Optimization Researched

Latest findings about effective LPO operational practices based on data from 2,673 marketers

ABSTRACT

It's one thing to talk about landing page optimization and another thing entirely to execute. That's one of the key findings in Boris Grinkot's new Landing Page Optimization Benchmark Report. In this transcript of our original web clinic, Boris and Daniel Burstein (Director of Editorial Content) walk marketers through the process of making the business case for optimization.

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Latest findings about effective LPO operational practices based on data from 2,673 marketers

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[Note: This document is a transcript of our original Webclinic on effective LPO operational practices that aired June 15, 2011.]

Daniel Burstein: Welcome to a MarketingExperiments web clinic. If you've attended many of these before, this one is going to be a little different. It's going to have some unique value for you. In the past, we've talked a lot about our research findings, about methodologies to optimize specific parts of your home page and landing page, and paths. Today, we're going to talk about research we've conducted with 2,673 marketers take it back a step. Okay? Sure, you might want to optimize your funnel and your landing page, but how do you get that done in your organization? That's something we're going to help you with today. We're going to help you create a plan of action to get it done in your organization, to sell your CEO and business leaders, to sell your investors, if you're an agency or a consultant, to sell your clients about why they should optimize and how they can get it done. So, first of all, let me handle the housekeeping, if you are new to the web clinic.

These web clinics are, we'd like to think, a little different, a little more interactive than most webinars out there. One way we like to communicate with you is through #webclinic on Twitter. You can also communicate with the Q&A speaker on GoToWebinar. And, let me tell you a little also about what I'm seeing now, what you're not seeing. We've got a whole big team working on this webinar. It's not just me and Boris sitting in our garage talking to you. We've got Austin McCraw, so he's going to be answering your questions on GoToWebinar. We've also got Joelle Parra who is working the boards and making sure all of the audio is good for you. And, we've got Paul Cheney in here and my boss, Todd Lebo, the Senior Director of Content Business Development, and they're going to be monitoring Twitter and making sure all of your questions are answered. We've also got Beth Caudell, and our Director of Science himself, Bob Kemper on the line. So, feel free to fire a bunch of questions at us. And, along with that, the main guy I wanted to ask questions to is Boris Grinkot. He is our Associate Director of Product Development who has been doing some pretty interesting research lately with both Radian6 with social media as well as the research we're about to share with you. Before engaging in this, though,

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he worked right here, in MarketingExperiments, in the office with us. So, I'd frequently see him late in the office thumbing his guitar, singing, I don't know, maybe Russian love tunes. I'm not sure exactly what he was singing. But, more importantly, while he was here working with our research partners and some Fortune 500 companies you may have heard of, some smaller companies, you know they were able to ask him all sorts of questions about how to optimize their funnel and how to get things done. So, I'm not going to put him on the spot and ask him how much he was charging per hour when he did that, but if you can ask your questions and get them answered by Boris, I assure you it would be very valuable. I am the guy on the left. I am the Director of Editorial Content here and I work on both the MarketingExperiments and MarketingSherpa sites. And, the first thing I want to show you is actually from our sister branch, Marketing Sherpa.

Case Study: Giggle Print

Case Study: Custom Direct/GigglePrint
Location: MarketingSherpa Research Library
Case Study Number: CS31053

Case Study Notes:

Background: GigglePrint is the direct-to-consumer printing brand of Custom Direct, offering custom printed products.

Goal: To increase online purchases

This is a case study with a company called GigglePrint and I'm actually excited about it. The marketer behind this is a woman named Sharon Mostyn. She is often on our web clinics and if you're on today, Sharon, how are you doing? Let's talk about what Sharon was trying to do. She was trying to increase online purchases. But, not only was she trying to increase online purchases, what she was trying to do was please her boss. Right? Because, put yourself in these shoes. Your boss comes to you and says, "The conversion is not what we want it to be. Make it better." Right? That's not what we want to get. I want to get a pat on the back. But, you come and you've got that challenge. How are you going to address it? Right? So, in my mind there are a few different ways you can address it. Option one, increase traffic. Right? Increase your media spend, more PPC ads, maybe more SEO, whatever you can do to get more traffic going down that funnel and to convert that traffic. Right? If your conversion rate is whatever it is, 10%, you know if you just double your traffic from 10,000 to 20,000, then more people are going to convert. Right? That's one way to do it. It costs a lot of money, but that's one way to do it.

