey & Associates (AH&A), was the digital brand strategic advisor on this campaign for her client, the California State Parks Foundation (CSPF). I asked her many questions from our audience along with a few of my own…

Let's start with your role in this campaign. Social media operations is a huge challenge in itself. We'll get to what you did in a moment. But first, how did you get it done?

Brenna Holmes: In the case of this urgent campaign, not only did I serve as an advisor, I also helped with implementation for all things social – optimizing their existing Facebook fan page with the custom welcome tab and many personalized Facebook Markup Language (FBML) widgets. Later in the campaign, I started and managed their Twitter account.

CSPF is a very small and tightly knit organization. Their Director of Membership, Greg Zelder, and Director of Communications, Jerry Emory, are my daily contacts and it was (and is) in collaboration with them that we got a full-scale multichannel campaign up and running within one week of learning of the Governor's proposed budget cuts.

The first thing that catches my eye about this case study is the quick, large Facebook fan page growth that led to positive media stories. But when you explore this success a little deeper, it's not just a case for social media marketing, but integrated marketing as well. Can you give us more details on how you used multichannel marketing?

BH: At AH&A, we LOVE multichannel integration. As a direct mail fundraising shop that has expanded to include pretty much in-house everything (online, telemarketing, creative, production, and analytics), practically every campaign we plan has multichannel components.

And this case was no different. CSPF had been a direct mail and telemarketing client of ours for many years, but 2009 was the first year that my department began working with them.

Actually…the budget cuts issue made us start our contract a month early! Within 48 hours the organizational website was redesigned to accommodate an Action Center, daily homepage updates, graphic social media sharing links, and embedded YouTube videos made by both the organization and passionate supporters.

The Facebook "Friend Get a Friend Campaign" was launched the Tuesday after Memorial Day weekend, May 26, (which is when the Governor's proposal was released) via an update to CSPF's original 517 fans.

The update explained the imminent threat parks were facing and put a deadline – Friday, May 29 – and a goal – 5,000 fans. "This year's cuts are ten times as bad, so we need ten times the fans on Facebook."

Once supporters became fans, they were presented with an action item asking them to visit CSPF's site to sign an email petition to the California legislature and Governor Schwarzenegger. We also set up and managed CSPF's paid online advertising on both Facebook and Google to drive supporters to become fans and/or sign the petition. All this Web outreach was supported by an aggressive email petition and donation campaign to the house list and partner organizations in California.

The online campaign was mirrored in direct mail with three "urgent grams" that were in people's mail boxes by the end of the week – one to high-dollar donors ($1,000+), one to all other members, and one to prospects. All three pieces netted funds and raised more than $200,000 in just over a month. Telemarketing was also excellently leveraged – existing campaigns were halted and new scripts were implemented, raising more than $88,000 in the first two weeks of the campaign.

That whole week in May, Foundation staff members were being interviewed and the story was picked up by SF Gate, Huffington Post, LA Daily News, Frommers, etc. They even made it onto Digg! By early June the Facebook growth was being referenced in mainstream news articles and on other environmental and California-based nonprofit Facebook pages.

Were these other channels used to primarily promote Facebook over the CSPF website?

BH: Facebook was never promoted over [the website](). Facebook promotion was always either in conjunction with site promotion (general "Find Us on Facebook" links) or as a secondary ask ("Thanks for taking action! If you are on Facebook, click through to join the conversation").

Other than the specific "Friend Get a Friend" outreach on Facebook and some of the Facebook ads, we were primarily driving supporters to the online Action Center to sign the petition, make donations, and later on, print Save Our State Parks signs and upload their photos from the SOS weekends of action.

When people visit the CSPF Facebook fan page for the first time, they see a pseudo landing page that encourages them to become a fan or go to the CSPF website. I love the landing page, it's a very clear way to communicate with your audience about the actions you'd like them to take (instead of just showing your wall to new visitors). Why did you decide to send users to a [pseudo landing page]() instead of the wall?

BH: I'm a big fan of introductions, and maximizing the personalization of user experiences online. It's a pet peeve of mine when sites (Facebook or other) don't

recognize that I'm new to the site.

So much of the online experience can be controlled from the backend to give a more customized experience. In my opinion, it would be silly to not take advantage of that with something as simple as a welcome tab.

We are trying to put the most efficient but comprehensive view of CSPF out there so people can absorb it in the [seven seconds we have before they decide to click elsewhere](). A cluttered (or worse barren) wall just doesn't give the right first impression in my opinion.

And the Facebook landing page doesn't solely encourage them to become a fan, it gives them other options as well.

There are three asks. This allows supporters to choose how they want to interact with the Foundation. The easiest is, of course, to "Like" the page. Then if they want to do more they can take action or join. The vast majority simply "Like" the page and move onto the "Wall," but we have seen some petitions and new memberships coming in from these source-coded links.

This campaign helped raised several hundred thousand dollars for CSPF. (Congratulations!) How much came through Facebook, and how much came because of the other channels you used?

BH: Unfortunately we weren't as proactive in source coding all the links on Facebook as we should have been from the very beginning, so the majority of donations do not show as coming from Facebook during that first burst of activity. However, we do know that 60% of our page connections are self-professed annual members.

In late July/August, we launched a social-media-only campaign promoting the Frequent Visitor membership level ($125 to get an annual parks parking pass) on Facebook and Twitter. Social media allowed us to quickly take advantage of the Parks Department halting annual pass sales for almost two weeks. In that campaign, CSPF gained over 700 new members from social media at the $125 level.

I can also tell you that while the entire integrated campaign earned $950,000, almost $300,000 was raised online and 46% of that came from supporters new to the e-file (either joining as annual members or by giving non-membership issue-based gifts). The e-file also tripled in size as the fan page grew and paid membership grew by 10% in the first two months.

We are much more meticulous about this now and see a steady stream of new memberships, renewals, and issue-based gifts coming in from both Facebook page promotions and the Facebook ads. (Stay tuned for this November's Yes For State Parks ballot issue get-out-the-vote work on Facebook.)

What was the budget and team size? Social media seems very labor intensive, very manual.

BH: The online team size was only four of us – me, my vice president for strategic brainstorming, along with Greg Zelder and Jerry Emory at CSPF.

CSPF is on a monthly retainer with us, which includes all work except creative development. We have a larger offline staff that works closely with CSPF to get all the other pieces rolling and now CSPF has added another Web person internally to help out, but during last year's campaign it was all hands for Greg and me in getting the online pieces up and running and properly maintained.

Social media is labor intensive, but if you have an urgent issue like this one, you drop everything to get it done and done as well as possible the first time around.

What is your follow-up plan for all these new Facebook fans that you have engaged?

BH: I've been managing the fan page for over a year now and it continues to grow. CSPF has, on average, a 15.5% month-over-month fan "connection" growth.

CSPF's Communications Director is very hands on with the content generation and they post at a minimum of twice a week – a "feel good park story" every Tuesday and every Thursday there is a post for the new World's Best Bike Commute blog that chronicles Jerry's bike commute across the Golden Gate Bridge.

Greg and Jerry are also very good at posting from their mobiles to keep the page updated with pictures and information from the many live events CSPF holds throughout the year. Ideally I'd like to see a daily update to Facebook, but current staffing constraints at CSPF won't allow for it. We are currently also working on some fun new content that will only be viewable after supporters "Like" the page.

How much are Facebook fans really worth? Are they very valuable? Or do they just "Like" something because they saw that their friends did?

BH: We find CSPF's fans VERY valuable, whether they are the active donors or not, many are very outspoken evangelists for the cause. We are actually undertaking a much more robust tracking regime to identify the most engaged Facebook connections so we can do some additional personalized outreach.

Lately, the words Facebook and privacy seem to go hand in hand…

BH: We haven't had any issues regarding privacy so far. Everything we do is on an opt-in basis and we are very proactive in answering fan questions – even going so far as to help a fan organize her newsfeed content so as to not be "overwhelmed" by our updates.

There are now a plethora of invites to social causes on Facebook. How does one cause really stand out from another?

BH: This is no different on Facebook than in other direct marketing media. Donors and activists have more choices of where to spend their time and money now than ever before. You stand out by staying engaged and listening to your base. Encourage them to be part of the process and they will extend your voice a thousand times over.

Can for-profit marketers use the same tactics you describe?

BH: I think that many of the tactics are the same whether the organization is non- or for-profit, and we "steal" concepts from commercial organizations ideas all the time. Typically the defining issue is cost, since corporations tend to have larger marketing budgets than nonprofits they could conceivably get even more value from social media like Facebook.

For the budding social media marketers out there… what applications have you found to be most valuable in engaging Facebook users?

BH: Custom FBML wall widgets and tabs are a must – like the welcome tab and our Get Involved menu of options. If you have a blog, sync it up with the Notes RSS. Sync your YouTube uploads and add as many of the newly released social plug-ins to your website as feasible. You want to engage supporters where they already live online.

I originally found this case study in the brand new Social Marketing ROAD Map Handbook. If you're looking to improve your social media marketing, you might benefit from the Handbook's case studies (in addition to the one I covered above, there are ten more in the Handbook).

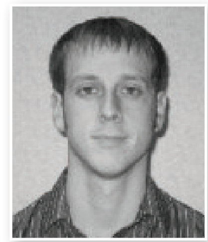
Article Resources

The MarketingExperiments Quarterly Research Journal, Q1 2010 (Social Media Marketing begins on page 51)

Social Media Marketing in Four Steps

Develop Your Social Marketing ROAD Map Strategy

Connecting Social Networks Pays Off



By Adam T. Sutton, Reporter at MarketingSherpa

April 14, 2010

When working in social media, many marketers stick to a few areas, such as Facebook, Twitter and blogging. Justin Greis, Owner, Panna Dolce, chose a broader approach.

The Chicago-based French maracron, cookie and brownie bakery relaunched in December 2009 after perfecting their macron recipe for five years. Now, they have a blog and also work in Facebook, Twitter, Vimeo, Flickr, YouTube and other networks.

“We don’t discriminate,” says Greis. “We found there are different types of people who connect through different types of networks, and the more we’re connected and linked up through a central hub, which ends up being our blog and our e-commerce site, the better.”

Amazingly, Panna Dolce’s three-member team is able to keep content fresh in all these networks while maintaining their business. They do so, in part, by connecting as many accounts as possible, so a blog post becomes a tweet, a video becomes a Facebook update, and so on.

“We haven’t seen a lot of interaction on our blogs. But when you link your blog to Facebook, when you like it to Twitter, when you link it to YouTube and Vimeo, you connect with people the way they want to be connected to — and that is absolutely essential.”

The team also generates content by partnering with and writing about relevant sites, as well as covering their own:

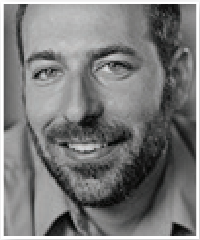
- Charity work
- New flavor launches
- Events attended
- Press mentions

The team’s website, powered by Volusion, enables shoppers to share links to their product pages, further increasing their content on the networks.

All this work is paying off. The team estimates 35% of e-commerce sales come from referral traffic from social networks. That number jumped to about 50% during Valentine’s Day. Also, the team’s work is earning them valuable business contacts.

“We’ve had several offers from big retail department stores that are tasting our products right now to see if they want to pick them up. We’ve had a lot of interest from bigger boutique grocery stores… All of those contacts were made through [online social networks].”

Holistic Marketing Optimization: What's more likely to show up on Twitter?



By Daniel Burstein,
Editor

June 4, 2010

On our June 30 web clinic, Flint McGlaughlin, the Director of MECLABS Group, will be discussing the [Compounding ROI of Sequential Conversion Rate Increases: How one company took a small gain and multiplied it tenfold](#).

As we prepare the content for that web clinic, I wanted to get the perspective of Andy Mott, Senior Manager of Research Partnerships at MarketingExperiments. As his title would suggest, Andy manages Research Partnerships with some major, enterprise-level companies.

As he is on almost every topic from email copy to Jacksonville Jaguars' draft picks, Andy was fired up about holistic marketing optimization and what marketers who feel lost in large organizations can do to really make an impact…

Marketers can get excited about one-off successful tests that show huge gains. And rightly so. But in next Wednesday's web clinic, we'll be focused on teaching how to take a step back, look at the big picture, and drive even greater ROI. That's hard enough for a small e-commerce site. But what does that mean to a marketer in a Fortune 500 company?

[Andy Mott](#): In some ways, the average marketer has a bigger challenge than a CEO. The goal of a CEO is simple – make more money. You might argue that CEOs should have a wide range of goals from satisfying all stakeholders to running oil rigs that don't explode, but the end result of all those decisions boils down to one clear place – the bottom line.

However, once you move down the chain of command from the CEO, things get a little more murky, don't they? And when you finally find yourselves in the deep, dark trenches of the marketing department, it becomes clear why holistic marketing optimization is so difficult.

Most marketers aren't given the simple task of "make more money." Sometimes their compensation is driven by secondary or tertiary goals that actually conflict with their colleagues.

So there are too many cooks in the kitchen and they're not even cooking the same meal?

AM: Well, beyond just individuals with conflicting goals, many large marketing organizations, have entire siloed departments that are working towards (because they're getting compensated for) different goals. For example, the email marketing group is hyper-focused on open rates and click-throughs because their bonus depends on it. And then you have branding, product group A, product group B, the search marketing agency, the creative agency…

And then the battles begin. All these different groups end up throwing more elbows than Kevin Garnett grabbing a rebound, fighting for space on the homepage and engaging in turf wars over who should be in control of the optimization cycle.

If you're shaking your head right now agreeing with Andy, feel free to use that tweet button in the upper left to share your most frustrating experiences.

AM: I'd love to hear what marketers out there have to say. Here's my story. I was working with a major company that had several divisions and layers with (much like an unoptimized landing page) competing objectives.

The technology organization had a set of benchmarks for different back-end aspects of a product. Each aspect had to meet an individual benchmark. Essentially, the focus was on separate checkboxes and not the big picture. After all, the customer didn't interact with separate backend pieces, the customer just knew how the overall product worked.

One aspect of the product did not meet its individual technology benchmark, but the impact on the overall product performance that the customer would notice was minimal (less than 1%).

Now, there was a fix that would ensure that this piece met its benchmark. However, the fix would mean that that 1% of customers would not be able to use the product at all. They would install the product and be met with a totally blank screen.

So, essentially, either 100% of customers would feel a less than 1% impact (and probably not even notice). Or, 1% of customers would feel a 100% impact – the product just wouldn't work.

So what do you do in these situations? How do you take a holistic approach when different groups and organizations differ over the right thing to do? Who should decide?

AM: The answer is very simple – the customer is in charge. And you, the intrepid marketer, must be their advocate.

"Once more unto the breach, dear friends, once more." That sounds great, Andy, but it's easier said than done. I hope you have a Henry V-style motivational speech in you, because speaking truth to power is one of the most difficult things any person in any organization will ever be asked to do.

AM: And, I would argue, the results are just as predictable as they are dire, from oil-covered pelicans to plane crashes that wipe out the entire leadership of Poland. The people higher up in an organization tend to have all the power yet are the farthest away from where the rubber meets the road and the impact of the actual decisions.

So how do you decide when to stick your neck out and how do you protect yourself to make sure that, even if you're wrong, your head doesn't roll?

AM: Here are the main points I try to keep in mind:

- **What's more likely to be tweeted?** – So, from the story I just told you, what do you think will be more likely to be tweeted? Marginally slower load time? Or a program that you took the time to download, and then when you try to run it, your screen is totally blank?
- **Emphasize the value of sequential conversion rate increases** – Sure, if you're in charge of search marketing and you optimize your patch, you'll see a gain. But what if you took a holistic approach? What if, as an organization, you optimized the PPC ads, the landing page, and the shopping cart or lead gen form? The total ROI increase

would be so much more beneficial for the entire organization. Focus on the value to the entire team.

- **Just recommend tests** – Every marketer likely has a slightly different opinion about what makes the best headline. Or copy. So go back to the simple principle above…the customer is in charge. You don't have to fight for your idea over someone else's. Just propose a test. And that way, the customer will tell you with his actions what works best.

- **Share the credit, take the blame** – This is just one of my maxims in life. I learned it from Dwight Eisenhower. Or perhaps John Wooden. Or maybe it was Harry S Truman. You see my point. Every true change agent leads the charge by focusing on the benefit to the team over the individual. You don't just want to be able to make a difference in your career. You want to make a habit of it. And while you've probably mitigated the downside risk with the testing suggestion above, something can always go wrong. Other organizations (and superiors) will trust you more next time if you don't try to pass the buck.

OK, Andy, I like the practical advice. But you can't overlook the fact that what you're asking is still very hard to do. Isn't this what the President has been criticized for lately? All common sense and no emotion?

For this blog post to work, it needs to be an inspirational blog post that will be posted in every marketer's cubicle in the nation. Where's my Braveheart moment? "They can take our marketing budgets, but they can never take our freeeeedddoooooommm!!!"

AM: I am seeking to inspire every marketer to speak up for what's right against the tide of inaction, inefficiency, and incompetence that can define the modern-day large corporation. But I will do you one better Dan. I'll see your Mel Gibson quote, and I'll raise you one. I will leave you with one of my favorite quotes, from a man that optimized an entire nation…

Article Resources

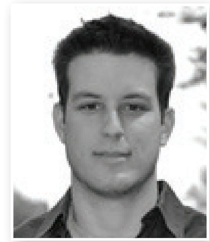
Compounding ROI of Sequential Conversion Rate Increases: How one company took a small gain and multiplied it tenfold

The Business Case for Testing: How one marketer convinced her business leaders to start testing and drove a 201% gain in the process

Embrace Your Inner Sleazeball: How to gain enterprise approval for the marketing resources you need to succeed

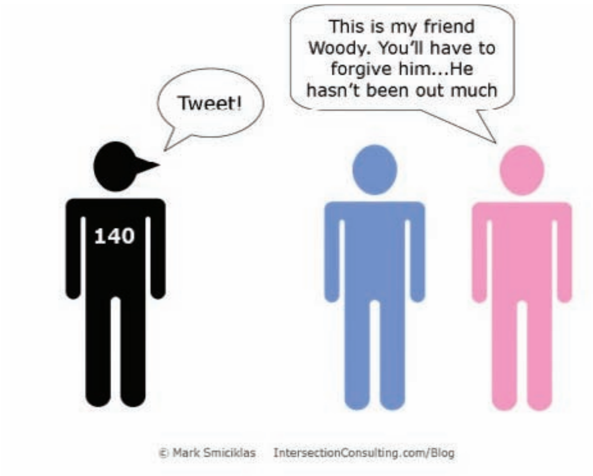
Photo Attribution: Marshall Astor

Social Media Marketing Human Factor: Finding the right person for the job



By Nathan Thompson, Research Analyst

June 11, 2010



Search for "social media marketing" on Google (or Bing) and you'll likely end up in a black hole of Twitter guides, bit.ly retweets, social media "mavens" and Top 7 Tips for Creating a Facebook Fanpage blog posts. And it's no wonder everyone sees the need to discuss and "explain" how social media works for the 270 billionth time. With so much discussion on the topic, you need to be a social media expert just to navigate it all.

Social MediaYet, one social media topic manages to slip through the cracks. And it's often the first obstacle companies encounter when they decide "social media" is the answer to all of their problems:

Who's going to carry out all of these social media initiatives?

It's the Human Factor – who is going to create the content for that blog? Who is going to reply to all those tweets? Who is going to make sure your Facebook page doesn't turn into a hate fest? In fact, who decides if you should have a Facebook page at all?

If you're like many companies, you might think outsourcing social marketing is your best bet. But more than ever companies are working to keep social media in-house because it requires such an intimate knowledge of the brand and because of the personal nature of social media interactions in general. Customers want to talk to you, not an "outsourced" spammy twitter account. And when you leave them with no choice, they happily take their discussion to your nearest competitor.

Based on the MarketingSherpa Social Media Marketing Benchmark Survey of more than 2,300 respondents in November of 2009, social marketing responsibilities are outsourced less often than traditional marketing responsibilities– meaning you're more than likely going to need to look internally to find your resources for a social marketing team.