The other way, option two, hey, go out there. There's a lot of great marketing talking heads. There are a lot of blogs. There are a lot of web sites where they just say, "Here...here is a rote best practice. Make

the button blue and you'll get better conversion." You know, "Put everything above the fold and you'll get better conversion." And, it might be easier if you just looked at those best practices and said to yourself, "Hey, I'll make the button blue. I'll put everything above the fold. I've got my new page. It's all better. Everything has gone well."

Option three, and we're clearly biased on this, or we wouldn't be talking about this entire topic, option three is optimization, optimization at its very core. Make something better. And, to do that, you can't just throw more money at it. You can't just throw up what someone else is doing. You've got to dive in there and figure it out for yourself. Figure out what works the best, based on the data you have, based on getting your hands dirty, testing things, getting in there with your IT team and your web design team. And, so I'm sure you won't be surprised to find out, Sharon chose optimization. Right?

She got in there and she analyzed the data, and she discovered that about half of it, 51.63% to be exact, and all of the traffic that was coming through, right, was bouncing from the shopping cart to the home page.

Case Study: Giggle Print

Shopping Cart Funnel
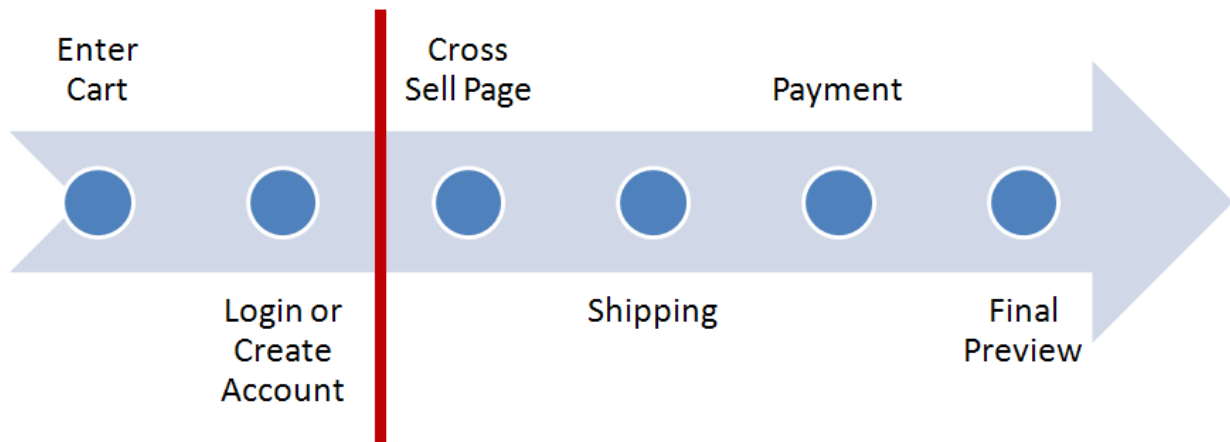
When analyzing the data, they discovered that 51.63% of all the traffic was bouncing from the shopping cart to the homepage. *Why were all these highly motivated customers bouncing?*

Daniel Burstein: So, yes, not a great way to sell people, sending them to your home page instead of your shopping cart when they're wanting to get to your shopping cart. So, she was trying to figure out why

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these highly motivated customers were bouncing. I'm not going to get too deep into here. I just want to set up what happened.

Case Study: The Problem
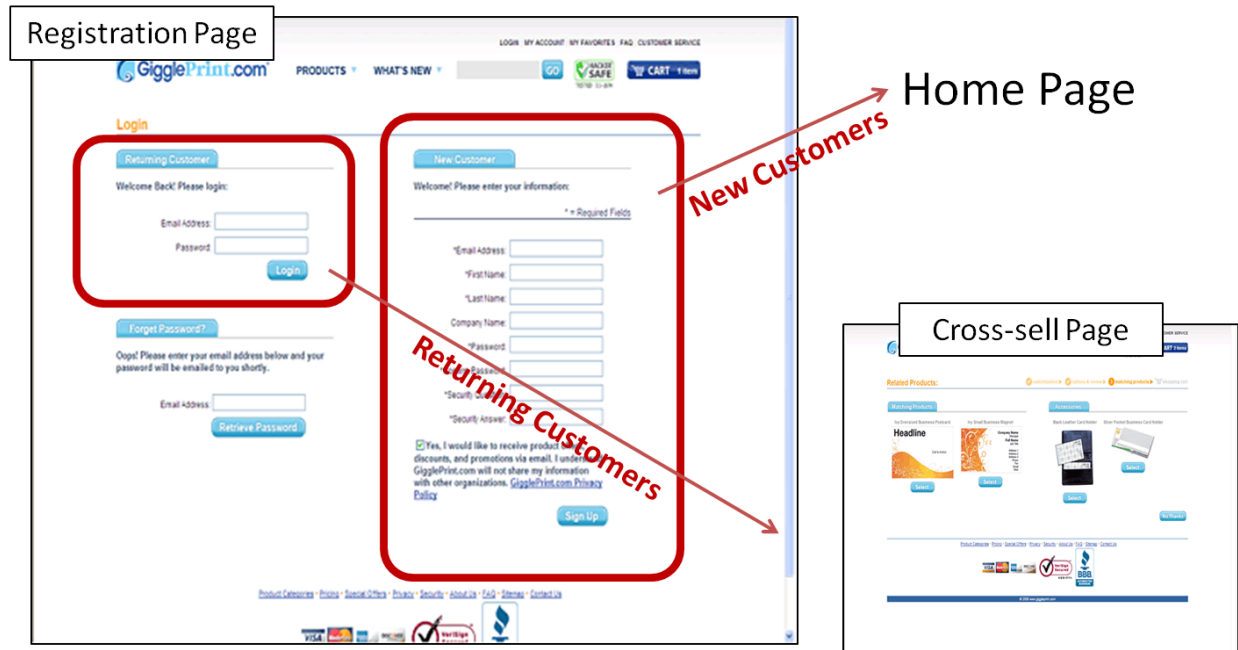
Daniel Burstein: She found out, by diving in a little deeper, that it wasn't just all traffic was being treated the same way. Returning customers were getting sent to that cross-sell page, but new customers were going to the home page.
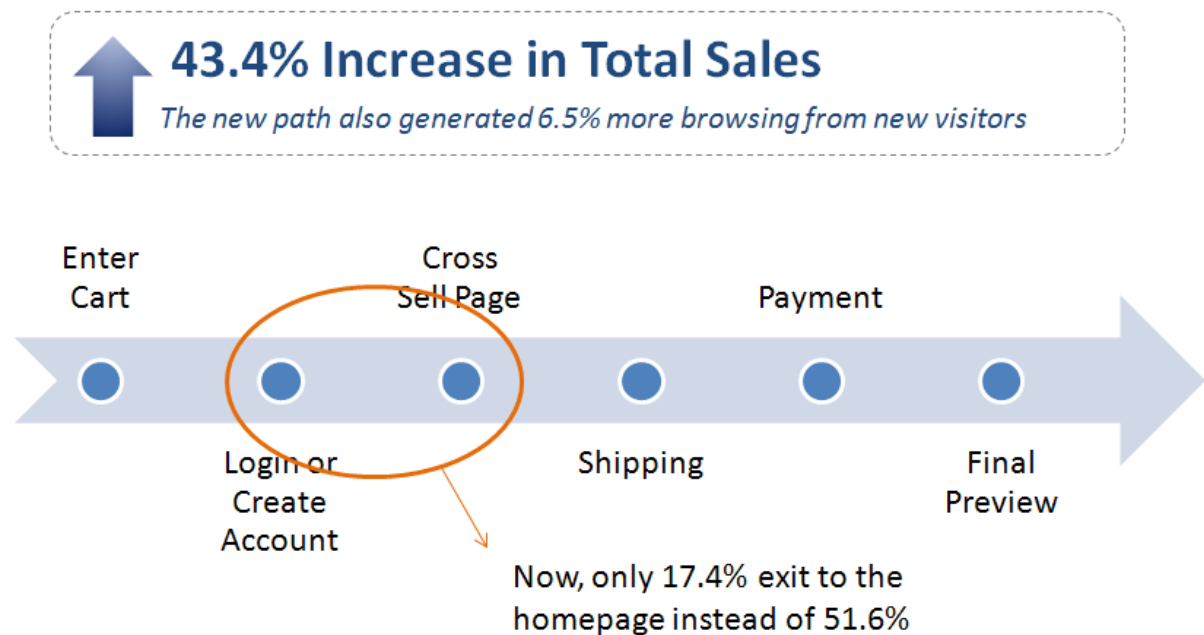
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Case Study: The Solution
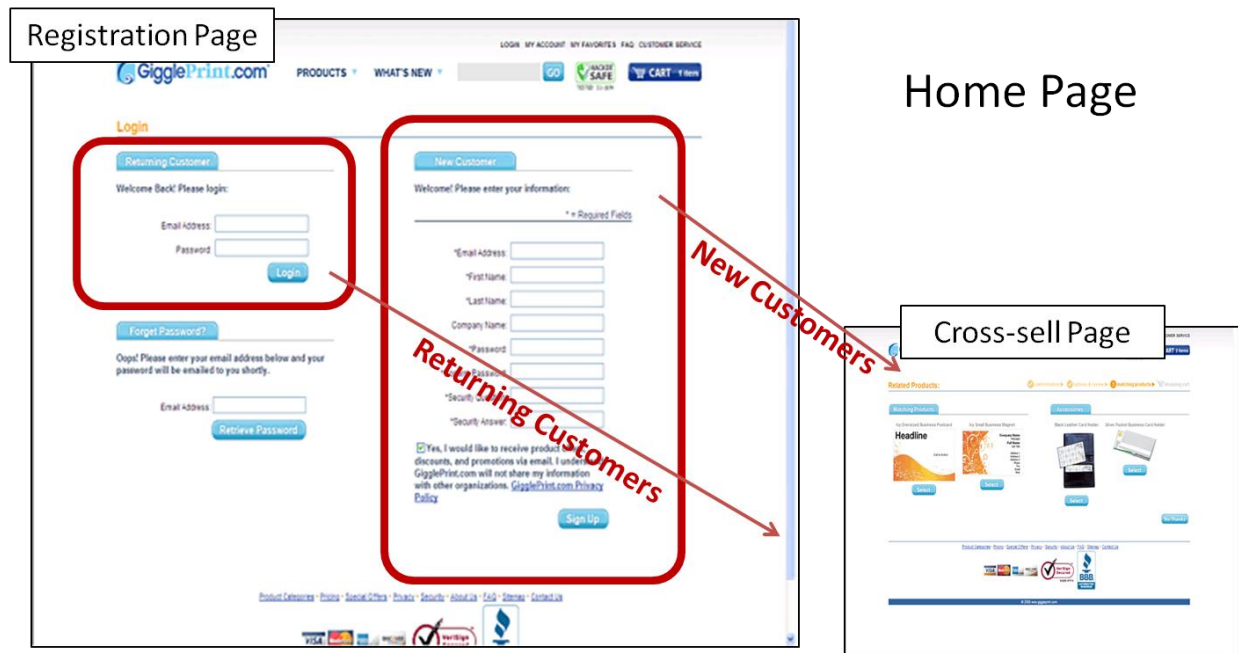
Daniel Burstein: So, she worked with IT. She fixed this problem, sent new customers to the cross-sell page, and the results were pretty dramatic…