And here's where I believe many companies get it wrong. Instead of hiring or tasking the best person for the job, whether that's managing the Twitter account or actively engaging in forum discussions, many companies put their least experienced, least qualified people on an overwhelming number of social media initiatives. Usually this person is in marketing and may be tasked to cover topics or areas of social media they have little or no experience in. But this isn't the most efficient and certainly not the most effective method for achieving social media success.

But how do you go about identifying who in your organization is best suited to carry out social media objectives? The answer is surprisingly simple. You pick the right person for the job.

For example, don't send your marketing team to engage users in a developer forum. They'll stand out like a script kiddie at a Def Con

Conference. Instead, encourage your developers to actively engage users in forums related to their industry. Task these same developers to contribute technical content to the company blog. It's surprising the level of involvement you'll get from your team when you place a little responsibility in their hands.

Customer service can provide you with your Twitter recruits. In many ways they are trained for the role, just in a different medium. And your Sales department is a great place to find outgoing personalities to run the company Facebook page or handle group discussions on LinkedIn.

The point is that your social media team should be composed of individuals from various departments who can each provide a certain level of expertise by contributing just a few hours a week to social marketing initiatives each week.

To learn more about how you can keep your employees accountable for social media initiatives, check out the new MarketingSherpa Social Marketing Handbook.

Related Resources

Social Media for the COO: How to become the Michael Phelps of implementing social media in your organization

The MarketingExperiments Quarterly Research Journal

MarketingSherpa Social Marketing Training

Photo Credit: Intersection Consulting

Social Media for the COO: How to become the Michael Phelps of implementing social media in your organization

By Scott Howard, Director of Operations

April 9, 2010

Many marketers can be separated into one of two camps when it comes to social media. There are the toe dippers. They're just trying to gauge the temperature of the pool and decide if they want to go in up to their ankle while they plan and speculate and observe what everyone else is doing.

And then there are the cannonballers. They throw caution (and brand equity) to the wind and jump on in, full force, watch out below.

Olympic dreams

As an operations guy, I focus on repeatable, disciplined process-oriented workflows, and the same operational structure that will bring you success in any other business (or sports) endeavor must be applied to social media.

In this post I'll cover two often-overlooked aspects of social media, elements that George Colony refers to as listening and soliciting feedback, and how you can codify them into a consistent operating process.

Two-way communication

While many are now versed in, or at least comfortable with, the concept of using social media as a marketing tool, I am not sure how many are really using it as a two-way communication mechanism. The idea of this medium being "social" implies that it is about a way in which people or groups of people interact and behave.

In this way, social media involves more than just your marketing team, but should include anyone who interacts with your customer base…and even their friends. In order to manage this, you must have a process in place to truly leverage the two-way communication benefit.

A process shall lead them

The process, as I see it, resembles an hourglass figure with a fountain effect…information flows in from the top and feeds to the appropriate areas within the organization. From these areas in an organization, information is then fed back into the social media pool.

As the drawing indicates, I envision a central place, or filter, for information to flow through from the top and be dispersed to the appropriate parties to engage with the public or individual customer as appropriate.

This person, group or department (depending on the size and reach of your customer base's and detractor's voices) must have the authority and ability to do the following:

Effectively monitor all social media channels for relevant information

- Determine what needs to be responded to
- Know the most appropriate person, group or department to engage in responding
- Make certain that responses are timely and connected to the audience, as well as conforming to your brand

Proactive reaction

Additionally, each department needs a dedicated individual or group as well that is accountable for addressing corporate interactions that take place on a social media platform. These individuals should be a primary contact point for the Social Media Manager to forward feedback to and expect an immediate response from.

For example, if a woman tweets, "Just left Kingdom Hotel in Jacksonville. Horrible Service!" The Social Media Manager in the corporate office, who is monitoring the search phrase "Kingdom Hotel" sees this tweet.

She would first respond to the tweet that she will be contacting the hotel manager to address her concerns and request contact information. She would then forward it to the hotel manager in Jacksonville.

He would subsequently reach out to the woman with the intention of soliciting her feedback to improve their service and to more specifically address and resolve her complaint.

Social media isn't free

Obviously, as this type of activity could consume resources from other areas within your organization and possibly hurt either or both your top and bottom lines, the Social Media Manager must be adept at determining the impact of a particular social media message and the size of the audience that was exposed to it in order to determine how much of a priority should be placed on responding to the message.

Additionally, the manger should initially respond to the message in the same forum where it was originally placed to allow the audience to know that company is addressing it. After an issue is successfully resolved, where appropriate, it would make sense to post the resolution in the original forum, and ideal if you could get the customer to do it.

Here at MarketingExperiments, we have three primary individuals that are regularly monitoring traffic about us. Also, as part of our corporate culture, if anyone in the organization discovers something on the Internet that references us it is brought to the attention of the individuals monitoring social media or their immediate manager or director.

When it comes to responding, those monitoring the traffic regularly solicit feedback from various parts of our company, even going so far as to solicit a response from one our analysts fluent in Spanish to respond to someone in Spain.

So while I encourage you to listen (not just market), we are listening to you as well. In fact, I hope to hear your feedback about this post (or any others) in comments, tweets and heck, even a YouTube video.

Related resources

Social Media Marketing in Four Steps

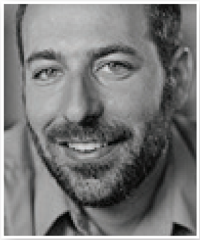
Harnessing Social Media

Social Media Measurement

Twitter and Social Media

Antisocial Media

SEARCH OPTIMIZATION



By Daniel Burstein, Editor

April 14, 2010

Search Marketing: Tips on mastering the latest innovations in this mature category

Most experienced marketers tend to think of anything Internet-marketing related as new, cutting edge, and/or unproven. But a funny thing happened on the way to Google's $180 billion market capitalization – search has become a commodity.

To wit, a site like GoodSearch. GoodSearch is a search engine, except it's not. It's really an advertising platform that donates 50% of its revenue to charities ("You search, we give") that leverages the commodity of search, in this case Yahoo (which itself is powered by Microsoft Bing).

And, of course, GoodSearch is not unique in this respect. There are many businesses built on the commodity of search. Perhaps we'll soon see a search futures market develop so it can be traded right along with pork bellies.

The paradox of search commoditization

Now here's the rub. When most product categories achieve commoditization, innovation dies (think generic drugs) in favor of merciless cost cutting (since once a product is perceived as a commodity the only difference becomes price).

Search has been the opposite – innovation is still occurring at a breakneck pace. So we're left at an interesting crossroads. Social media marketing is new enough that most marketers recognize the huge learning curve, print advertising is established enough that experience in itself is quite valuable, but search is a shade of gray. As the financial services ads (must legally) tell you, "Past performance is no guarantee of future results."

When it comes to search, you need a GPS system, not a map

For all of the above reasons, I'm glad there are people like Jen Doyle in the marketing world. Jen is a Research Analyst at our sister company, MarketingSherpa.

Along with her peers, she is constantly delving into hot-button marketing topics to help you discover how to best use these ever-changing tactics. So what you get is an ever-changing GPS system that helps you navigate this new terrain, not a map that shows you best practices from several years go.

Jen and her team have launched a new research project into search marketing, and she was kind enough to update us on the latest developments in search…

What has changed in search marketing since your last Benchmark Report one year ago?

Any search-engine marketer knows how quickly things change with search, and the past year has been no exception. Between social media's growth and search innovations such as real-time search and personalization, there are a lot of unanswered questions for search-engine marketers.

How are marketers perceiving and reacting to these new changes in search? This year's Search Engine Marketing Benchmark Report will be stacked with a wealth of information on balancing search and social media to achieve optimal success, as well as sections dedicated to search innovations.

You mention that the rocket-like ascendancy of social media has had an impact. So how can social media help with search engine optimization (SEO)?

One of the most effective, and most difficult, SEO tactics is generating inbound links. With social media, you can generate highly relevant inbound links to your site by attracting links from blogs, forums, social networking sites, and other social media channels.

Another great benefit search engine marketers are reaping out of social media is increasing the number of listings that get displayed for their brand in the search engine results pages (SERPs), pushing their competition to lower rankings and increasing the click-through rates on their own listings.

How can you use social media to optimize for multimedia and universal search, from blended listings to focused multimedia search such as Google Images?

When optimizing multimedia content for search engines, you must strike a balance between traditional SEO tactics and social media integration.

For starters, whether you're optimizing a video, an image, or a slide presentation, you need to make sure you have good, relevant, link-worthy content. Additionally, check to see that your multimedia sharing site has options to add title tags, description tags, etc. and then optimize these tags for your target keywords.

You can then utilize social media to generate inbound links (not to mention traffic) to your content.

Has social media made universal search more competitive (i.e., harder to get towards the top of listings)?

The search landscape is growing more competitive in nature over time, and this is partly due to social media. Social media has added another venue for marketers to up their SEO ante, so to speak. As the competition is stepping up their game, it continues to be a challenge to keep up.

MarketingSherpa has recently published Social Media Marketing research. In that research, did you find that SEO was the main reason most marketers are using social media?

There are a number of target business objectives that can be achieved with social media, and search engine optimization is a popular one indeed.

Other popular objectives include increasing website traffic, lead volume, sales revenue, and improving brand reputation and awareness. These objectives, of course, can also be achieved with SEO. The key is to balance your SEO efforts with social media in order to achieve success towards these common objectives.

And perhaps as the flip side to that, how can you leverage search to best get your social media content (like blog posts) some traffic?

Whether it be a blog, a Facebook fan page, or a Linkedin profile, leveraging search to attract traffic to social media content starts with good, link-worthy, keyword-targeted content. And a lot of it. You will naturally generate inbound links by creating social media content, and the search engines will take notice.

For your blog, it's important to use the same optimization techniques you would use for your regular website – and definitely link to your blog from your homepage (or the page on your site with the highest page rank) using optimized anchor text.

Again, the goal here is to achieve balance in your SEO and social media efforts to achieve success.

What are some possible tactics to help more traditional media, like PDFs, get good SEO results using social media sharing options (as opposed to just keywords, etc)?

Taking advantage of social bookmarking sites is a great way to get more traditional media, like PDFs, ranked.

For one, the search engines crawl social bookmarking sites at a high frequency, so the likelihood that your content will get indexed quickly increases as you generate bookmarks.

Social bookmarking sites can also help get your PDFs well-ranked because of the inbound links you will be generating. You can increase the likelihood of generating inbound links by adding social bookmarking icons to your content so that visitors can instantly bookmark or share your content.

Share your search marketing insivghts

Jen and her colleagues at MarketingSherpa want to hear how you use search marketing in your day-to-day job. They've created a quick, easy-to-answer survey to help you add your insights to the search marketing "GPS system" they are creating for the industry. As a special thank you, everyone who participates in the survey will receive a free executive summary report. Survey participants will also be invited to an exclusive webinar covering a review of the results.

Related resources

Paid Search Marketing

SEO Shortlist: 10 search optimization sites and resources

PPC Advertising

Photo attribution: dullhunk

Google Caffeine: Use social media and quality content to get a jolt for your site

By
Nathan Thompson,
Research Analyst

June 11, 2010

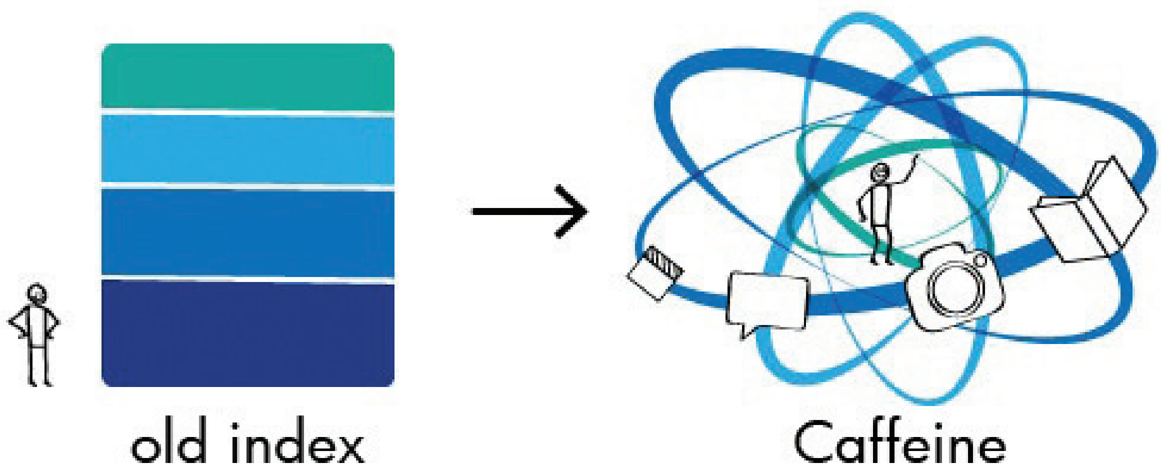
Earlier this week, Google formally announced the completion of its new web indexing system cleverly named Caffeine. According to Google, Caffeine provides 50% fresher results for web searches than its last index and is the largest collection of web content the search giant has ever offered.

Our old index had several layers, some of which were refreshed at a faster rate than others; the main layer would update every couple of weeks. To refresh a layer of the old index, we would analyze the entire web, which meant there was a significant delay between when we found a page and made it available to you.

This is great for those of us who use Google to search and find relevant results to our most common inquiries. Results will become timelier, more social and rely more heavily on keyword strings, ultimately providing more useful results as newer content can be indexed much quicker and from a much larger base of sites.

Is your SERP spot threatened?

When Google says "fresher" results, what they're saying is that ranking principles have not changed, but rather rankings are (and will become) more dynamic, shifting to display the latest and greatest (and, therefore, hopefully best) information as a result of being able to reach deeper and more frequently into the Web.



With [Caffeine](), we analyze the web in small portions and update our search index on a continuous basis, globally. As we find new pages, or new information on existing pages, we can add these straight to the index. That means you can find fresher information than ever before—no matter when or where it was published.

– Carrie Grimes, Software Engineer, Google

But what about website owners who have come to rely on the steady ebb and flow of organic traffic that a high Search Engine Results Page (SERP) position provides?

Many website owners who have long enjoyed a top spot, or even a high spot, have suddenly found their sites displaced, resulting in a massive dip in organic traffic. And to make matters even more vexing, the position your site is in this month will likely be different from where you find yourself next month.

Which is not entirely new, right? Anyone well-versed in search engine optimization (SEO) knows that it is a never-ending battle. The difference is, ranking improvements and demotions may happen even quicker than before because content that you and your competitors are creating will have a more immediate impact within the results. So if you thought SEO was a wild ride before, hang on.

Of course, your main goal should be to deliver value to your customers and audience. After all, ranking is only a means to an end. And since Caffeine should do a better job of measuring that value, it might start putting some distance between those who do provide quality content and those who are merely gaming the system.

Caffeine makes it more difficult, although not impossible, for sites using black hat SEO tactics to reach and/or maintain a position at the top of the rankings for long periods of time. And while I believe SEOs will always find new ways to game the system, I think Google has made a step forward in terms of providing better-quality results.

How to get a boost from Caffeine

So if you can't rule Google SERPs by just throwing up an automated page with repurposed content, what should you do? Here's my advice to website owners who rely heavily on organic traffic:

- Continually look for opportunities to expand or update the content on your site for improved keyword targeting
- Re-evaluate your current keywords and always look for opportunities to expand and capture more long-tail keywords
- Build a site that contains clean code and a clear site structure
- Look for opportunities to capitalize on social media as real-time results become more integrated with search results
- Monitoring your competitors will be paramount as new content brought in by them will be indexed quicker than ever.

So fresh and so clean

I think this transition to providing "fresher" results was inevitable as competition from Bing and the massive growth of "real-time" information from social networking sites like Twitter and Facebook have created a need for better, faster, (stronger), search engine results. And from a conversion standpoint, I'd argue that this move could ultimately prove to be more beneficial to e-commerce sites that provide high-quality content, because "fresher," more relevant results also means more qualified traffic.

Of course, cleaner, less manipulated results will have huge benefits to searchers and real, quality sites alike. Remember that both you and Google are on the same mission: provide the right page to the right user. Oh, and don't be evil.

Related Resources

Search Marketing: Tips on mastering the latest innovations in this mature category

PPC Innovation: How will Google's new lead capture extension affect your pay-per-click campaigns?

Optimizing PPC campaigns to boost conversions, ROI

Photo attribution: The Official Google Blog

SITE OPTIMIZATION







1:1 Marketing at Four Levels:

Strategic ways every marketer can enter into an online conversation with customers

By Daniel Burstein, Adam Davis, Bob Kemper, Adam Lapp, Pamela Markey, Austin McCraw, Andy Mott

June 17, 2010

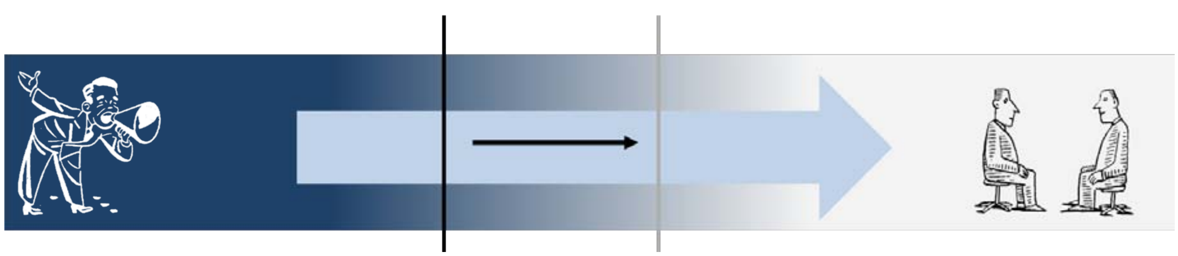
1:1 marketing (or, if you prefer, one-to-one marketing) is one of the buzzwords du jour in the marketing community of late. But what is 1:1 marketing really? And, most importantly, how can (and perhaps more importantly, should) you use it?

At its core, 1:1 marketing is simply marketing to a segment of one. You can think of it as the end-point of segmentation. Reaching such a tailored conversation can often take a considerable investment on the part of the marketer.

So in this research article, we're going to focus on what we call 1:n marketing – obtaining your organization's optimum point of conversation in the 1:1 marketing trajectory. In other words, 1:1 marketing is not just a destination, for most companies it is better experienced as a journey.

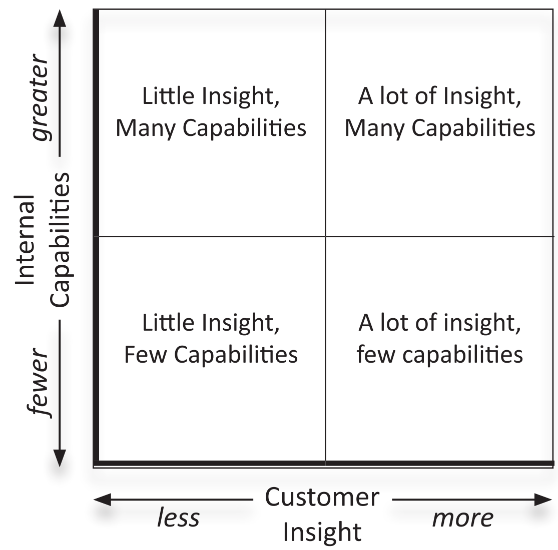
To help you get the most from that journey, in this research article we'll explore four real-world experiments and case studies focused on improving one-to-one conversation. We've also segmented the process into four levels of 1:1 marketing application mapped to a marketing department's specific resources and capabilities – so no matter where you find yourself on this trajectory, we've got some tactics to help you improve.

And we'll help move you along the trajectory. There are two key components that determine how personalized a conversation you can have with your online customers – customer insight and internal capabilities. We'll provide three strategic steps to gain more insight about your customers. And on the technical side, we'll show you some of your options so you can work with IT to increase your 1:1 marketing capabilities.