Case Study: The Results

Shopping Cart Funnel

43.4% Increase in Total Sales

The new path also generated 6.5% more browsing from new visitors

Enter Cart

Cross Sell Page

Payment

Login or Create Account

Shipping

Final Preview

Now, only 17.4% exit to the homepage instead of 51.6%

Daniel Burstein: …43.4% increase in total sales. Now, only a little over 17% exit to the home page, instead of that huge 51.6%. So, she was able to please her bosses without investing more in a media spend, without this guessing and throwing things out there. But, now I've got Boris Grinkot on the line and I want to ask him, Boris, aside from the obvious downside in spending more money to drive more traffic, why would you not want to just send more traffic down the funnel and get more conversion that way?

Boris Grinkot: Right. It makes sense. Right? So, increasing marketing spend and driving more traffic, it's pretty straightforward logic, and it really is. But, it also means that at the same time you're losing the same proportion of visitors. So, it's like pushing more water through the leaky pipe, as this illustration shows.

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Don't send more water through a leaky pipe

Boris Grinkot: More water will come out on the other end, but you also lose more at the same time. So, by focusing on what happens with victories you are getting now, which is what this piece really demonstrated, you can increase the return on the same investment. This company didn't drive any additional traffic, as you saw. All they did was change what they did with the traffic they already had. And, this is a very common problem that marketers have to deal with. And, our study actually demonstrated some of that.

As marketers, we get pulled in all kinds of different directions. But, a lot of the time we are asked just to get us more traffic, get us more traffic, which is a way to get more sales. That's just...it's as obvious as it is inefficient. So, I'm sort of preaching to the choir here about the importance of LPO. I have to do a little bit more selling on other webinars. I think the audience here is a little...is kind of pre-sold. So, let's say if we're all in agreement on the fact that we need it, now how do we get it? If landing page