The four levels of 1:1 marketing maturity:

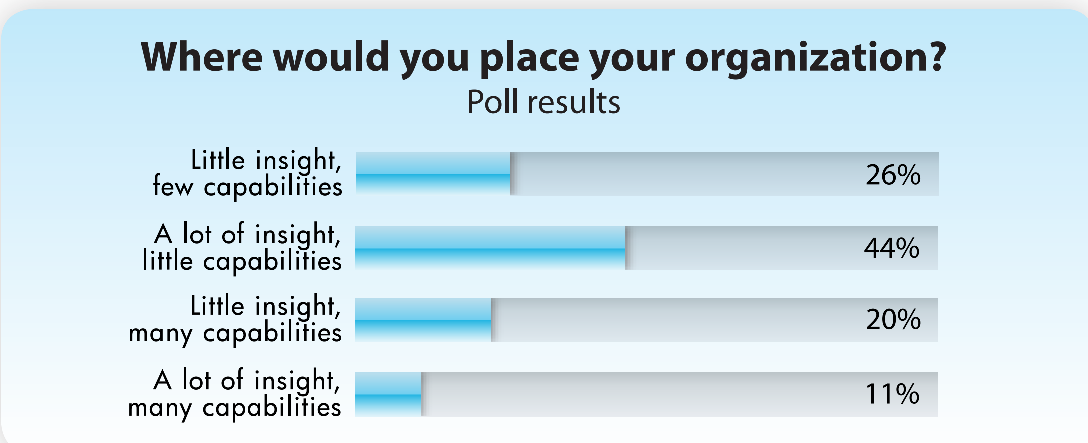
Because 1:1 marketing is not all or nothing, it can happen on many levels – even with limited budgets and resources. Every marketer likely falls somewhere on the below chart:



Your company may not clearly fall in one quadrant; you may be on the borderline between two or more quadrants. But before you continue reading this article, it is worthwhile to do a quick self-assessment of what resources are at your disposal and how much you really know about your customers.

Then, as you read through this research article, consider not just where you are now, but where you intend to be next month, next quarter, next year, and how you can begin preparing to move there and enact marketing campaigns that build off of future resources and knowledge.

To help you benchmark your progress, we asked your marketing peers' the above question during a recent web clinic, and here is how they responded:



As you can see, capabilities seems to be a weak point for many marketers, however they have (or at least think they have) deep insights into customer behavior, preferences, and motivation.

Let's take an in-depth look at each of these quadrants, and how your organization can benefit from the precepts of 1:1 marketing at many levels…

LITTLE INSIGHT, FEW CAPABILITIES
EXPERIMENT #1

Experiment ID: *(Protected)*
Location: MarketingExperiments Research Library
Test Protocol Number: TP1135

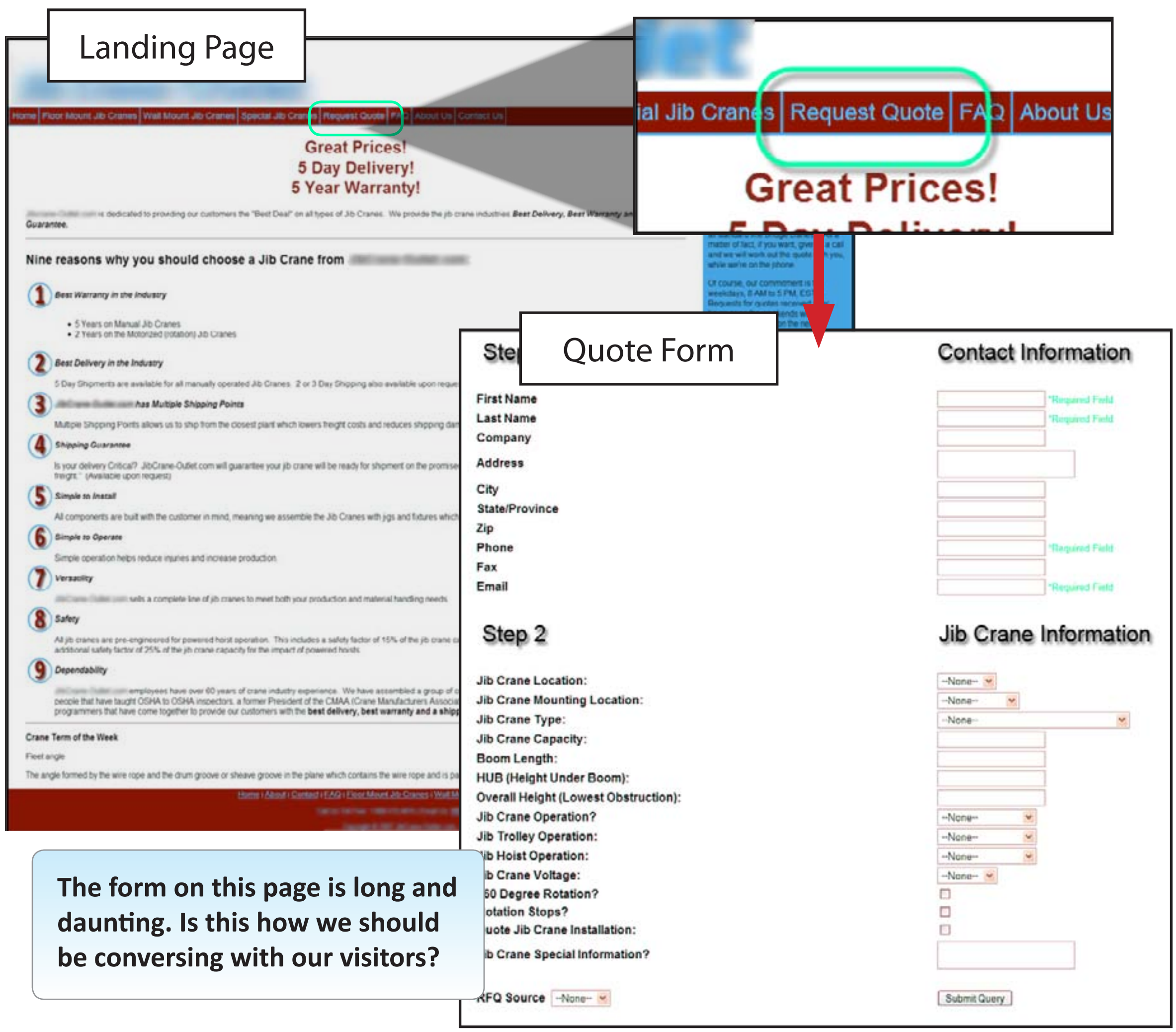
Research Notes:

Background: A small B2B company that offers industrial equipment
Goal: To increase the amount of crane quote requests
Primary research question: Which page and quote process will generate the most leads?
Approach: Sequential multi-factorial test

Background:

Like many smaller organizations, this Research Partner had limited customer insight and little internal capabilities. However, even without these resources, there were still many things that could be done to improve the conversation happening on this page...

Control:



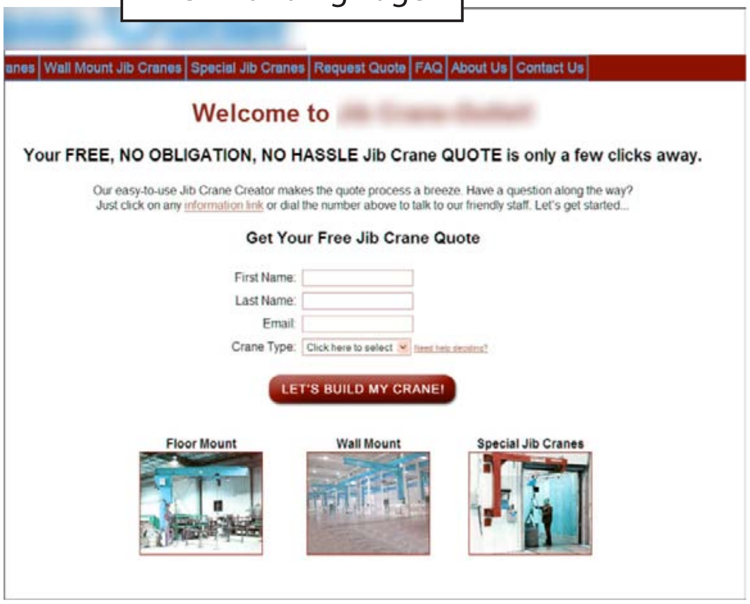
And, of course, the problem goes beyond just this individual Research Partner. The long web submission form, a huge "catchall" net with no personalization, is all too common online.

Treatment:

With this treatment, our research analysts tried to improve the conversation by greeting the customer at arrival and guiding them in a personal way into the quote process.

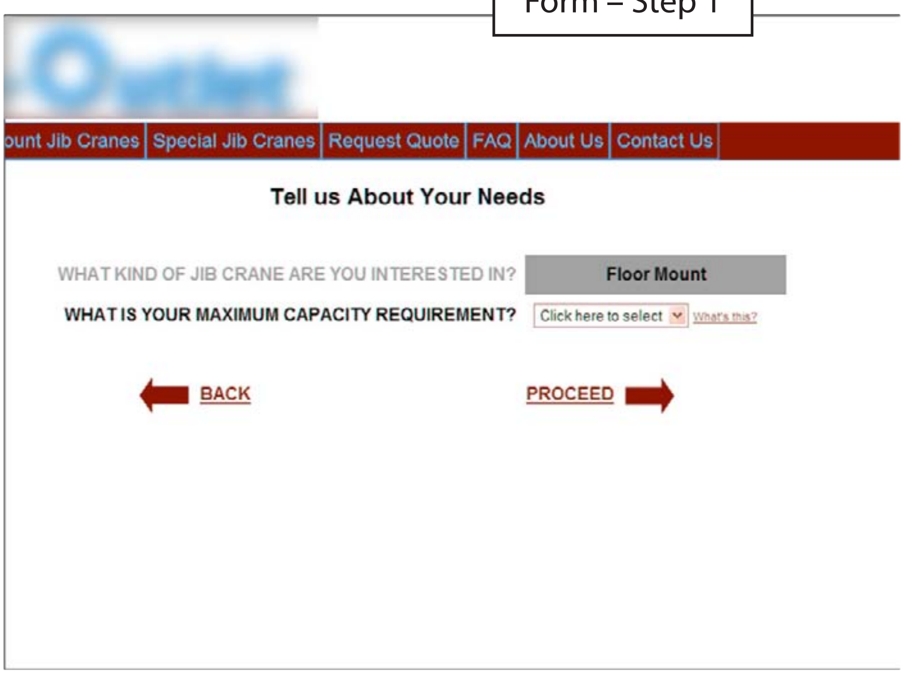
The new form breaks the quote process into three simple steps and uses conversational questions to request information.

New Landing Page

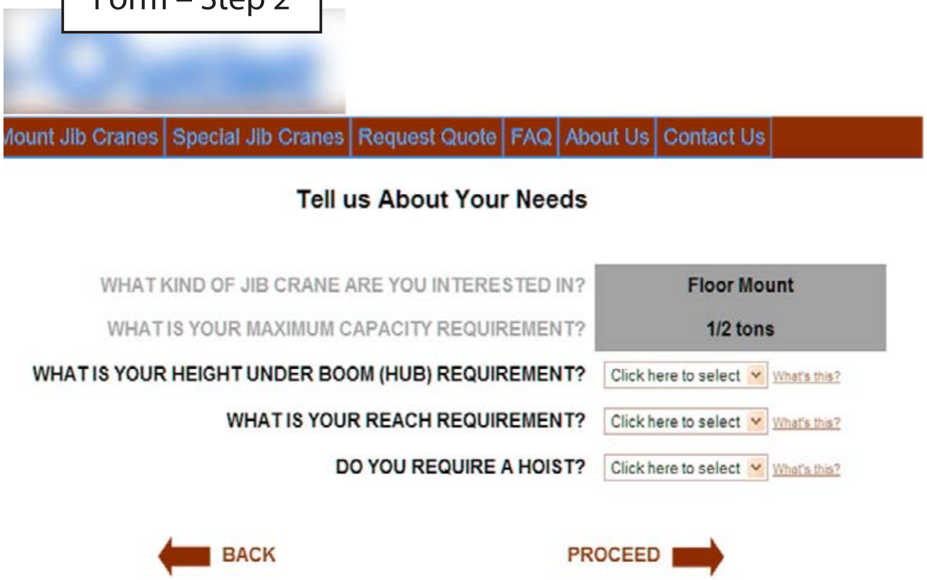


Form – Step 1

Clicking "PROCEED" adds three more questions.

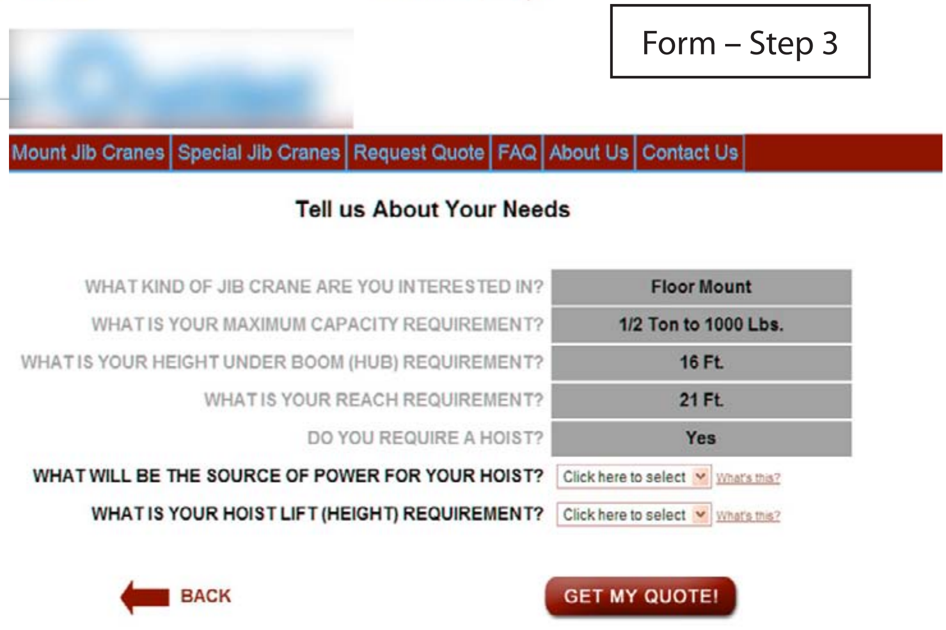


Form – Step 2



Throughout the process, this form acts as if it is a personal representative walking your through each step. Here is the final step of the form…

Form – Step 3



Results:

109% Increase in Conversions

The treatment outperformed the control by 109.73%

	Conversion Rate	Relative Difference
Control	4.15%	-
Treatment 1	**8.71%**	**109.73%**

What you need to understand: This "configurator" approach, which essentially self-segmented prospects, led to a dramatic increase in leads and conversions. The optimized process increased conversions by 109% and also increased the number of leads (those who started the quote process but didn't finish) by 134.7%.

Given the above results, even a novice tester would be intrigued by the commonality across all three treatments of the radical redesign. This is why the testing-optimization cycle is so important. While a 201% lift is nice, further testing is still needed to master how to apply these results in other ways to increase results in other areas and discover if more growth is possible.

The increase is due to the conversation taking place. The control had no call to action, or perhaps you could call it an "invisible" call to action ("Request a Quote" hidden among many tabbed links across the top of the page). However, the treatment offered very clear, compelling calls to action throughout the process, helping to create a conversation ("Let's Build My Crane!" "Get My Quote!").

You don't need a lot of data to develop insights about your customers and start having 1:1 conversations with them. A limited budget shouldn't be a barrier to effective 1:1 marketing, either. Start small and optimize continually by leveraging the testing-optimization cycle. Test, learn, optimize, and test again. Repeat.

Key Principle: **What we discovered**

Developing intricate one-to-one marketing campaigns is a worthy endeavor, but there are still many things that companies can do right now to improve the conversation they are having with customers (e.g., basic optimization principles).

Ensuring you are having a conversation can be one of the most simple, yet powerful, changes you can make to your online marketing efforts. The MarketingExperiments Conversion Sequence is a heuristic that can guide your optimization efforts.

$$C = 4m + 3v + 2(i-f) - 2a \text{ ©}$$

We teach an entire course on how to apply this heuristic to your landing pages, but here is just a quick look at how it can help with your 1:1 marketing efforts…

Motivation of user "4m" – Do you know where your customer is coming from? Are you matching your offer with what is motivating your visitor? (e.g., Sending them to relevant landing pages, keyword insertion, etc.)

Clarity of the value proposition "3v" – Are you being clear? Is your value proposition clear? Or is the value of your offer getting muddled in persuasive tactics? Stop selling and marketing and start conversing. The value proposition will sell itself if it's clear. Clarity trumps persuasion. (e.g., qualitative vs. quantitative statements)

Incentive to take action and friction elements of process "2(i-f)" – Have you removed all distractions from the conversation? Or do you make your visitors jump through hoops to get what they want? (e.g., focused objectives, only necessary steps, etc.)

Anxiety about entering information "2a" – Are you treating your Web visitor like a real person? Or are you speaking to them with hyped-up and "bragadocious" language? The copy should be like a conversation – not bragging. As Flint McGlaughlin says, "People don't want to be 'marketed TO;' they want to be 'communicated WITH.'" (e.g., Transparent Marketing)

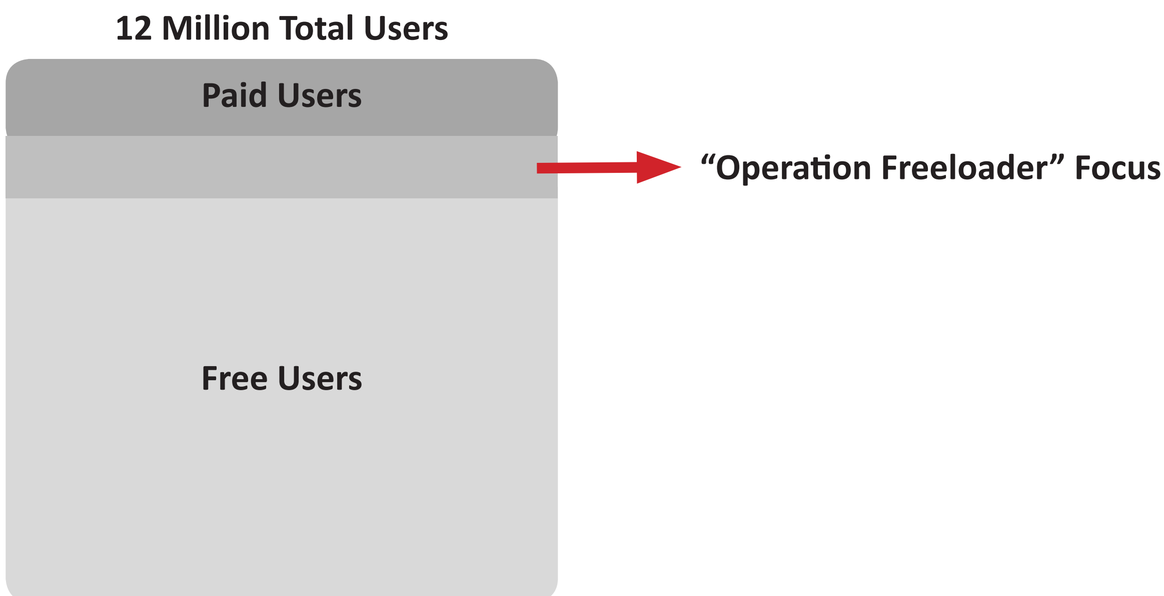
A LOT OF INSIGHT, FEW CAPABILITIES

In our recent poll, more marketers (44%) self-identified their position in the 1:1 marketing quadrant as having a lot of insight and few capabilities that in any other quadrant. So let's take a look at an example of how you can customize your conversation if you find yourself in that quadrant.

"Operation Freeloader"

An online community with a free membership offering basic services and an upgraded paid subscription membership wanted to convert long-time free users into paid subscribers. They used sequential account notifications as targeted email sends to attempt to drive paid membership upgrades.

This Research Partner identified active free subscribers with very similar attributes to paid members. Despite usage behavior similar to that of paid members, this group virtually never upgraded. The company decided to engage these free-subscription members on a more one-to-one level.