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optimization was easy, you probably wouldn't be in this clinic today and would not be spending all of this time and effort, and research, and we wouldn't be either, not to mention all of the other authors and researchers that are doing this. And, in my experience, working with research partners in Marketing Experiments and also teaching LPO workshops, and also just taking questions, even on today's clinic we have some questions on the registration form. Most of the time marketers are asking very, very, very tactical questions, as you could see on this screen. I would even say they're maybe a little too tactical. They want to know like the best color of a button and the best font size. I was doing some onsite consulting with a large company in San Jose, in California, and probably two dozen marketers from different parts of the organization in the room and reviewing their email and landing pages that our team had developed, we made recommendations for. And, the recurring question that these marketers were asking was, "Should we have three or four, or five bullet points in the email message? And, I recognize the need for simple, straightforward answers, but in marketing we don't like psychological factors, but highly diverse offers, on the one hand, and highly diverse preferences on the other. So, we focus on having a planned strategy to figure out what works in each individual case, rather than a one size fits all solution. So, questions like graphics or text, short or long copy, are simply...I would say they are not the right questions to ask, especially in the back end, when you're not looking at a specific page or a specific product, or a specific, in particular, customer segment or traffic source, and we'll talk about that later. And, Dan always tries to pin me down on this button question and I just don't feel right answering it. But, I heard Dan was running his own secret experiments in the basement, in a secret lab.

Daniel Burstein: Oh, that's it Bo! I know you say there is no ultimate button, but that's it! Today, on the web clinic for the first time...I know every other web clinic we've told you you've got to test, you've got to find out what button works for you. I'm going to tell you right now the ultimate button. This button, I guarantee works for everyone on the call. Get ready.

The Ultimate Button—Revealed!

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Daniel Burstein: This is the ultimate button. Right? Think about it. You've got a shirt on. Right? And, you want to take that shirt off. You never can't find the button that's not too small, that's not the wrong color, so you don't want to mess with it. You always take that shirt off. There is 100% conversion rate. I don't see anyone walking around today keeping their shirt on because they didn't like the button. Okay. That's the only joke at your expense on this web...well, we've got one more at the end, but that's the main joke at all of the marketers' expense on this web clinic. I promise.

But, the reason for this...while, I understand why people want to know what button to use. Right? As marketers, we're always trying to look for that quick fix. You know? It's we're busy, we're time-pressed. You don't have the time to dive in and figure everything out all of the time. We just want to know. Just give us the answer. Unfortunately, it's not that easy. On the same…in fairness though, landing page optimization, optimization in general is not that easy. Right? If it was that easy, we'd all be doing it.

CMO Insights: Overcoming challenges to LPO

*"**Still trying to figure this.** Making more management time to define overall LPO & website strategy would help. Creating more in-house capacity to action LPO is critical."*

- Benchmark Study Participant

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Daniel Burstein: And, here is one of the first insights from Boris' book, the CMO saying that, "we're still trying to figure this out." They know LPO is important. They know optimization is important. They're still trying to figure out, "How do you get it done in your organization?" Right? There are so many things in an organization we know we should be doing, and either we're not at the level where we can just ourselves get the resources. We need to get approval from a business leader. Or, perhaps, you're an agency or a consultant trying to work with a company. So, how do you get those resources? That's what we're going to be talking about today.

We're going to be drawing on a study of 2,673 marketers. Like I said, here, if you're new to MarketingExperiments, we've done a lot of this landing page optimization research. In the past we've told you about different methodologies for testing and how to improve your pages. The one thing that we always come across, and we did a web clinic on this about a year ago, is marketers say, "How do I get this done? How do I build that business case for testing in my organization?" So, we took Boris and sent him out for four months on a journey. He encountered 2,673 marketers and today he is going to tell us what he's learned. What have you learned Boris?

Drawing on a study of 2,673 marketers

- **Evolving role of Landing Page Optimization and its ROI**
- **Facing LPO Challenges, Gaining Expertise, and Outsourcing**
- Budgeting and ROI of Optimization and Testing
- Marketing Operations and LPO
- Actionable Metrics for Landing Page Optimization and Testing
- **Key Components of LPO Strategy**
- Landing Page Optimization Tactics
- Testing

Boris Grinkot: Well, I learned a lot and it was a long trip because as you go and knock on 2,673 doors and asking people questions, it's not easy, I know. But…and also getting involved in this national study was a great opportunity for me to use what I learned as…working with marketers directly on

optimization projects and having learned about the challenges that they face every day, and the questions and needs that they have, you know out there in the field, so then apply those to be able to build the study.

Now, what we're going to talk about today is going to be a number of topics that are covered in the book, of course. In the amount of time we have, we're not going to cover any one of them in their entirety. What you see actually on the screen are the list of chapters and just we highlighted the ones that we're going to kind of touch upon in the clinic today.

Daniel Burstein: Alright, so let's walk through how we're going to do that for you. Like I said, essentially what we're going to help you do today is build your business case for optimization. If you're an agency or a consultant, this is easy, you want to sell your clients that optimization is the right way to go. But, if you're a marketer and you have to sell a CEO, a business-level decision maker, even if you are leading a company and you have to sell your investors or you're a venture capitalist, that's…you know, everyone has someone essentially they have to sell to get it done.

How to make the business case for optimization

☞ Key Principles

There are three key questions that must be answered when building the business case for testing:
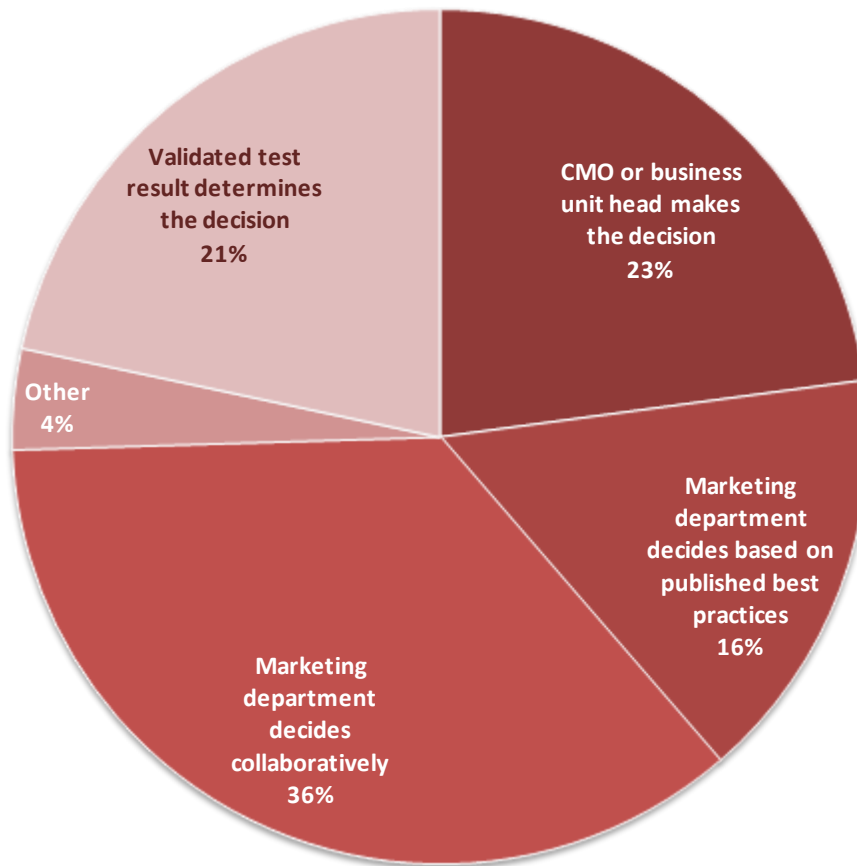
QUESTION #1: What is the state of LPO among your peers?

Daniel Burstein: So, first we're going to start by talking about question number one. What is the state of LPO among your peers? Right? That's the first question we're going to look at. So, we want to give you a sense of what your peers are doing. So, when you're presenting this...I know like when I've presented marketing plans or business plans in the past, something business leaders would always ask me like, "Well, what are others doing?" Right? You always want to get a sense of are you going to be a leader? Are you a lagger? How do you compare to others? There are some companies that just have that inherent culture where they want to be out front and leading no matter what. And, there are other companies that don't want to be the first people over the cliff, or whatever. They want to be amongst

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the herd. So, we're going to set up for you some of Boris' research, some interesting data here to help you understand what your peers are doing among LPO.

So, one thing that Boris found is it's very clear that marketers understand that many dollars are lost every day. They are losing money doing what they are doing now. Right? And, so let's take a look at what some of Boris' data tells us about how they make marketing decisions. Maybe, that's one reason why.

Who called the shots in 2010?

Validated test
result determines
the decision
21%

Other
4%

CMO or business
unit head makes
the decision
23%

Marketing
department
decides based on
published best
practices
16%

Marketing
department
decides
collaboratively
36%

marketingsherpa
powered by MECLABS

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

Boris Grinkot: One sentiment, that we found many marketers, and then just speaking from experience and I think a lot of people in the audience today know this, one sentiment that many LPO aware marketers have is this degree of frustration. And, other people, especially the executive in the organization, they just…you know, they're not getting it. And, why is this so frustrating, it's…well, we can see the data on the screen. Right? So, what we see is that what Avinash Kaushik had coined…the term is HiPPO, which stands for highest paid person's opinion. That tends to rule a lot of the time, as opposed to data or as opposed to test results. But, actually what we also see is that HiPPOS are not necessarily the greatest threat to a website's performance. It's not just these arbitrary decisions by individual authorities in an organization. It's also making decisions by committee can be just as problematic, because still you're dealing with individual people's opinions. And, even if you agree and you voted, and you decided on the best possible page, that's still an opinion, not one, but it's not necessarily the best page or the best process to be used on your website. What we see is that only 1/5th of the marketers that we surveyed said that their organization makes decisions based on validated data. And, of course, the flipside is that this spells tremendous opportunity for you. So, if you are doing this, that means you're in the minority and you're actually making the right kinds of decisions for a website.