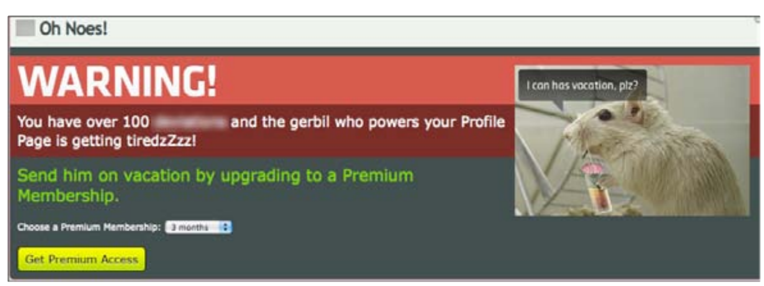


Paying Subscriber	"Freeloader"
Account is 29 months old	Account is 37 months old
Account is 29 months old	167 "expressions"
1300 "high-fives"	1168 "high-fives"
3097 pageviews	10,120 Pageviews
34 "scribblings"	41 "scribblings"
365 "fans"	144 "fans"
"fans" of 298	"fans" of 111

In comparison to paying users, freeloaders actually have a longer running account time, more "expressions," more "scribblings," and substantially more "pageviews."

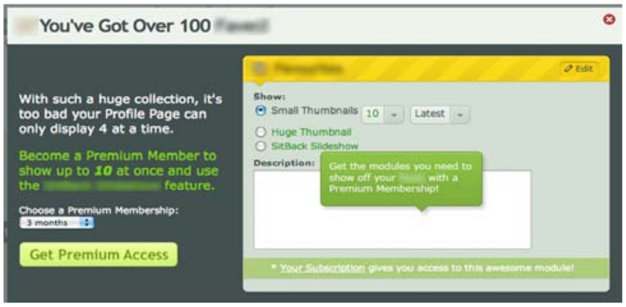
Example Message #1

Here is a message that was sent to freeloaders who were identified as having posted over 100 "expressions" on their account. (Note the cute, or perhaps creepy, "I can haz" gerbil.)



Example Message #2

Here is a message that was sent to freeloaders who were identified as having over 100 “high-fives” on their account.



Four steps to deeper customer insight

Key Question: ***How can we gain more insights into our visitors?***

In the above example, the Research Partner had significant insights about its visitors. But what if you are in a quadrant where you don’t know as much about your customers as you’d like? Here are four steps to help you grow your knowledgebase…

Step 1: Inventory the data you already have

The first step is pretty straightforward – use the data you already have.

About your Customers

- Customer Database → Name, location, etc.
- Transaction Records → Products purchased, purchase history, etc.
- CRM → Touch-point history, company size, structure, etc.
- Voluntary input → Personal preferences, interests, etc.

About your Visitors

- Web metrics → Where did they arrive from, what do they respond to, geo-location, etc.
- Search campaign stats → What words do ideal prospects use (search on) to describe your product, etc.

You likely already possess significant information about current customers (and depending on how complex and long your sales cycle is, prospective customers as well) and at least some basic data about visitors, but perhaps you don’t have customer relationship management (CRM) software of a cohesive, holistic database with all the information you need readily available in one place.

Start with a thorough audit. Engage key people in sales, marketing, product development, business strategy, and even IT. You might be surprised about how much you already know.

And if you haven’t already, ask customers for voluntary input, such as preferences and interests, and then mine the insights.

Another place many marketers get this data is through pre- and post-sale customer surveys. You can use surveys, but keep this caveat in mind. Surveys can be valuable for preferences and interests, however when it comes to actions (such as purchasing), people may answer one way when asked in a hypothetical survey but act in a contradictory manner.

The best measure is actions. Actual behavior trumps survey responses. So the best way to gauge behavior is with testing.

Step 2: Map out inferences

At this stage, you can begin to get clues about your recent customers and prospects by looking for patterns within the data.

Of course, it's dangerous to make presumptions about an individual person based on any single attribute (e.g., presuming that because someone's last name is "Wu" that they were born in, or live in, China).

But by combining many such attributes, available across multiple sources – like name, Internet Protocol (IP) geo-location information, channel-source, and the search terms that led them to your site – and doing it across many visitors, you can start to make some inferences (or educated guesses) about their attributes and motivations.

After you map out your insights, test treatments based on this new knowledge that should work if your educated guesses are correct to see if you're right.

		Clues about...
Name	→	Gender, Nationality
Location	→	Local interests, geomarketing, relevant offers, income levels, etc.
Products purchased	→	Complementary products, lifestyle preferences, etc.
Purchase history	→	Product necessity, purchase patterns, windows of opportunity, etc.
Channel info	→	General preferences and motivations, location, etc.
Customer behavior	→	Interests, offer effectiveness, etc.
Touch- point history	→	Level of conversation, interests, level of knowledge, etc.

Step 3: Determine what is (realistically) knowable

What is "knowable" depends a lot on what kind of product you sell and industry you're in; and the "right" level of customer and prospect "intimacy" goes along with that.

If you are a large equipment manufacturer, you have the opportunity to learn a lot about your customers. Normally, there is a lead-development process, a proposal development process, usually a delivery and/or installation process...and then an ongoing relationship with them for maintenance, parts, upgrades, etc. There's usually an account representative. Each customer, and each sale, is worth a tremendous amount to the business, so it makes sense to know – and treat – each one as a unique individual.

		DEPTH	SAMPLE
Large equipment manufacturer	→	**High** CRM, proposal prcs., 1:1 contact	**Low**
Subscription-oriented services website	→	**Mod** Cust DB, Trx/reorder, product usage, ...	**Mod - High**
Ecommerce retailer	→	**Low** Cust DB, Order DB, Promotions.	**High**

If you're an e-commerce retailer, though, say for personal computer software or consumer electronics, then you may never know much more about your customers than their name, shipping/billing address, and their product-purchase history with your company.

It may be unrealistic, in fact irresponsible, for you to try and know and customize your marketing messaging to every individual customer…much less every prospect.

Fortunately, there is typically an inverse relationship across industries between the depth of information available and the number of customers and transactions. That's fortunate mainly because – statistically speaking – the larger your sample, the better your confidence in the inferences you draw from the data.

Based upon the nature of your industry and your business model, you must ask yourself what's really knowable – *"What can I realistically know about my customers and my prospects? What data can I make actionable?"*

Also, while it is possible, and sometimes sensible, to do *"point-in-time"* snapshots (say a focus group study), one key to customer insight is keeping up with changes as they occur; so your staple is the data that you *consistently* capture and store.

Step 4: Plan the path to your optimal position

The final step is to plan the path to your optimal position on the 1:1 marketing continuum, and, therefore, the optimal outcome for your marketing campaigns. Where is that? The convergence of what you CAN realistically know, what you already know and capture, and what tools and technology are currently available is where the secret lies in determining your optimal position along the 1:1 marketing continuum.

To find that position, identify the foreseeable "end-point" for your organization and the options for getting there. How customized should you really be? Also compare the tools and technologies that you currently use with research into what else is available on the market.

Decide on a few paths, ranging from current state to probable future state to desired future state and estimate the costs for each path.

Once you have this information, sit down and make a few hard business decisions. Frankly, when thinking about one specific subject, it's easy to myopically focus on that subject at the expense of all the other decisions that need to be made. Realistically, you will need to prioritize moving to the next step in customer intimacy among the other opportunities you currently have for increasing profitable demand.

Once you've made your decision, plan your path to the optimal level of customer intimacy, focusing on getting to the next step…or even taking the first step. Once the marginal increase in cost to go to the next level begins to outpace the increase in net income, you have reached the end of your 1:1 marketing journey (At least for now!).

Of course, your ideal place will change over time as markets and technologies evolve. So constantly reevaluate your current state and desired future states.

LITTLE INSIGHTS, MANY CAPABILITIES

EXPERIMENT #2:

Experiment ID: *(Protected)*
Location: MarketingSherpa Research Library
Case Study Number: CS31083

Research Notes:

Background: A telecommunication company providing monthly customer newsletters
Goal: To increase the overall newsletter click-through
Primary research question: Will personalized dynamic content increase the amount of interaction by newsletter recipients?
Approach: Sequential multi-factor email test

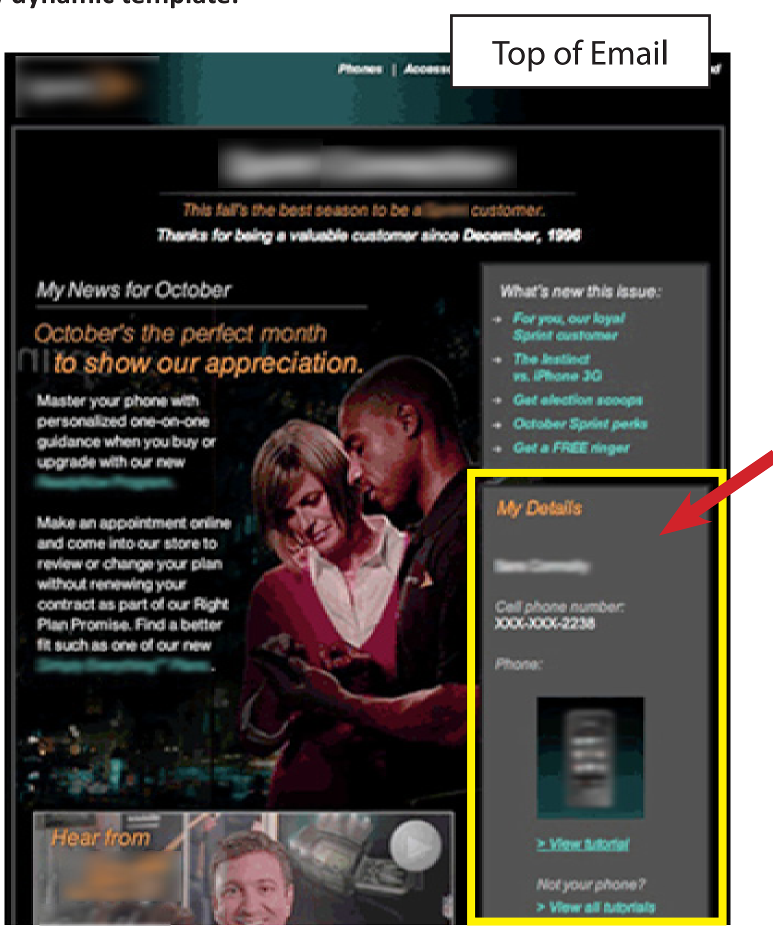
Background:

The marketing team was evolving its email newsletter from a promotional vehicle to a customer-loyalty tool. As part of that transformation, they wanted to offer the most relevant information.

First, the company designed email templates that organized customizable content sections, such as a table of contents, custom account details, a news item, a monthly tip, a customer perk (e.g., free offers), as well as interactive features (e.g., polls, chats, etc.).

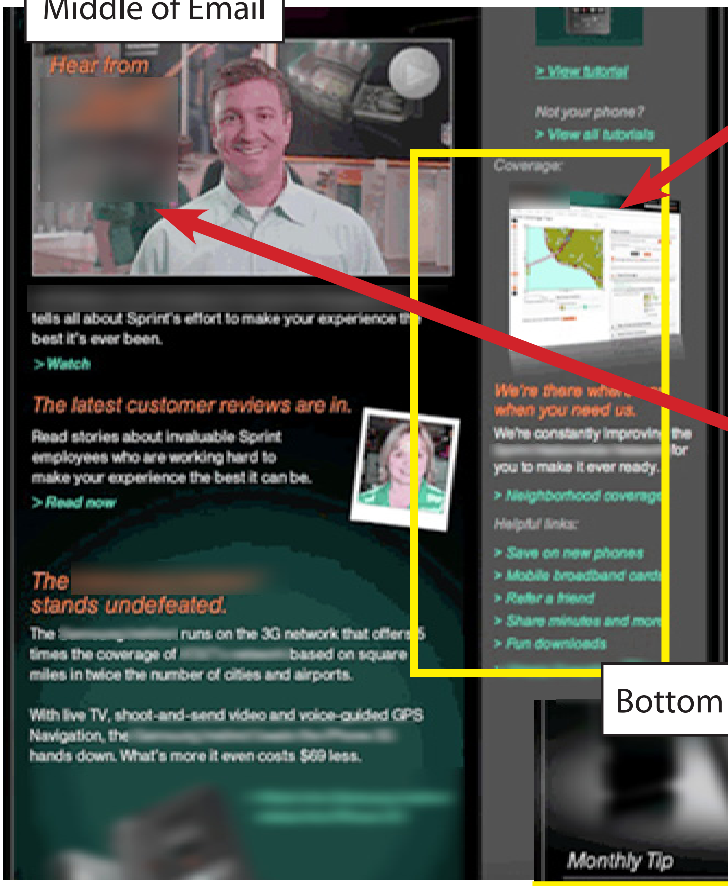
Then they used basic customer data to create content for each section, such as name, ZIP code, and purchased product (handset and carrier plan).

New dynamic template:



The customer account section including an image of the customer's handset and link to device tutorial.

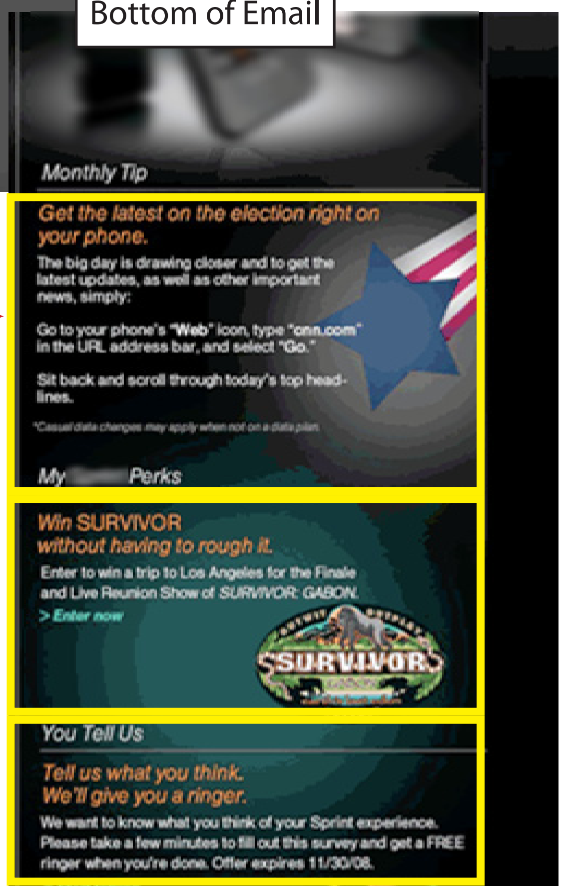
Middle of Email



The account details also included personalized network coverage maps and updates, as well as helpful links for plan upgrades and recommended accessories.

News items, such as company announcement and product launches, were kept standard for all emails.

Bottom of Email



Customer tips based on the exact handset or coverage plan of the email recipient (e.g., getting election coverage).

Perks centered on the customer's location or preferences (e.g., SURVIVOR taping in L.A.).

The interactive features were dedicated to the recipient's handset. (e.g., free ringer for survey).

Results:

100% Increase in click-through rate

The new design received twice as many clicks as traditional emails

What you need to understand: What you need to understand: The new dynamic-content email template not only improved click-through rate, but also generated more than double the number of phone purchases and plan upgrades than previous promotional emails.

And as you can see, you don't always need a lot of data to personalize. In this case, even just knowing the ZIP code was valuable and led to some very powerful customization.

Beyond data, the email success you just read couldn't have taken place without some pretty savvy tech work as well – in this case, a variable field, dynamic-content email template.

So let's talk about how you can partner with IT and answer this key question…

Key Question:

How can we work with IT to grow our internal one-to-one marketing capabilities?

Growing your internal capabilities

With your website, there are no "drag-and-drop" solutions for one-to-one marketing. Your team must learn how to exploit the tools already at your disposal, how to install and configure new tools, or how to work through your IT department to develop these tools from scratch.

As with 1:1 marketing, there is a continuum between third-party "drop-in" tools and functionality and those that are developed in a completely custom manner.

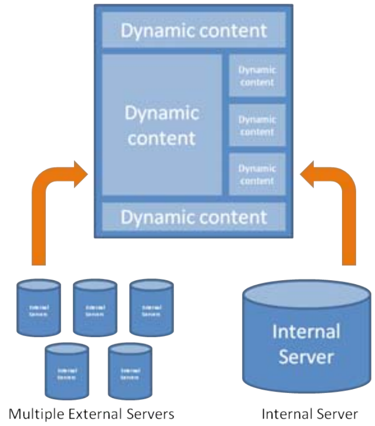
Your location on the continuum will largely be determined by existing site functionality and infrastructure, your need to incorporate data (insights) from existing Web/marketing systems, corporate data policies, budget, and marketing deadlines.

There is no magic, third-party tool that will automatically connect to, grab data from, or save data to your databases, and beware of vendor solutions that promise immediate and seamless deployment. However, in general, third-party tools tend to be easier to use.

To give you a general idea of all of the factors at play in a website with dynamic content, here is a quick comparison between third-party tools and internal development:

Third-party Software and Tools

- Easiest and quickest
- Less set-up time
- Little IT help needed
- Less flexibility
- Potential performance issues
- Leass safe
- Fixed costs



Internal Development

- Maximum work
- Longer set-up time
- Much IT help needed
- Unlimited flexibility
- Fewer performance issues
- Most safe
- Highly variable costs

Dynamic content and a CMS (content management system)

Another approach is the content management system (CMS), which is often overlooked in the deployment of marketing solutions.

While a CMS is often seen as a way to post new pages, edit existing pages, or remove pages altogether, it is not often seen as a way to dynamically control the content that you are presenting to your customers.

Most modern content management systems have at least some potential functionality that allows you to customize presentation based upon channel (URL variables), cookies (returning visitors), existing database preferences (logged-in users), etc.

Working within a current CMS (content management system) is a middle-of-the-road option that can get the best of both worlds – moderate IT set-up, decent flexibility, no server issues, and it is fairly safe.

While it takes longer to configure than typical third-party solutions, it takes less time than instantiating a full-blown IT application development project. Once the initial templates and functionality have been configured in your CMS, you should be able to control many of the personalization factors without direct/continued involvement from IT.

The largest caveat is the existence (or lack thereof) of your current CMS and the native functionality therein. While many marketers already have a CMS, this is probably NOT a viable solution to achieve a single marketing objective if you do not already have a CMS in place, if it is antiquated in functionality, or if it is poorly maintained and configured.

A LOT OF INSIGHTS, MANY CAPABILITIES

EXPERIMENT #3

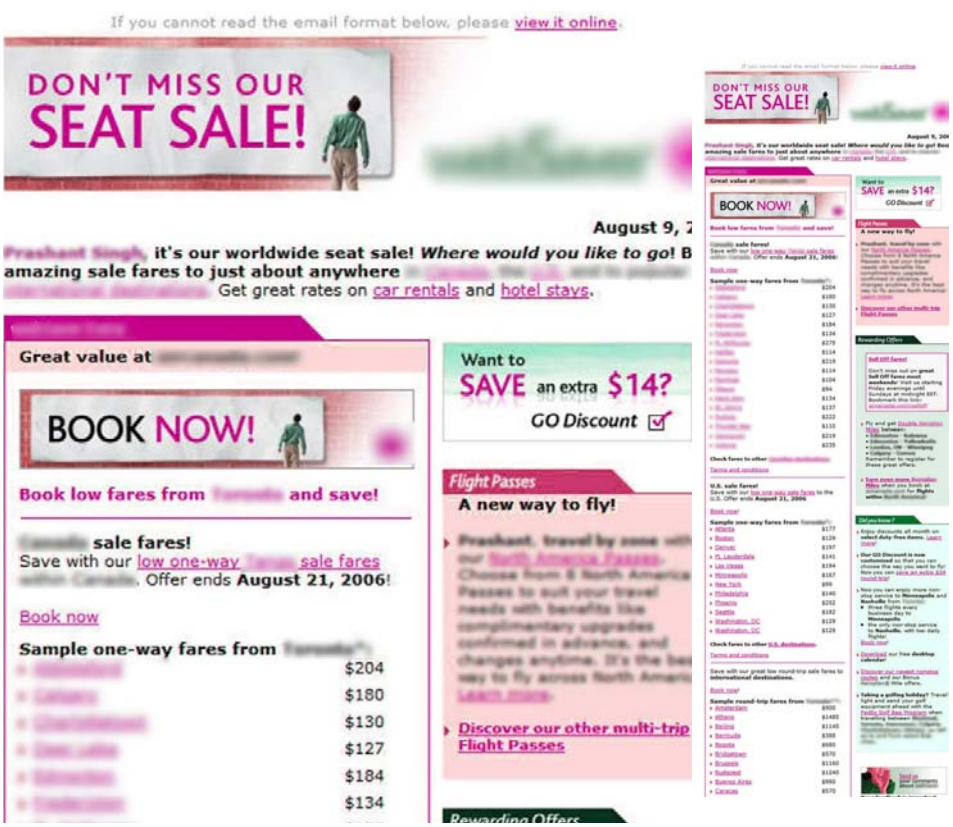
Experiment ID: *(Protected)*
Location: Thindata 1:1 Research Library

Research Notes:

Background: Major airline providing a regular customer newsletter
Goal: To increase the amount of click-through coming from an email newsletter
Primary research question: Will interactive one-to-one elements increase the amount of interaction with an email newsletter?
Approach: Sequential multi-factor email test

Original email:

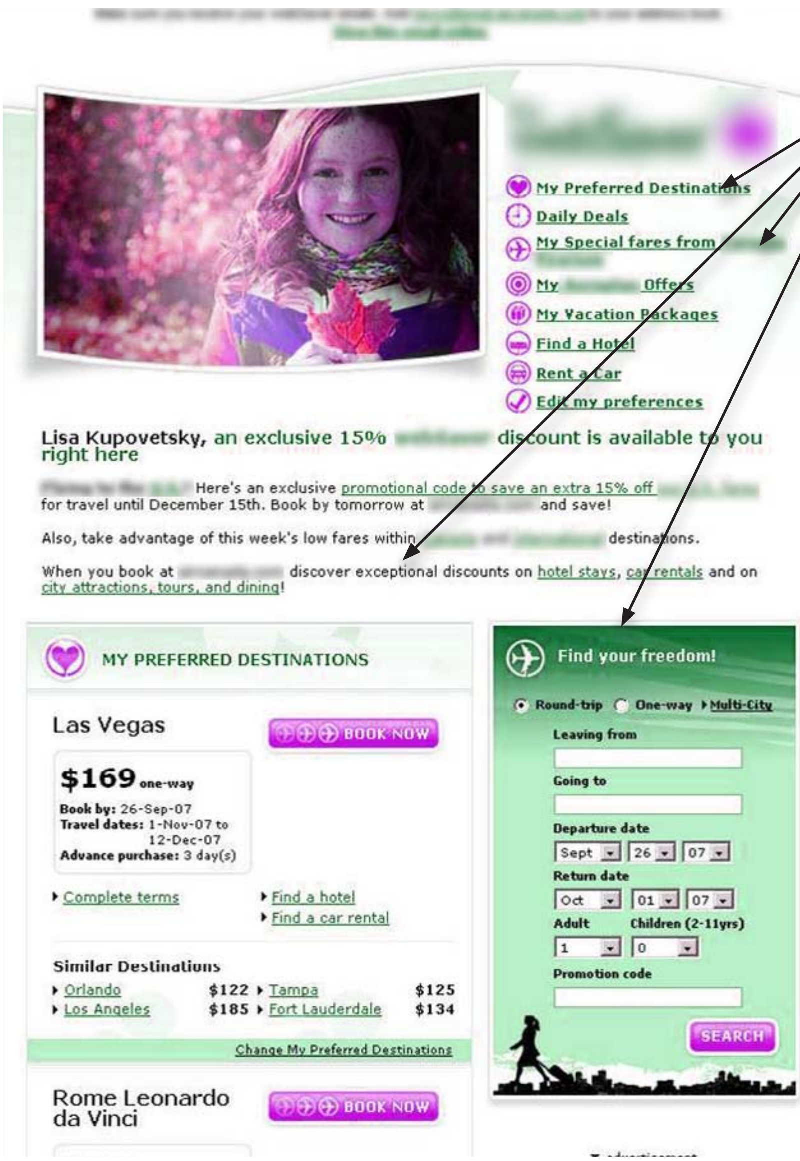
The only 1:1 marketing technique that the original email design included was the name of the recipient. Every other element on this email was sent generically to large subscriber segments. Also, note that all possible flights are shown without any filtering by recipient preference.



Email redesign:

The redesigned email included highly intuitive "customer-choice tools" embedded directly in the newsletter. They served as a bridge to a web-based Preference Center and allowed subscribers to continuously refine the type of information they received.

The redesigned template was also built on a scalable template to evolve as the program gained complexity.



The new email design evolves based on each subscriber's specified favorite content and also on previous click/purchase behaviors. The design also eliminates any offers to which subscribers have not responded well.

Results:

21% Increase in Clickthrough
The new design increased the amount of clicks by 21%

What you need to understand: The new design increased click-through rate by 21% at a time when activity is low and reduced the overall unsubscribe rate by more than 60%.

In some of the less mature quadrants along the 1:n marketing continuum, there's a fine line between conversation and interrogation. At this level, this company had the luxury of avoiding the issue altogether by creating a template with dynamically generated content that seamlessly (and invisibly) adapts to customer behavior.

BOTTOM LINE

For many, pure 1:1 marketing is either not possible or not cost justifiable. However, finding your optimal spot in the 1:1 marketing trajectory is something everyone can do. Essentially, at the core, finding your spot is just basic, quality marketing – analyze your market segments and personalize message for conversions. By approaching it this way, a limited budget need not be a barrier to effective 1:1 marketing.

Whether you start small or are already using some impressive tactics, your goal should be continual growth and development. So focus on improving two key factors – customer insight and internal capabilities.

Remember, any movement in the right direction will have an impact on your bottom line. Even a slight move on the path to 1:1 marketing can mean significant results.

One-to-One Marketing: The true promise of Dynamic Offer-Content Customization

By Bob Kemper, Director of Sciences

June 2, 2010

You step into the store, the little bell rings above the door letting the shopkeeper know he has a new customer. Of course, he instantly recognizes you. "Hey Bob, welcome back. I remember how much you enjoyed the brioche I made last week, so I set aside some Danish braid I baked fresh this morning. It's quite similar. I think you'll love it."

And then I wake up from my dream. Because, of course, that's not the experience most of us have anymore. For the majority of the country, we step into a big box retailer. The doors open with a cruel, efficient "whoosh." Sure, we get a "welcome to…" greeting, but then a cold metal shopping cart or the latest circular is thrust upon us. One-to-one marketing is dead…well, in the bricks and mortar world.

Online, it is actually alive and well, thanks to…

Customer Segmentation Analysis

Customizing offers based on customer segments involves a sequence of steps, beginning with identification of meaningful customer segments (which is the objective of the customer segmentation analysis).

Any method of customer-specific message optimization requires knowing "who" your customers are, beyond just their names and email addresses. You must also have some insight into what they "want," how they think, the words, terms and images that attract and inspire them (as well as those that repel them), and "how" they think.

Discovering these things about all of the distinct groups of your "ideal customers" is the objective of a customer segmentation analysis.

The outcome of the customer segmentation analysis is a set of reports, charts, tables and interpretive text that strive to reveal the important characteristics that distinguish your best and most valuable customers and customer prospects, and to provide actionable recommendations about how best to communicate with them in a way that will serve them and profit your company.

Dynamic Offer-Content Customization

Once we have identified the optimal customer segments, the next step is to develop and test content at each stage in the conversion path designed to communicate your value proposition in a way that optimally conveys the elements that are most compelling to that particular segment according to their motivations, biases and thought sequence.

This is the transition point in implementing Dynamic Offer-Content Customization.

Thereafter, additional gains are achieved through the iterative optimization process that continually seeks to communicate more clearly and effectively with each customer and customer prospect to assure optimal long-term value and customer goodwill.

It should be noted that Dynamic Offer-Content Customization is only one among a host of breakthrough marketing approaches that advanced customer segmentation analysis makes possible – surely it's far from the easiest or the least expensive.

Still, the electronic experience is the closest virtual representation of our quaint bakery shop antecedent – one-to-one marketing to your customers in a mass specialization world.

Related Resources

One-to-One Marketing at Four Levels: Strategic ways every marketer can enter into an online conversation with customers

Optimize your Email in Three Steps: How one marketer tripled revenue from their house list

Configurator – How the use of a Configurator enabled our test site to achieve an 11.74% conversion rate through its primary order path

What else can I test… to increase email click-through rate?

Photo attribution: jonathangill

Web Team Roles, Web Designer: Are you trying to buy bread from the butcher?

By Adam Davis,
Director of Technology

June 18, 2010

When I view the Internet marketing landscape through the lens of an IT professional, I routinely come back to a fundamental conflict – most companies have at least two teams which are responsible for the performance of the web site.

Web DesignerOne team – the IT team – is responsible for the functional performance of the site. The other team – the marketing team – is responsible for the business performance of the site. Unfortunately, the performance of these two objectives are frequently misaligned.

Marketing professionals face distinct challenges to launch and maintain Web-based initiatives. They must constantly quantify business returns through the website, yet they frequently do not have the tactical (technical) tools at their disposal to make this happen.

This means that they must routinely coordinate their initiatives through the IT team. Aside from the traditional hurdles of culture and jargon, marketers can also be stymied by an expanding and splintering list of roles that may be present in any company's "Web team."

I have often seen marketers spin their wheels because they direct their requests to members of the Web team who are either ill-equipped or, in some cases, forbidden to fulfill the marketer's request. Like a shopper who asks a butcher for a loaf of bread, the marketing team too often finds itself directing its requests to any member of IT who will listen – and then becoming frustrated when those requests are ignored or the final product fails to live up to the marketing vision.

For this reason, I believe it may save some headaches if we spend some time simply defining the typical roles in corporate Web teams. More importantly, you should know that every role on the IT team represents certain skills that could drive the success of your marketing campaign – or sabotage it before it ever gets off the ground.

So over the summer, I'm going to blog about these roles to help you get the most value from your IT resources. In this first installment, I'm going to address one of the most generic and misunderstood roles on a Web team – the Web designer.

"Web designer" pseudonyms

- UI Designer
- Multimedia Designer
- Technical Web Designer
- Web Producer

In your company, this role might be lumped in with

- Web Developer
- Graphic Artist
- Webmaster
- Web Content Manager

What they probably can do for you

- Translate your specifications into a visual representation of the site/page
- Site/page mock-ups
- Converting designs into static pages (HTML)
- Installing and configuring third-party widgets (Flash, Javascript)
- Creating site graphics
- Creating Flash animations (except those containing full-fledged application logic)
- Manipulating and optimizing existing graphics
- Manipulating style sheets (CSS)
- Making basic copy edits to existing pages
- Installing tracking snippets into pages (Google Analytics
- Configuring content via a CMS
- Ensuring that sites/pages are standards-compliant

What they probably can't do for you

- Creating, altering, or troubleshooting custom applications – especially those which require database access
- Developing scripted widgets from scratch (Javascript, Flash)
- Installing or configuring any software on the Web/application/database servers
- Securing applications against hacking vulnerabilities
- Optimizing sites for performance (except optimizing graphics)
- Formulating direct queries against a database
- Writing extended, professional copy

What you need to know about web designers

"Web Designer" is one of the most generically overused titles on corporate web teams. Marketers often take it to mean "the person who kinda does everything on the website," but then they are disappointed to find that this person can't actually do everything on the website. Be careful that you don't simply throw out the "Web designer" moniker every time you feel that you need to have anything accomplished in a Web-based environment.

The average Web designer would prefer that you place the emphasis on the word "designer." They are most comfortable in graphic manipulation tools (Photoshop) or What You See Is What You Get (WYSIWYG) editors like Dreamweaver.

They usually skew more towards the artistic side and less towards the technical side, although they should be comfortable enough in a Web environment that they can translate any of their designs into a working page of HTML. They are adept at all of the stylistic elements of a page – meaning that they should be extremely fluent in CSS and Javascript (to the extent that Javascript affects the presentation of the page itself). In more enlightened marketing organizations, there are one or more Web designers who report directly to marketing.

Most web designers have either minimal programming skills or none at all (HTML and CSS are not programming languages). To put this into technical terms, the web designer may not be capable of building applications with tools like .NET, C#, PHP, Java, Objective C, Flex, or SQL.

Unless you are certain that your Web designers have specific experience in the area of application development, do not ask them to build anything that requires detailed logic or database access. Web designers with actual programming skills tend to be weak on design and strong in programming, or vice versa. The designer who actually writes strong, effective code and creates pleasing, artistic designs is a rare bird who should be kept around at all costs.

The artistic skill of a Web designer is a key asset, but one that can spoil your marketing campaign if it is allowed to run free of any guidelines or constraints. For example, if your Web designers do not specifically have training in the Offer/Response-Optimization process and they are given free rein to design landing pages, you could end up with offers that are absolutely gorgeous yet stunningly ineffective.

If you are embarking on a significant site launch or redesign, do not wait until the eleventh hour to pull the designers into the discussion. Ultimately, the strategic direction of a site must be reflected in every aspect of that site – including such mundane elements as font, palette, and graphics.

If you spend three months planning your site in a vacuum and only involve the Web designers at the exact moment when you want to commence creation, don't be surprised to find that the designer's product does not adequately communicate your strategic vision.

Article Resources

One-to-One Marketing at Four Levels: Strategic ways every marketer can enter into an online conversation with customers

Technology Blind Spots: How human insight revealed a hidden (and almost missed) 31% gain

The MarketingExperiments Quarterly Research Journal, Q1 2010

Photo Attribution: magerleagues

Web Team Roles, Web Developer:

What exactly does a developer "develop," anyway?

By Adam Davis, Director of Technology

June 21, 2010

In my last article, I gave an overview of the Web designer role. Today I am looking at the yin to the Web designer's yang – the Web developer. Often, the casual observer will have the most difficultly drawing a clear distinction in a corporate Web team between the Web designer and the Web developer. They are both conversant in Internet jargon. They can both have direct access to Web pages and ancillary systems that affect the website. To confuse matters more so, in some organizations, they are the same person.

So if the Web designer is primarily responsible for the overall design of pages and graphics, what exactly does the Web developer develop on the site? In short, Web developers develop applications. An application uses business logic to manipulate data or customize the visitor's experience. To put it in simpler terms, "developer" usually refers to a programmer – someone who enjoys building complex rules to drive and maintain systems.

Programmer"Web developer" pseudonyms

- Web Application Developer
- Web Engineer
- Multimedia Programmer
- Web UI Developer
- Software Engineer
- Web Programmer
- Software Developer

In your company, this role might be lumped in with

- Web Designer
- Webmaster
- Software Engineer

What they probably can do for you

- Create, alter, or troubleshoot custom applications – especially those which require database access
- Connect data gathered onsite to internal databases or third-party applications (e.g., lead generation forms)

- Develop scripted widgets from scratch (Javascript, Flash)
- Install or configure some software on the Web/application/database servers
- Secure applications against hacking vulnerabilities
- Optimize sites for performance (except optimizing graphics)
- Formulate direct queries against a database

What they probably can't do for you

- Translate your specifications into a visual representation of the site/page
- Create site graphics
- Create Flash animations from scratch
- Perform complete site redesigns

What you need to know about Web developers

The shortest path to a successful Web-based marketing initiative often requires the tandem deployment of a Web designer and a Web developer.

Web designers typically handle the elements that are most evident to the end-user – they are decorators who ensure that the house is attractive and tastefully furnished. Web developers will often handle the elements that are just assumed to work by the end-user – they are the general contractors who ensure that the plumbing, lighting, and heating are installed and working properly.

Developers can be extremely literal in their interpretation of your requests – to a fault. If the "Buy Now" button is supposed to lead to the shopping cart, you may actually have to spell this out for them. And although it may feel like a lot of unnecessary work on the front end, you will find yourself actually saving significant time over the length of the project if you take the time to document everything in detailed specifications before it even begins.

Developers thrive on good specifications. They will appreciate your effort and will probably be more proactive in working with you if they see that you have made the initial effort to properly define your request. Continually changing the specifications throughout the project and communicating these constant changes via email, instant messages, and verbal chats could cause the developer to plot your early demise.

Understanding all of the "what-if" scenarios of your marketing application is crucial to sound Web development. Designing an application is somewhat similar to building a house. If you know that the house requires a three-car garage, that's easy to build into the initial foundation.

If you decide, halfway through the project, after the foundation has been poured and the walls have been framed out, that the house now requires a three-car garage, it may require that the developers actually rip up the whole foundation and start from scratch. This will surely cause the developers to create new, unflattering names for you.

It's easy to confuse the Web developer with the Web designer (or to squeeze their roles into a single person) because the developer can, technically, do most of what the designer does – but the developer can't do it well. Most developers can create graphics – ugly graphics. Most developers can do overall site designs – Spartan site designs.

Web developers are often available to perform Web-based tasks that don't rise anywhere near the level of true application development. They might be asked to make basic copy edits, to swap out simple graphics, or to create new pages that are simply different versions of existing pages. This is all fine – to a point.

Developers who have true programming skills but are confined to nothing more than janitorial duties on a site probably won't stay around for long. Serious developers want to build applications and they will seek out opportunities that allow them to delve deeply into business logic.

Article Resources

Web Team Roles, Web Designer: Are you trying to buy bread from the butcher?

Technology Blind Spots: How human insight revealed a hidden (and almost missed) 31% gain

The MarketingExperiments Quarterly Research Journal, Q1 2010

Photo Attribution: deltaMike

What Else Can I Test… On My E-commerce Or Lead Generation Website?

By Adam Lapp,
Research Manager,
Optimization and
Strategy

June 16, 2010

"What else can I test?" This is one of the most comment questions we get asked at MarketingExperiments. Perhaps only after… "What should I test first?" and "How do I test?".

Before I help you determine what to test next, you must honestly determine if you really have exhausted your own test ideas. Testing is both a meticulous and iterative process, so there are no short cuts. There are no silver bullets. If "Page Z" is the most effective web page possible (most effective at the moment, since the universe is most certainly not static), then you need to test A, B, C, D…and so on in order to get to Z. By going directly from A to Z you will miss small subtleties and large revelations that would have influenced your design of page Z.

In order to exhaust your test ideas, there are two important stages to consider in a testing process:

- Radical redesigns
- Fine tuning

A shrewd procedure to adopt as you begin testing is to "Go radical, then fine tune." This can apply to landing pages, home pages, shopping cart processes, etc. It's an effective way to gain decisive knowledge in a short period of time.

Radical Redesigns

An intelligent test design includes a hypothesis that one page will respond very differently from another. By testing radically different strategies, your test will elicit much clearer and decisive results.

So what radical redesigns should you test? I suggest that you develop treatment pages that are a categorical shift from your current page. An example of a radical redesign may be:

Divergent messaging ("set up free access" instead of "register")

- Free trial instead of pay up front
- New layout
- New color scheme
- One-step checkout instead of a three-step process

In other words, once you get your testing budget approved, I implore you not to start with a button color test. Sure, a green button may be better than your current grey button, but you have to ask when designing the test, how much better is it? Test elements that you are confident will have a noticeable difference. Even if it's negative, at least you will learn your grand new idea is actually not grand and you shouldn't bring it up in front of the board at the next quarterly meeting.

Radical redesigns should save you time as well. In terms of time efficiency, the worst thing you can do when testing is design a test where only minimal difference in behavior is possible.

Fine Tuning

After you've ruled out the radical designs that don't work and you feel you've arrived at your best strategy, then it's time for some fine tuning. This includes:

- Tweaking the headline
- Small copy changes
- Button color/copy
- Order of your bullets/New bullets
- Images

However, you must consider one caveat when testing small elements on your web pages – it can be extremely time consuming. Finding the perfectly worded headline, then determining what color the button should be, then identifying if your primary image should be a man, woman, group… tested individually, fine tuning these elements could comprise hundreds of tests.

Multivariate tests are a way to test multiple small changes simultaneously, thus speeding up your optimization schedule to increase profits as quickly as possible.