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And, what I want to do is take a look at where our audience stands in terms of their LPO engagement, so we're going to run a quick poll to ask the same question that would be asked in the survey.

Audience Poll: State of LPO

POLL: Do you engage in landing page optimization (a.k.a., conversion optimization, post-click optimization, design for conversion, etc.) ?
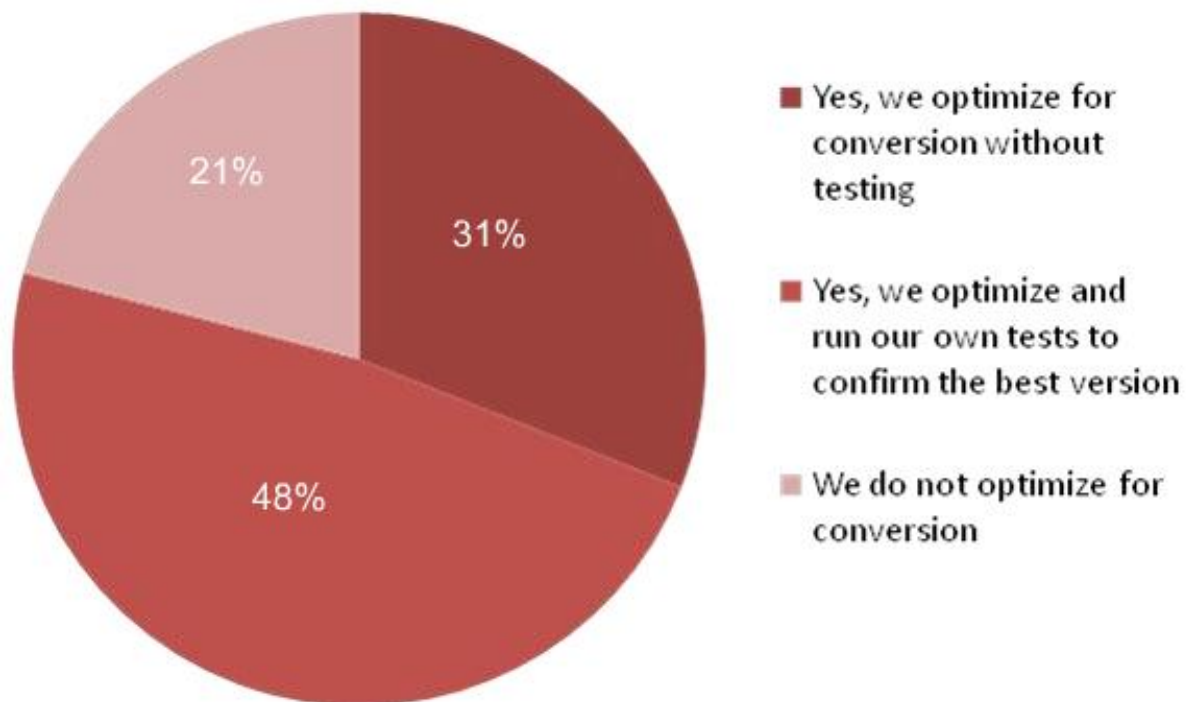
1. Yes, we optimize for conversion without testing

2. Yes, we optimize and run our own tests to confirm the best version

3. We do not optimize for conversion

Daniel Burstein: Right. Yeah. So, we want to get a sense. We probably have a very skewed audience right here, of course, because it's coming out of an optimization clinic. So, we don't want to…you know, we've run polls in the past and we've had people say, "Wait a minute! This isn't scientific!" And, we assure you, this is not a scientific process. The data in Boris' book has been much more thoroughly vetted using statistical techniques as well. But, we just wanted to get a general sense of the people on the call, if you are optimizing for conversion without testing at all. If you optimize and you're running your own tests, figure out the best version, or if you don't optimize for conversion at all.