Nowadays multivariate tests are easier and easier to conduct. So I'd encourage you to use them to your benefit as you begin the fine-tuning process. Choose a set of variables (headline, image, button), then choose their corresponding values (button: green, blue, red), and launch the test to determine the best combination.

What Else Can I Test?

Now that I've given you the background necessary to determine where you fit in the testing-optimization cycle, let's revisit that juicy "What else can I test?" question.

Today, I will discuss a few strategies to consider for both e-commerce sites and lead generation pages. I will make a few caveats though.

First, these should not be the extent of your testing. These are just a few quick examples to get your brain percolating with test ideas that may deviate just a tad from the norm.

Second, some of these ideas might be quite radical, so I would proceed with caution if you decide to execute something similar.

Third, not every idea works for every site, company, industry, etc. You have to test to see what works for you. And you have to continually test because the Internet, the economy, and customer preference are all constantly evolving.

E-commerce – shopping cart

So often I go to an online clothing or electronics store and see, very prominently displayed, that I have no products in my cart. Well, I sort of know that because I just got here and have not added anything. Really, what's the point of telling people "you have 0 items in your shopping cart"? It seems quite pointless when you think about it.

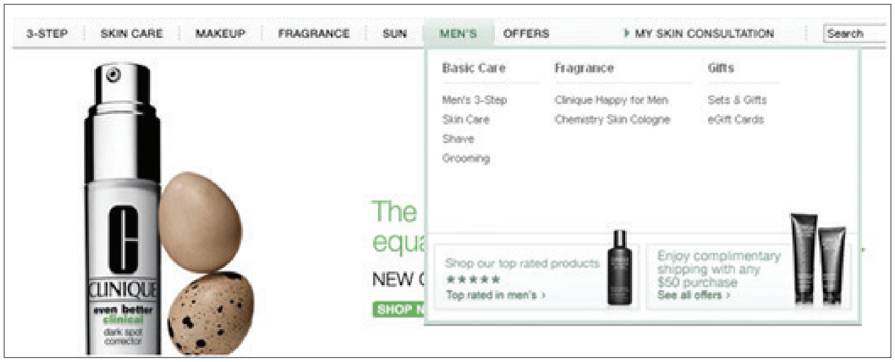
What if you used that space more effectively?

You could code that area of the page to communicate value or promotions whenever nothing has been added to the cart. Adagio Teas is a great example of this. They communicate in this space that you get free shipping with orders over a certain amount and that if you order within the next XX amount of time that your products will arrive on XX day. Two great pieces of information that are much more valuable than knowing I have zero products in my cart.

E-commerce – dynamic navigation menu

The things you can do with a top or side navigational menu these days are incredible. Bye-bye to the days where you just clicked on a category or chose a sub-category from a simple dropdown menu. This space can be used in place of category pages. It can be used to promote new products or items on sale. You can use it to guide visitors to the most popular areas or even to sections that are most profitable to you.

When visitors hover over the tabs on the Clinique site, they see a user-friendly menu that lists areas to dig deeper into the site. This type of menu allows your site to direct people to areas beyond simple sub-categories. In Clinique's case, you can navigate to trends, tools, gifts, etc. Below these options, there is also plenty of room to promote free shipping, new products, or even an offer for a skin consultation.



Lead generation – technology

So often you arrive on a lead gen page that has the same old boring form. Name, email, phone, address…on and on. Well, I say spice it up a bit! There are many simple development techniques that can make your forms more user-friendly and also more visually appealing.

Here is an example of applying jQuery Expose to a form field. The form initially looks pretty run-of-the-mill:

And then when you click on one of the fields:

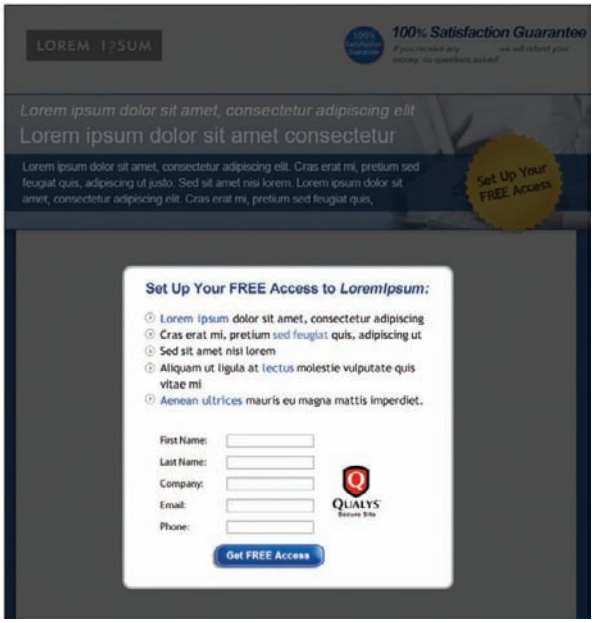
You may not be able to notice, but the entire page becomes lighter and highlights the singular objective you want the visitor to accomplish. This focuses the visitor's attention on the form and hopefully away from any links, images, and most importantly that "red x" at the top right of the page.

Lead generation – Focusing attention to the middle of the page

One popular way of focusing attention to the middle of the page these days is the modal popup, or entrance popup. If you're reading this blog post, you've probably seen it when you enter [MarketingExperiments.com]

Although it's a popup and sometimes annoying, the reason why this strategy works for many people is that you eliminate all the distractions caused by copy, links, ads, images, and other shared real estate a homepage usually has, and forces visitors to look at one thing. Hopefully it's something that is impactful to the business.

Question: What if we executed this "idea" completely differently? What if we made a complete paradigm shift? The following is a PPC landing page in which we tested the "idea" of the entrance popup (page anonymized):



The page looks like an entrance popup. It eliminates distraction like an entrance popup. It focuses the user's attention on one objective like the entrance popup. But, it's NOT a popup.

The text, images, and background colors have all been dimmed to place primary focus on the central objective. I know this is an extreme example, but if used judiciously, this strategy can be very effective.

Our test treatment received a 19.6% relative increase over the control. And what did the control look like? It was almost the same design but without the pseudo "entrance popup" strategy.

I hope you received some value from these test ideas. Stay tuned to the blog for more ideas from the ongoing "[What else can I test]" series to hear new ideas from many different researchers in the MarketingExperiments lab.

Article Resources

[What else can I test … to improve my lead generation rate?]

[What else can I test … to reduce shopping cart abandonment rate?]

[What else can I test… to increase email click-through rate?]

Marketing Optimization Technology: Be careful of shooting yourself (and your test) in the foot

By Corey Trent, Research Analyst

May 28, 2010

As a presenter on our recent technology-focused web clinic, I had the pleasure of learning about an experiment devised by my colleague, Jon Powell, that illustrates why we must never assume that we test in a vacuum devoid of any external factors that can skew data in our tests (and even looking at external factors that we can create ourselves).

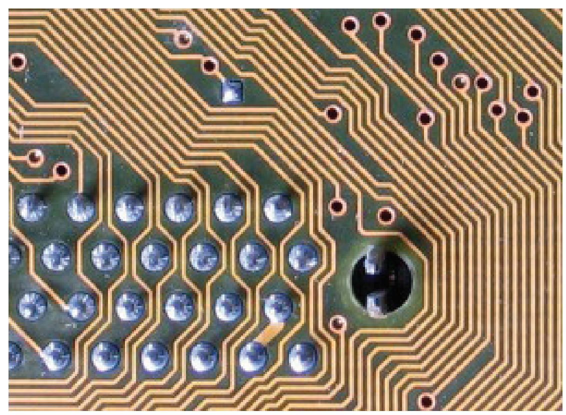
If you'd like to learn most about this experiment in its entirety, you can hear it firsthand from Jon on the web clinic replay. SPOILER ALERT: If you choose to keep reading, be warned that I am now giving away the ending.

Computer ChipAccording to the testing platform Jon was using, the aggregate results came up inconclusive. None of the treatments outperformed the control with any significance difference. However, what was interesting is the data indicated a pretty large difference in performance with a couple of the treatments.

So after reanalyzing the data and adjusting the test duration to exclude the results from when an unintended (by our researchers at least) promotional email had been sent out, Jon saw that each of the treatments significantly outperformed the control with conclusive validity.

In other words, if Jon had blindly trusted his testing tool, he would have missed a 31% gain. Even worse, this gain was at the beginning of a six-month-long testing-optimization cycle. If Jon had assumed he had learned something based on inaccurate data that he really hadn't, this conclusion more than likely would have sent Jon down a path of optimizing under false findings and assumptions.

In other words, to create a simple pre-GPS era analogy, if you make a wrong turn at the beginning of a 600-mile road trip and keep heading in the wrong direction, you will be much farther off the mark than taking the wrong road when you're just a mile away. However, in our cases with many businesses, wrong turns and mis-directions can cost from thousands to millions of dollars in lost time and revenue.



Worst of all, this email came from the Research Partner itself. As we run into many times, they unwittingly sabotaged their own tests. With the Internet being a dynamic place, it is next to impossible to avoid every external validity threat to your test, but at the very least we need to make sure that we are not introducing threats with internal campaigns to the same audience.

This is not to say we stop those campaigns, but just be aware of the potential effects on testing. That awareness, at least until computers become sentient beings, requires human involvement. Of course, that's just one area where a little human curiosity is essential...

Do not let testing tools overshadow the human element of creativity.

Sure, many tools are now evolving to the point they will create "treatments" for you based on combinations, uploading content etc. But what this can create is a "perfect" sub-standard general design. These tools are limited to the inputs we give them so the optimization that can occur is constrained, where a human could take findings and radically change an entire process.

Begin by taking a step back, putting yourself in your customers' shoes, and taking a human look at the big picture. Ask, "Is this even the proper overall design?" rather than taking the easy shortcut of testing a randomly generated combination of calls to action or headlines.

Multivariate testing (MVT) has its place. In fact, here at MarketingExperiments we use it frequently. But as with any tool, the result is only as good as the craftsman. So, when using MVT, make sure you have not ignored the big picture of what your users want by using the same sub-standard message presentation you're trying to optimize in the first place as the base that you build your tests off of.

So how do we trust our tests? Here are steps for better setup.

- **Sound Test Design** – The test you are performing must represent the same environment where you are going to potentially apply the results. Many times we find people stretching the finding to different audiences, and then wondering why the results do not translate. For example, are you taking the lessons learned in email testing and applying them to your PPC ads? Well, they could each have different audiences that react in different ways.

- **Research Question** – Have you set a clear and specific objective for testing? Without establishing a clear objective, it is possible to get lost looking at a vast array of data points and trying to correlate them all. The research question also provides guidance on what items should be included in a test and what should be reserved for later.

- **Proper Execution** – Are you selecting the right test audience? Based on this audience, will you be able to apply the results to other aspects of your web communications? Beyond that, you must ensure you have enough of this audience to reach a statistically valid conclusion, i.e. really learn something not just think you learned something. To do that, you must be recording accurate measurements. Ensure you double check your metrics technology before launching a test (more on that in the checklist).

- **Confidence** – Establish a standard for your results to uphold. Simply, you are trying to arrive at a finding that you have seen replicated enough times that you can confidently say, "we have sufficient information to make a conclusion on the research question we sought to answer." The amount of times you need to measure will be a decision based on the volatility of the experimental environment and other factors. At the end of the day, though, it will also boil down to a business decision to continue or move on. This is something that needs to be agreed to and developed in house. Just understand that while setting this mark low carries some risks, some processes with low traffic or time sensitivity necessitate that we move on with lower confidence levels at times.

At MarketingExperiments, we try to stick to a 95% statistical significance as much as possible. However, there are times where we have to accept a lower mark.

But remember, statistical significance from a piece of software cannot alert you to data that is inherently wrong or warn you that something else has influenced (and perhaps invalidated) a test, it only tells you that the results were unlikely to happen by chance. Omniture (interesting alert for segmented data) and Google Analytics (GA intelligence) have been dabbling in this area, but still require human interaction and do not cover all aspects.

So make sure that you perform your due diligence with tool setup, test design, and data analysis – because it is very easy to gain confidence in the wrong decision with bad data from a tool that says it is 95% confident. Again, it is so important for us to invest greatly in people along with tools. As Avinash Kaushik says, you should invest 10% in tools and 90% in people.

Technology options/features that can trip you up.

- **Metrics calculation process** – Know how conversions are calculated (for example, visits vs. absolute visitor vs. page views, etc.). Many tools allow you to change how metrics get calculated, so make sure you are looking or pulling data using the same measure or comparison items throughout the test. Also, realize that individual tools may calculate conversions slightly differently.
- **Default validity confidence levels** – Understand your testing tool's default measure of confidence and make sure that it matches your own internal measures.
- **Default summaries** – One of the most dangerous items in testing is the summary or dashboard view. Most of the juicy test details are hidden so problems that might be occurring in the test are tough to spot. Jon's experiment is a great example of this. Looking at more specific data (like day-to-day metrics) will give you a better health check of what is happening with the test.
- **Uniform sample distribution assumption** – Tools assume that the data we are going to receive within tests will be uniformly distributed. However, if you have run your own test you know that this is not always true. As mentioned earlier, testing software has started adding some intelligence tools to try to spot "interesting" data points, but in our experience not many people use these tools. Non-uniform distribution can drastically affect validity and needs to be monitored… which means you need to pay attention to data closely (not in aggregate).

For a five-point testing technology checklist, and to learn more about other technology blind posts and how to address them, view the replay of our latest webclinic.

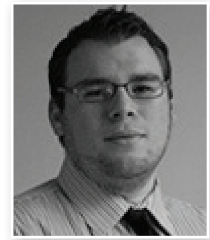
Related Resources

Online Marketing Optimization Technology: We have ways of making technology talk, Mr. Bond

Optimizing Site Design: How to increase conversion by reducing the technology barrier

Essential Metrics for Online Marketers

Google Analytics: New browser-based, data-privacy opt out important, but what consumers really need is education



By Corey Trent, Research Analyst

May 3, 2010

Back in March, Google got more serious about protecting user data privacy (as it should be), and to that end has announced plans for a browser-based opt-out for Google Analytics.

PrivacyIn typical Internet fashion, the blogs and Twitter lit up with doom and gloom news that web tracking was dead…run for the hills web analysts. In fact, it was very reminiscent of the reaction people had when Germany announced they were going to investigate the legality of Google Analytics and collecting data on their citizens. But, as with past incidents, people calmed down and life went on.

Personally, I am all for Internet privacy. We as businesses and marketers need to respect users' wishes if they decide they do not want to be tracked (even if retail counterparts do not honor this). If a significant amount of people are choosing to opt out, then we need to adapt and find other ways to determine what our users want and need. Heaven forbid we talk or engage them more personally (see blog post of different ways to do this online).

But in talking with people that have concerns about being tracked online (especially by Google Analytics), I typically find that they simply misunderstand what the tool does. Most people with concerns feel like it is a Big Brother tool that tells us exactly who they are, tracks them after they leave our site, and relays to us every website they visit.

They lighten up significantly when I tell them that the tool is really used to anonymously look at users of our website and help us understand how to make our process, products, or websites better.

In fact, we cannot even see (at a personally identifiable level) who these people are if we are following Google Analytics' terms of service. Once they hear this, most skeptics see the value and how it can really make the Internet a better place without negatively impacting privacy.

What I hope Google does

When Google releases this opt-out feature, my desire is they also release an FAQ page or other educational outlet to debunk the privacy myths about Google Analytics. I truly believe it is urban legends, what people do not know (fear of the unknown), or other more invasive measurement tools that cause the privacy scares. Perhaps if people are properly educated they will be less reluctant to opt out.

Whatever it decides to do, Google should err on the side of too much information. When it comes to anxiety, perception is reality. And as with any anxiety, we must overcorrect to overcome it.

But in the end, it is ultimately up to the consumer. And as painful as this is to say as a web analyst, we need to respect our visitors and their desire for privacy, even if it is a poor or wrongly informed concern.

Related Resources

What the "opt-out" option means for Google Analytics

Google adds more flexibility and intelligence to Analytics and Website Optimizer

Friction and Anxiety in your marketing process: defining the difference

Photo attribution: pong







Technology Blind Spots: How human insight revealed a hidden (and almost missed) 31% gain

By Daniel Burstein, Bob Kemper, Pamela Markey, Austin McCraw, Andy Mott, Jon Powell, Corey Trent

May 27, 2010

As the recent "flash crash" on Wall Street illustrates, entrusting important business decisions solely to technology can lead to disastrous results. If humans had been involved, would the market have dropped so steeply? Would a human have been able to tell that Accenture was worth more than one penny per stock? Likely so.

Of course, Wall Street is not alone in its use of technology to make important business decisions. Many marketers are overly reliant and trusting of online business optimization technology. After all, companies invest (tens and hundreds of) thousands of dollars in even free web analytics and optimization software, when you consider the time and effort involved in implementation and test design. And while this technology can certainly aid in massive improvements to marketing ROI, you need to provide a little human adult supervision to your technology.

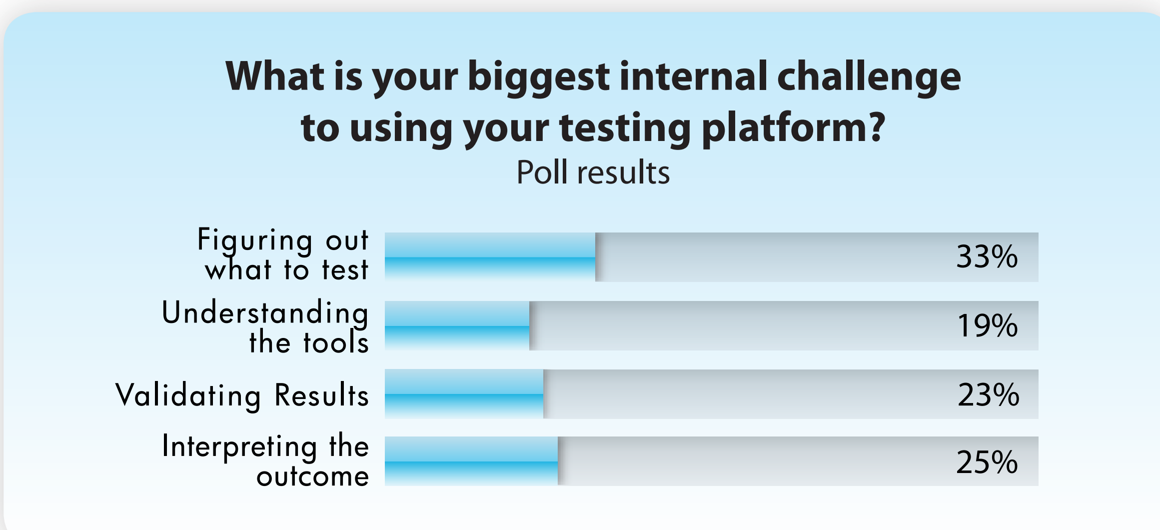
So in this research article, we'll help you get your money's worth by showing you how to provide that oversight for your testing software – because to find success with testing, you don't just need to find the "right" testing platform…you need to know how to use it.

This research article will cover three recent experiments featuring both B2B and B2C real-world scenarios, the three most common blind spots of testing tools, four problematic default technology settings that can invalidate your online tests, what it means to actually run a valid test, a five-point checklist to help you get the most from your technology, and key strategic considerations for running multivariate tests.

What is your biggest challenge to using your testing platform?

While many of us have looked at testing platforms as the solution to all of our marketing and business problems, this software comes with one major caveat – technology alone doesn't test.

For example, in a recent live web clinic we queried our audience about their testing platform challenges. Here is how they responded…



As you can see, even with available technology like automated multivariate testing, marketers need to figure out what to test, which is the first blind spot we will address.

BLIND SPOT #1: HOLLOW DESIGNS

EXPERIMENT #1

Experiment ID: *(Protected)*
Location: MarketingExperiments Research Library

Research Notes:

Background: Consumer service provider that has both a significant online and offline presence
Goal: To increase the amount of scheduled appointments coming from online
Primary research question: Which page design will obtain the most scheduled appointments?
Approach: A/B multi-factorial split test

Control:

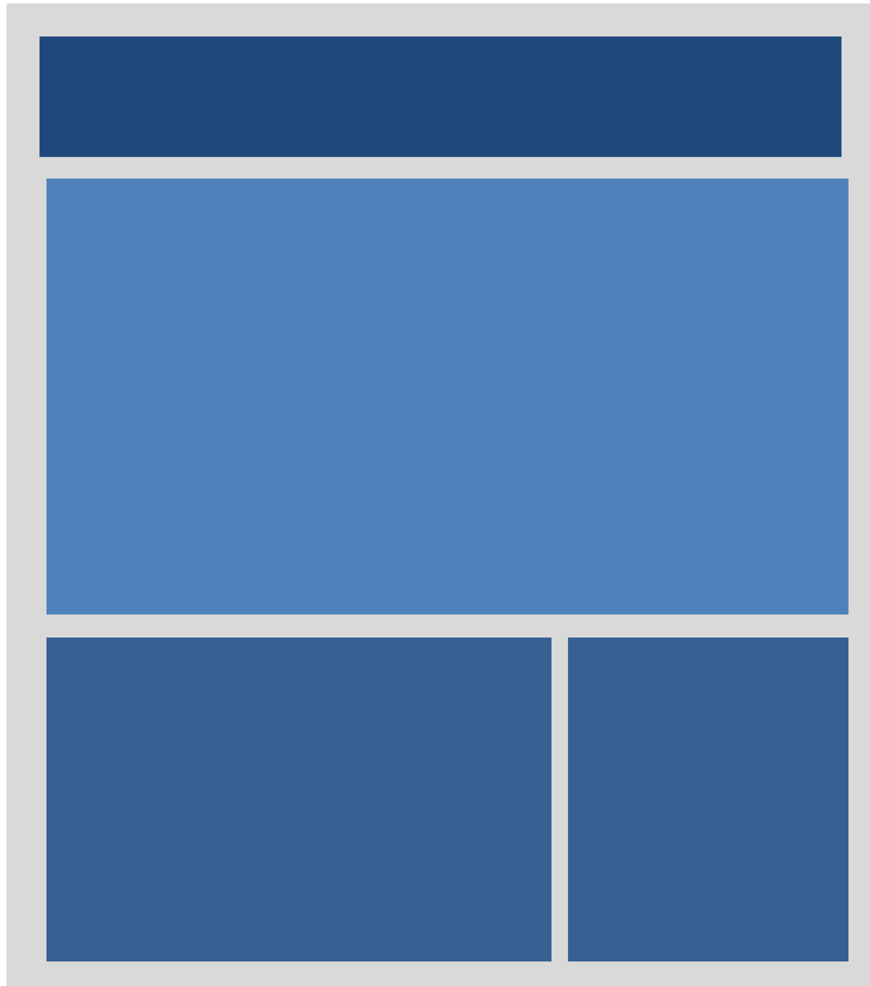
One of the key blind spots of testing platforms is what we call "hollow designs." For example, this specific page had previously been experimented on by our Research Partner using multivariate testing tactics. Basically, for these multivariate tests, different blocks of elements were being mechanically rearranged.

The control in this test had the highest converting arrangement according to those tests.

Treatment:

After a little arm wrestling, we were permitted to break the Research Partner's testing mold and experiment with a new page that had a radical approach based upon our optimization methodology.

The treatment design minimized competing content, reduced the calls-to-action, and mainly used a single-column format.



Results:

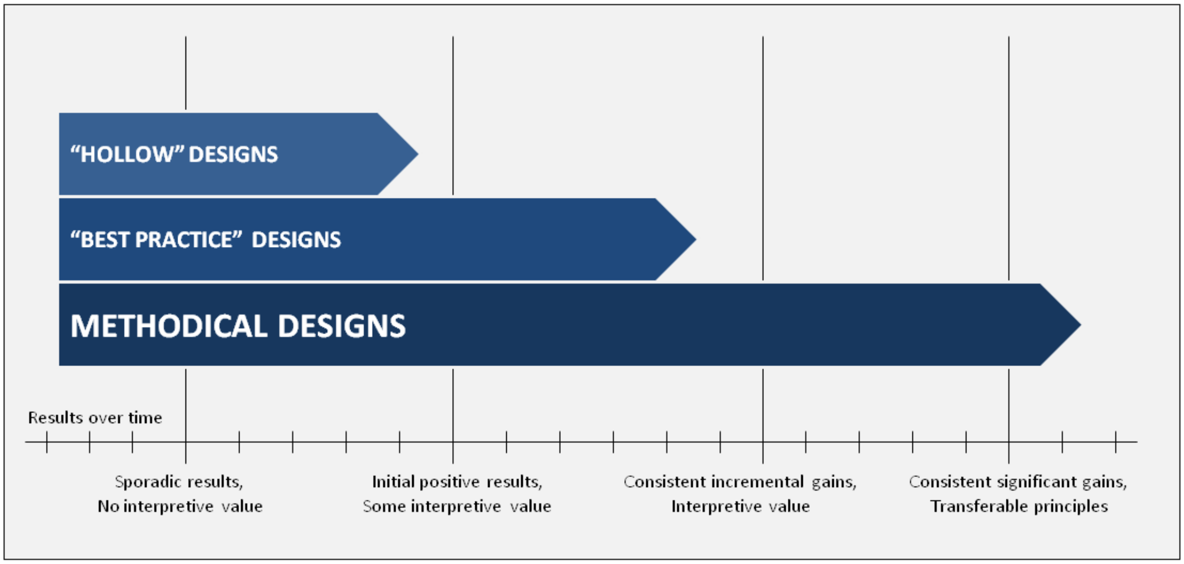
357% Increase in Conversions

The highest performing treatment outperformed the control by 357%

	Conversion Rate	Relative Difference
Control	2.14%	-
Treatment 1	**9.77%**	**357.36%**

What you need to understand: By breaking the mold and testing a radical redesign based on proven optimization methodologies, we were able to increase conversion by 357%.

How do you design your tests?



So, how do you make your test designs? Is it just random choice based on your preferences? Are you basing them off of some best practices you have read? Sure, both of these can lead to results at times, but ultimately they will only take you so far in your testing endeavors.

The results you will see from random designs will likely be sporadic. You may see an initial lift with using best practices, but without solid research questions and a methodological approach, your results will be incremental at best. You will not be keeping up with the mindset of your website's visitors. By the time best practices reach your desk, their effectiveness is already mitigated by the changing nature of interactive media.

For the maximum results and the most interpretive value, you want to base your decisions on tests you run based on a proven methodology.

Hollow designs and multivariate testing:

A proven methodology is important because not all tests are created equal. That's why you must avoid trusting the tool alone. You must not substitute testing software for a testing strategy. It is not enough to just run a test. What you need is a disciplined approach based on a sound methodology.

One example we use in our labs is the MarketingExperiments Conversion Sequence heuristic:

$$C = 4m + 3v + 2(i-f) - 2a \text{ ©}$$

C = Probability of conversion
m = Motivation of user (when)
v = Clarity of the value proposition (why)
i = Incentive to take action
f = Friction elements of process
a = Anxiety about entering information

Following a consistent methodology enables you to make informed hypotheses about factors (What should be different?) and levels (How should they be different?).

Multivariate testing (MVT) has its place. In fact, here at MarketingExperiments we use it frequently. But as with any tool, the result is only as good as the craftsman. So, when using MVT, make sure you have not ignored the big picture of what your users want by using the same sub-standard message presentation you're trying to optimize in the first place as the base that you build your tests off of.

Do not let testing tools overshadow the human element of creativity. Sure, many tools are now evolving to the point they will create "treatments" for you based on combinations, uploading content etc. But what this can create is a "perfect" sub-standard general design. These tools are limited to the inputs we give them so the optimization that can occur is constrained, where a human could take findings and radically change an entire process.

Begin by taking a step back, putting yourself in your customers' shoes, and taking a human look at the big picture. Ask, "Is this even the proper overall design?" rather than taking the easy shortcut of testing a randomly generated combination of calls to action or headlines.

BLIND SPOT #2: UNCHALLENGED RESULTS

Another blind spot of testing technology is that the stated "results" can take some courage to challenge. For example…

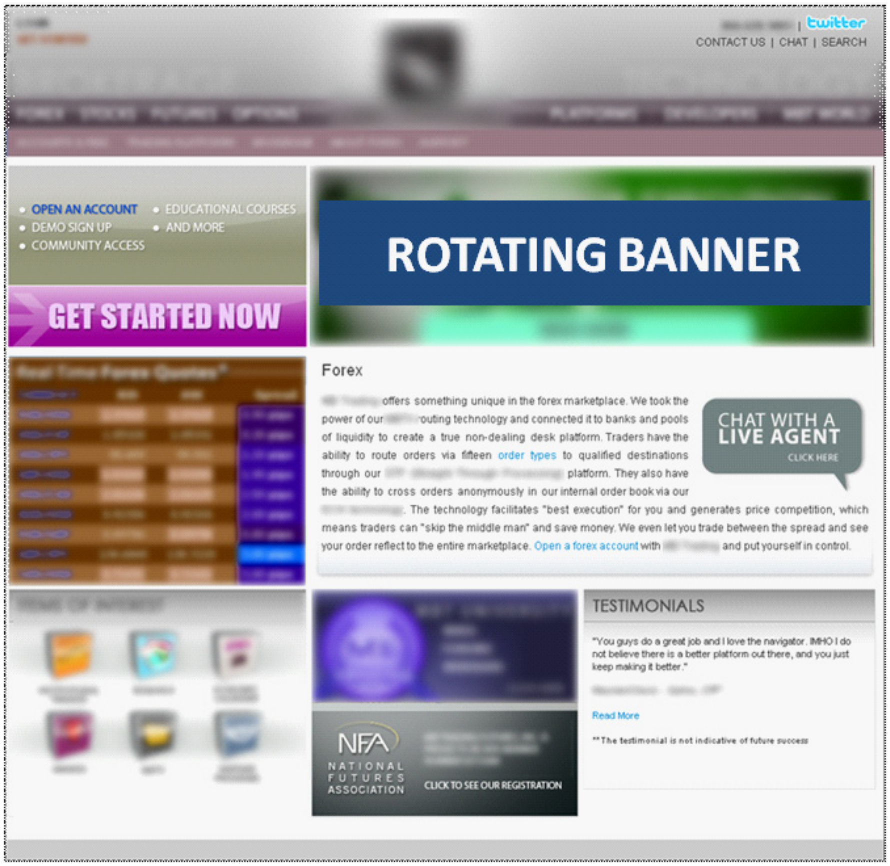
EXPERIMENT #2

Experiment ID: *(Protected)*
Location: MarketingExperiments Research Library

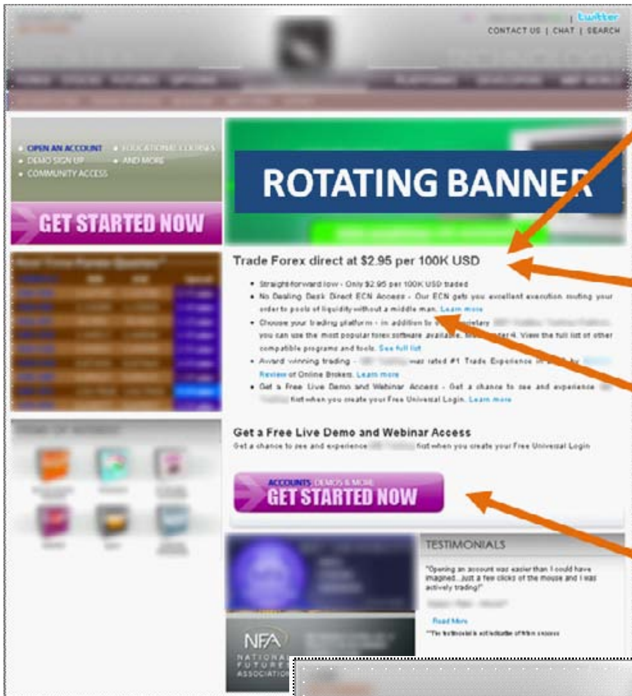
Research Notes:

Background: Consumer company that offers online brokerage services
Goal: To increase the amount of accounts created online
Primary research question: Which page design will generate the most conversion?
Approach: A/B/C/D multi-factorial split test

Control:



MarketingExperiments research analysts evaluated the original page and found it to have heavily competing imagery and messages and multiple calls-to-action. From this initial analysis, our researchers created three treatments to test against the control.



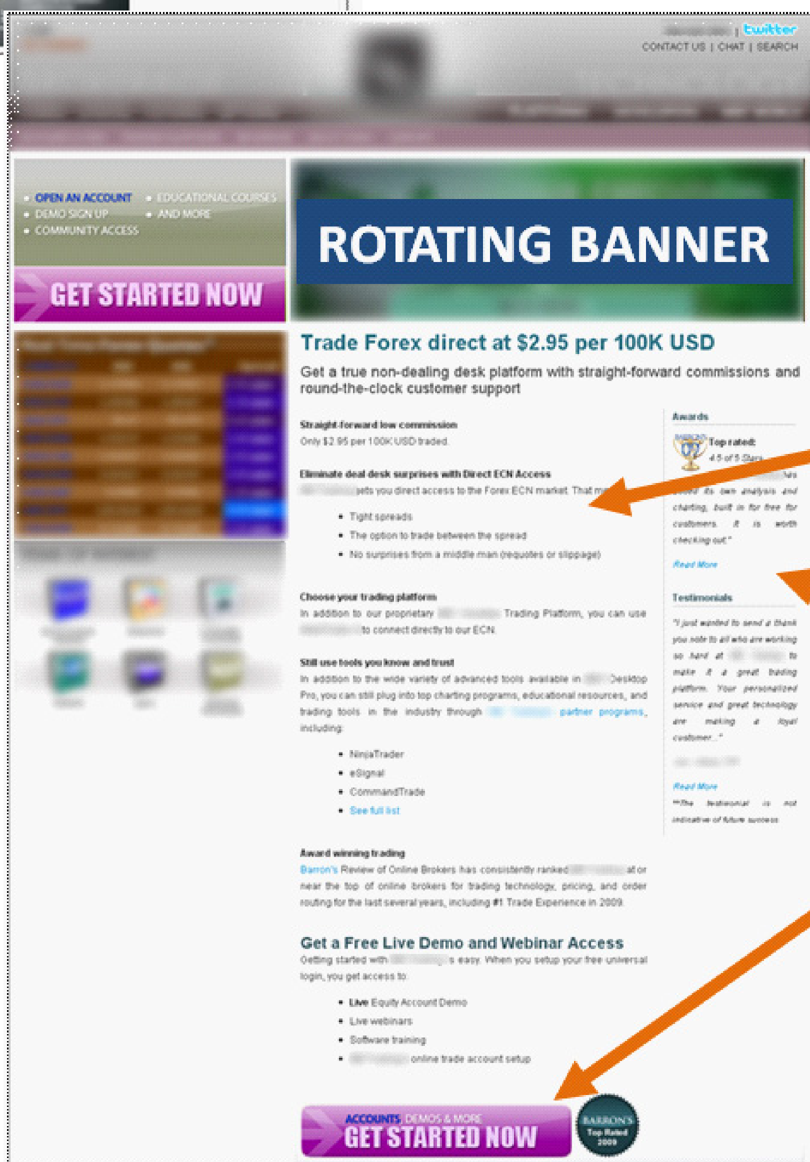
Treatment 1:

Most of the elements on the page have remained the same, only one block of information has been optimized

Headline has been added

Bulleted copy highlighted key value proposition points

Large, clear call-to-action has been added



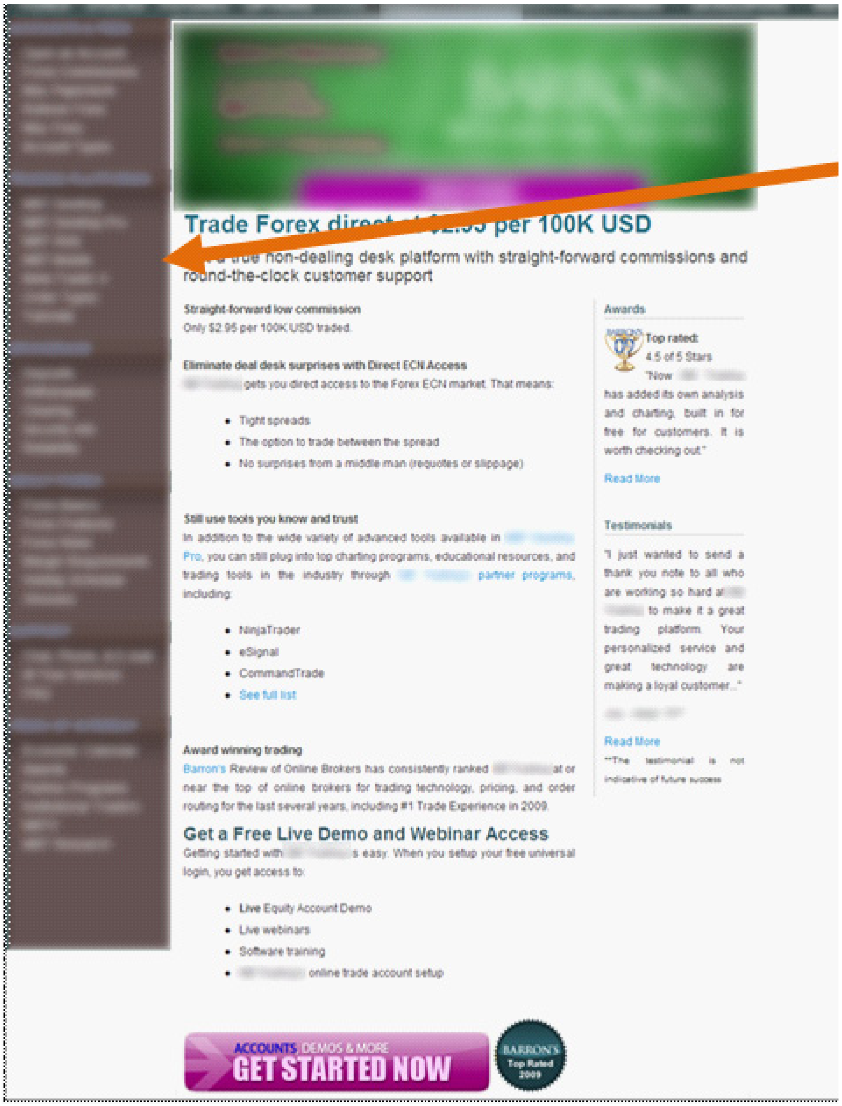
Treatment #2:

In Treatment 2, the left column remained the same, but we removed footer elements. A few other elements of note…

Long copy, vertical flow

Added awards and testimonials in right-hand column

Large, clear call-to-action similar to Treatment 1



Treatment 3:

For Treatment 3, the left-hand column has taken a more navigational role, but this is still a long copy, vertical flow, single call-to-action design.

Large graphic elements in the left-hand column have been replaced by a less distracting, smaller element (navigation)

Results:

No Significant Variation

None of the treatment designs performed with conclusive results

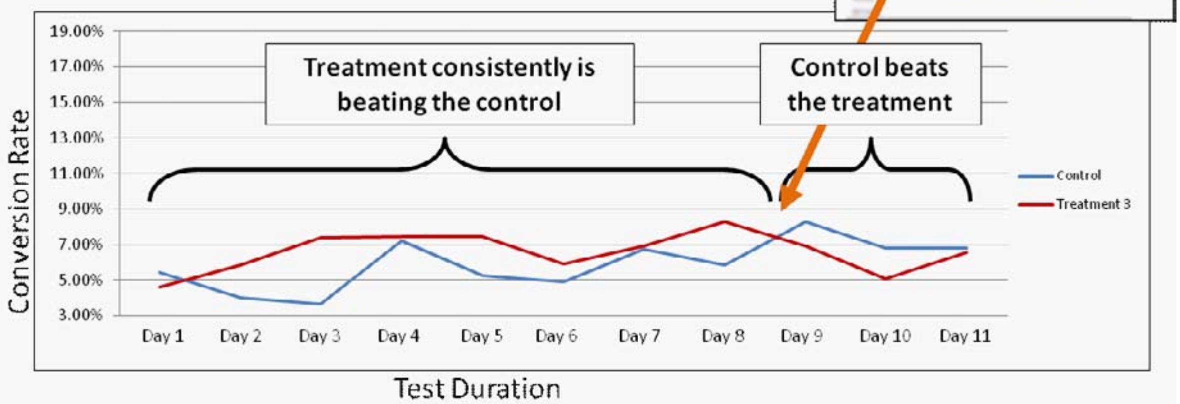
	Conversion Rate	Relative Difference
Control	5.95%	-
Treatment 1	6.99%	17.42%
Treatment 2	6.51%	9.38%
Treatment 3	6.77%	13.70%

What you need to understand: According to the testing platform we were using, the aggregate results came up inconclusive. None of the treatments outperformed the control with any significance difference.

However, the data indicated a pretty large difference in performance with a couple of the treatments.

Extraneous Factor:

However, our research analysts noticed an interesting performance shift in the control and treatments towards the end of the test. We discovered that during the test there was an email send that skewed the sampling distribution.



The Real Results:

31% Increase in Conversions

The highest performing treatment outperformed the control by 31%

	Conversion Rate	Relative Difference
Control	5.35%	-
Treatment 1	6.66%	25%
Treatment 2	6.13%	15%
Treatment 3	7.03%	31%

What you *really* need to understand: After reanalyzing the data and adjusting the test duration to exclude the results from when an unintended (by our researchers at least) promotional email had been sent out, we saw that each of the treatments significantly outperformed the control with conclusive validity...

Can we trust the results?

As Experiment #2 illustrates, sometimes the results our testing platform provides don't accurately describe what really happened.

We must never assume that we test in a vacuum devoid of any external factors that can skew data in our tests. We must even look at external factors that we can create ourselves.

Relying solely on the results provided by testing technologies can lead you to make false conclusions about your tests. Doing this may lead you to not only err, but to err rather boldly.

If our researchers had blindly trusted their testing tool, they would have missed a 31% gain. Even worse, this gain was at the beginning of a six-month-long testing-optimization cycle. If our researchers had assumed they had learned something based on inaccurate data that they really hadn't, this conclusion more than likely would have sent them down a path of optimizing under false findings and assumptions.

In other words, if you make an incorrect turn at the beginning of a 600-mile road trip and keep heading in the wrong direction, you will be much farther off the mark than taking the wrong road when you're just a mile away. These wrong turns and mis-directions can cost from thousands to millions of dollars in lost time and revenue.

Worst of all, this email came from the Research Partner itself. We've encountered this many times – a Research Partners unwittingly sabotaging their own tests. With the Internet being a dynamic place, it is next to impossible to avoid every external validity threat to your test, but at the very least we need to make sure that we are not introducing threats with internal campaigns to the same audience.

This is not to say we stop those campaigns, but just be aware of the potential effects on testing. That awareness requires human involvement. So, here's the crucial question – if you're not going to blindly trust a testing platform, how can you make sure that the tests you are running are valid?

When is an online test valid?

"A test is considered valid when a sound experiment design has been properly executed and the test results indicate that its research question has been conclusively answered with at least the stated minimum level of statistical confidence."

"…sound experiment design…"

A sound experiment design is one that mimics the larger system that it is intended to make inferences about closely enough that, if followed as designed, the results will accurately predict the outcome in the larger system when subjected to the conditions that the experiment was designed to test.

Every well-designed test starts with a primary research question. A sound experiment design is one that answers that question as directly and thoroughly as possible.

It is also cognizant of the assumptions and limitations about the environment in which the answer to the question is valid. For instance, if weekday and weekend performance are different, then the test design should be aware of that and state which situation the answer will apply to. And, in that context, the design will ensure that when the test is done, the outcome predicts accurately how the system will act when the "winning" treatment is installed.

The test you are performing must represent the same environment where you are going to potentially apply the results. Many times we find people stretching the finding to different audiences, and then wondering why the results do not translate. For example, are you taking the lessons learned in email testing and applying them to your PPC ads? Well, they could each have different audiences that react in different ways.

Here's a simple way to understand test design. Think of a fish bowl. Essentially, it mimics a complex ecosystem. So, if you wanted to do a test with fish, you'd want to make sure that the test environment – the fish bowl – was as much like the lake or ocean that the real fish will be in as possible.

"…research question…"

Every sound inferential experiment begins with a "primary research question;" and all elements of the test design, from the variables chosen for variation among the treatments to the procedures and the tools used for measuring the outcomes, are specifically designed around answering this primary research question.

Have you set a clear and specific objective for testing? Without establishing a clear objective, it is possible to get lost looking at a vast array of data points and trying to correlate them all. The research question also provides guidance on what items should be included in a test and what should be reserved for later.

So, to take our fish analogy a little further, one possible primary research question might be "Which fish food will result in the greatest level of growth in the fish?" You might even want to phrase the question a little more specifically – "Which fish food will cause the most rapid gain in fish body mass?"

"…properly executed…"

Proper execution of an experiment design refers to the diligent confirmation of all of the design conditions, the faithful execution of all of the experimental steps prescribed by the test design in the prescribed order, and the accurate recordation, analysis, and interpretation of the test outcomes.

Are you selecting the right test audience? Based on this audience, will you be able to apply the results to other aspects of your Web communications? Beyond that, you must ensure you have enough of this audience to reach a statistically valid conclusion, i.e. really learn something not just think you learned something. To do that, you must be recording accurate measurements. Ensure you double check your metrics technology before launching a test (more on that in the "Five-Point Testing Technology Checklist" later in this research article).

So, for example, if when you feed your fish you do so in a sloppy manner and some of the food gets on the floor instead of in the bowl, that would be an example of not "thoroughly conducting" a step.

If you're going to bother setting up this big test, and you're utilizing sophisticated and expensive testing tools and instruments, it's a shame to botch it up by being careless about the way that you set up or execute the testing procedure steps. On top of that, beyond conducting the test properly, you also need to ensure that the test data is captured and stored accurately and completely.

"…statistical confidence…"

A sound test has statistical confidence when we've prepared and executed on a sound test design and the results show that we've answered our primary research question with at least the level of certainty that we needed to make a confident decision.

At the beginning of any test, you should decide up-front how sure you need to be before you're willing to call out a winner. Of course, the more sure the better, but in real life you're faced with finite traffic to the site (or size of email list) and less than infinite time.

So an important part of the test design is to project – based on traffic, historical levels of performance and other factors – how long a test would run given an assumed (or target) amount of performance gain. Then it's a kind of negotiation, or balancing game, as to how sure you think you need to be versus how long you're willing to wait to call it conclusive.

Overall, you want to establish a standard for your results to uphold. Simply, you are trying to arrive at a finding that you have seen replicated enough times that you can confidently say, "we have sufficient information to make a conclusion on the research question we sought to answer." The amount of times you need to measure will be a decision based on the volatility of the experimental environment and other factors.

Of course, as businesspeople rather than academicians, we can always change our minds down the road and decide to conclude the test and go with the best-performing treatment, even if it's still a little shy of the target level of confidence.

So at the end of the day it really does boil down to a business decision to continue or move on. This is something that needs to be agreed to and developed in house. Just understand that while setting this mark low carries some risks, some processes with low traffic or time sensitivity necessitate that we move on with lower confidence levels at times.

At MarketingExperiments, we try to stick to a 95% statistical significance as much as possible. However, there are times where we have to accept a lower mark. *(EDITOR'S NOTE: For more information about statistical significance, you might want to explore our Fundamentals of Online Testing* training course.)

But remember, statistical significance from a piece of software cannot alert you to data that is inherently wrong or warn you that something else has influenced (and perhaps invalidated) a test, it only tells you that the results were unlikely to happen by chance. Omniture (interesting alert for segmented data) and Google Analytics (GA intelligence) have been dabbling in this area, but still require human interaction and do not cover all aspects.

So make sure that you perform your due diligence with tool setup, test design, and data analysis – because it is very easy to gain confidence in the wrong decision with bad data from a tool that says it is 95% confident. Again, it is so important for to invest greatly in people along with tools. As Avinash Kaushik says, "You should invest 10% in tools and 90% in people."

For one last visit to our fish experiment, make sure you've tested enough fish that what you've observed is not just a result of random chance, but likely representative of the greater population of all known fish.

Or for an even simpler analogy, think of flipping a coin. If you just flip the coin four times, and get three heads and one tail, you might erroneously conclude that 75% of the time a coin is flipped it will land on heads and that there is a real difference between the two sides of the coin.

However, if you flipped the coin 1,000 times and got 521 heads and 479 tails, you might learn that there is no discernible difference between the two sides of a coin as it relates to which side will land face up on a coin flip.

These are complex, esoteric ideas. So let's give you some ideas about how they relate to the practical application of your testing tools…

Common problematic default settings

Let's start with default base metrics and your metrics calculation process. It is important to know exactly how conversions are calculated (for example, visits vs. absolute visitor vs. page views, success vs. visits, success vs. unique views, etc.). Many tools allow you to change how metrics get calculated, so make sure you are looking or pulling data using the same measure or comparison items throughout the test. Also, realize that individual tools may calculate conversions slightly differently.

We've discussed statistical validity above, but once you've decide on the right level of validity make sure you keep an eye on your tool's default validity confidence levels. You simply must understand your testing tool's default measure of confidence and make sure that it matches your own internal measures. For example, is it set at 95% or just 90%? And, at a business level, which works for you?

One of the most dangerous items in testing is the default summary or dashboard view. Most of the juicy test details are hidden so problems that might be occurring in the test are tough to spot. Experiment #2 is a great example of this. Looking at more specific data (like day-to-day metrics instead of aggregate results) will give you a better health check of what is happening with the test.

Testing tools assume uniform sample distribution, that the data you are going to receive within tests will be consistently distributed. However, if you have run your own test you know that this is not always true. As mentioned earlier, testing software has started adding some intelligence tools to try to spot "interesting" data points, but in our experience not many people use these tools. Non-uniform distribution can drastically affect validity (if you overlooked validity threats) and needs to be monitored...which means you need to pay attention to data closely (not in aggregate).

To help you overcome these problematic default settings, and run valuable tests in general, we have devised the following checklist...

Five-Point Testing Technology Checklist

1. Do you know your validity threats?
    - Selection Effect
    - Sampling Distortion Effect
    - History Effect
    - Instrumentation Effect

2. Are you comparing multiple datasets?

3. Have you double-checked the transactional data?

4. Has there been any strange channel-specific activity?

5. Is the technology working properly?
    - Tracking scripts
    - Server performance
    - Different browsers
    - Load time

BLIND SPOT #3: INTERPRETATIVE ANALYSIS

There are some key questions that your technology doesn't answer about the outcome of your tests. These questions cannot be answered by a piece of machinery. In our courses, we call this interpretation:

$$u = 2q + t + m + 2v + i \text{ ©}$$

u = Utility
q = Research Question
t = Treatment
m = Metric System
v = Validity Factor
i = Interpretation

We spend a whole session going over the process of successfully drawing all the possible valuable conclusions from your test. Though we won't be able to cover it all in this research article, here are some of the key questions you should be asking yourself with each test:

- Why did the test provide these results?
- How do these test results contribute to our understanding of Offer/Response Optimization on our website?
- What are the implications for other areas of our website?
- What do these results suggest we test next?

Interpretation is everything, after all, and the real value of testing. A test without interpretation is like a car without a motor. You may be able to sit in it, enjoy comfy views, and feel pretty special, but you're not going anywhere.

This next experiment is a quick example of a page which we tested, and tested, and tested until we were able to interpret principles for this company that could be applied across their website.

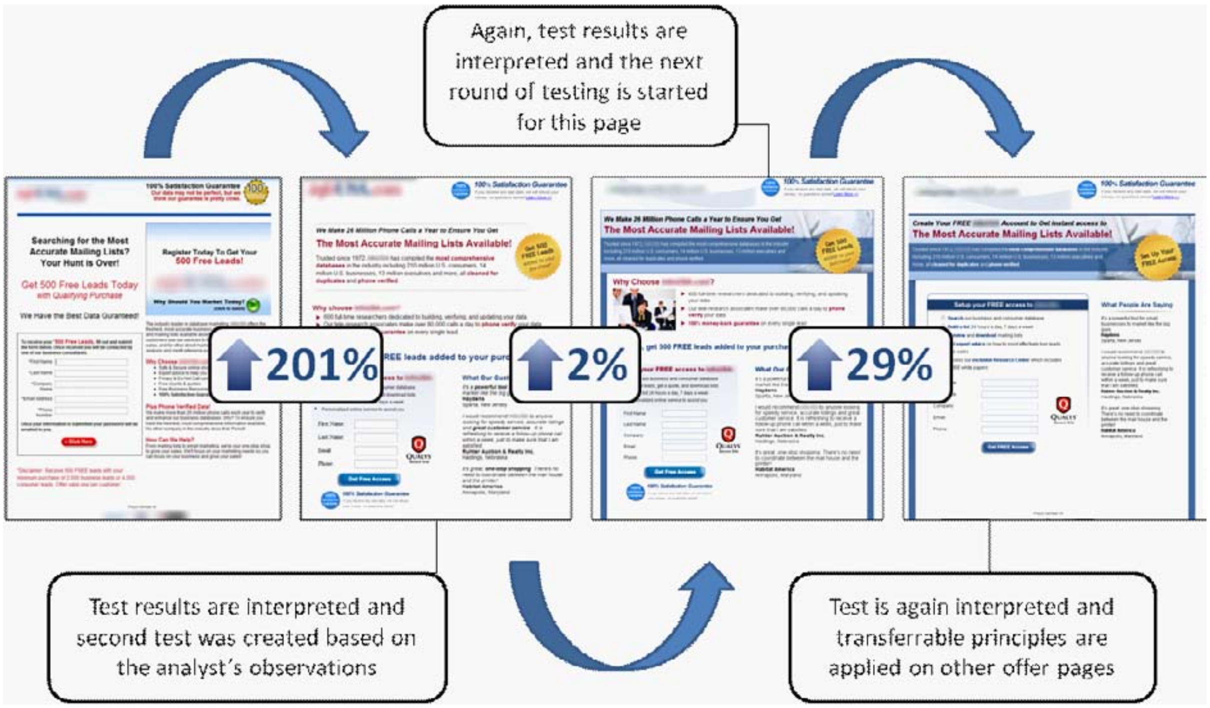
EXPERIMENT #3

Experiment ID: *(Protected)*
Location: MarketingExperiments Research Library
Test Protocol Number: TP1306, TP1323, TP1324

Research Notes:

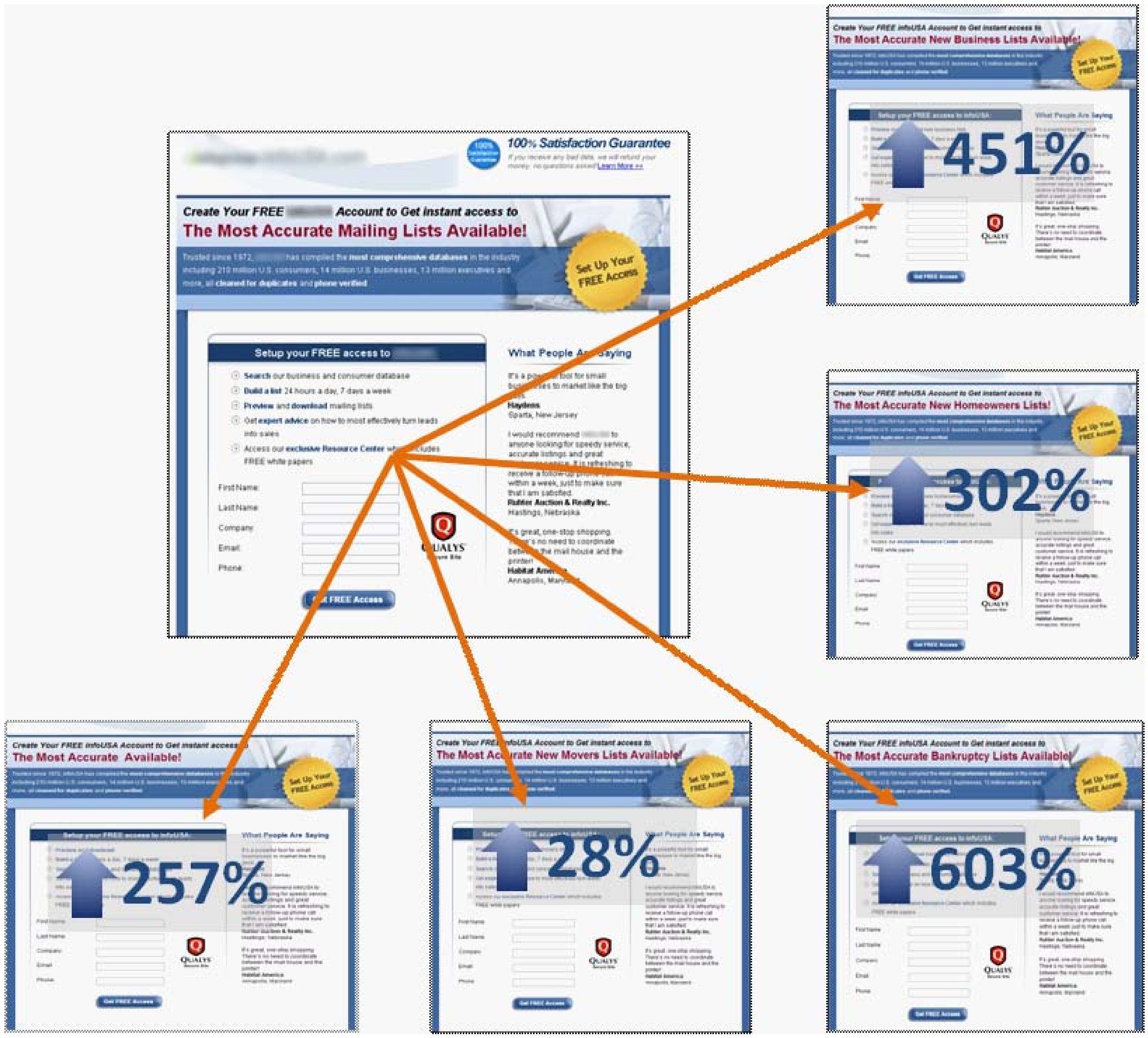
Background: Provides end-to-end market solutions for small- and medium-size businesses
Goal: Increase the amount of leads from an online form
Primary research question: Which page will obtain the most form submissions (i.e. leads)?
Approach: Series of multi-factorial split tests

Series of Tests:



Results:

The discoveries from the three previous tests were applied to other landing pages and PPC campaigns. The results of interpretation and application were impressive:



BOTTOM LINE

Technology will still not solve all of our marketing problems in and of itself. These powerful tools will only work effectively with human insight. We have spent a large portion of this research article highlighting some of technology's weaknesses.

But don't misunderstand us. While there are many weaknesses inherent in technology, it has significant strengths as well. At MarketingExperiments, we use testing platforms every day with every Research Partner. Without them, there would be no testing.

One of the best things about testing tools is that they have the right foundation. They are aiming at the right goal – results. Why do we test? Because we as marketers have become dissatisfied with the status quo. We no accept okay with spending all of our marketing budgets on media that has no tangible results. This ties in to a central teaching in all of our training courses – do not speculate; test.

In our courses, there is a corollary to that statement as well – but it is better to speculate, than to conduct an invalid test.

Technology is the path that will lead you to real marketing ROI, but you have to know how to follow it. Technology doesn't solve all our problems by itself. Yes it is powerful, but it only works if there is a real "man behind the curtain." To really learn from tests, you must add a little human adult (scientific) supervision.

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Call for Research Partners

MarketingExperiments is a research laboratory with a simple (but not easy) seven-word mission: To discover what really works in optimization.

MarketingExperiments empirical research focuses on real-world Internet marketing challenges and opportunities. By conducting experiments with actual commercial offerings, we uncover relevant, practical insights that enable our Research Partners to discover what works – for their products, with their target customers, in today's ever-changing marketplace.

To that end, we are currently looking for Research Partners with real-world challenges, deadlines, and budgets in the following areas:

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A publication of:
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