Boris Grinkot: Yeah, and the thing is…sorry to interrupt, Dan. In the benchmark survey also, we had a relatively highly motivated sample, probably the same way as we do in the clinic today. The reason is that some of the respondents, just as marketers that joined us today, tend to be somewhat more experienced in LPO, just because that's why they were interested in the topic in the first place. But, that's actually a good thing, especially for the benchmark report, because that's the benefit of using best practices from marketers with a relatively higher level of expertise. And, at the same time, it also sets a relatively optimistic standard for everybody else, so that's a good thing. So, you can use information that's relatively higher level.
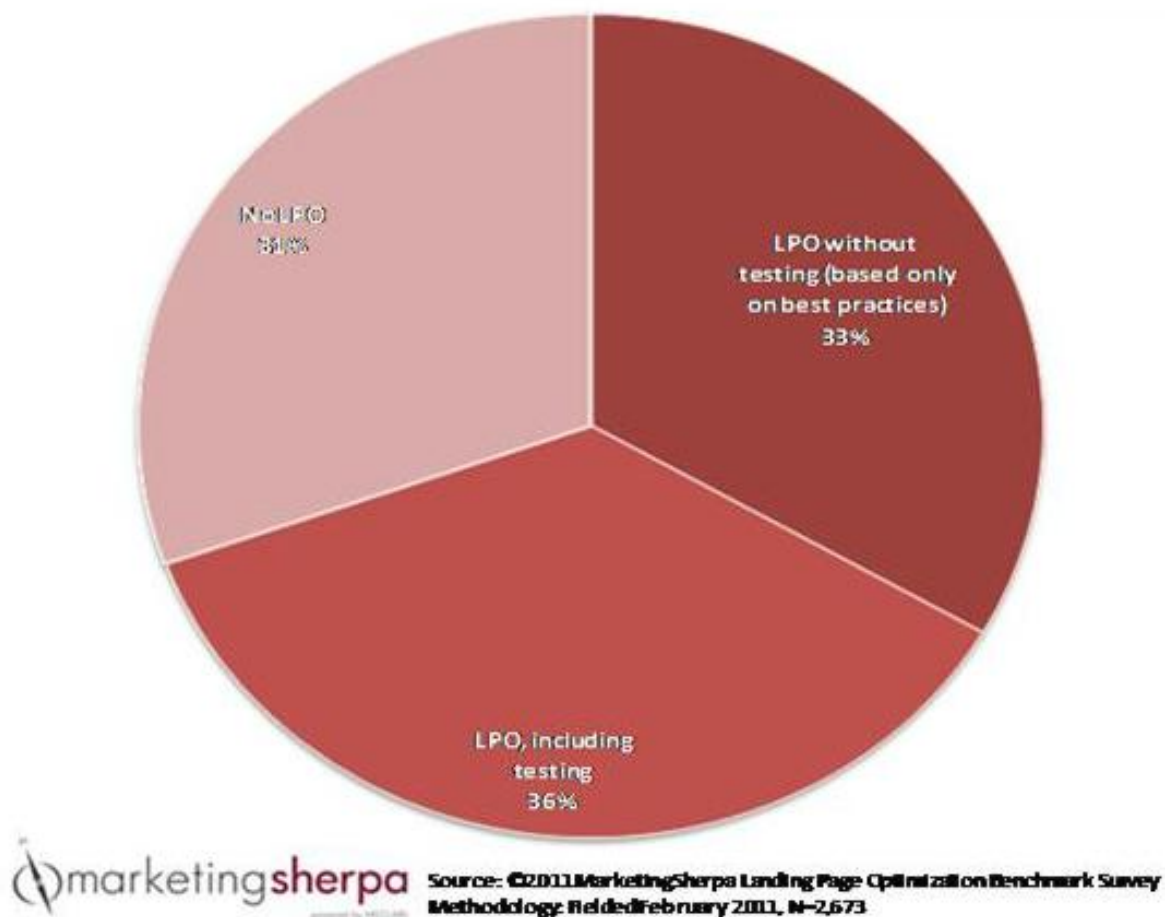
Poll Results

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Do you engage in landing page optimization?

21%

31%

48%

- ■ Yes, we optimize for conversion without testing
- ■ Yes, we optimize and run our own tests to confirm the best version
- ■ We do not optimize for conversion

Daniel Burstein: Alright. Well, let's see what our…yeah, let's see what our audience of professional marketers said. So, 48% optimized and run their own tests to confirm that conversion. And, that's great! That's almost half. That's pretty impressive. Again, we have a pretty biased audience. We also welcome the 21% on there who did not optimize for conversion. I think what you see here today is going to help you make that case to the business leaders and perhaps to yourself as well. Boris, why don't we take a look at what you found in your research. It's a little different.
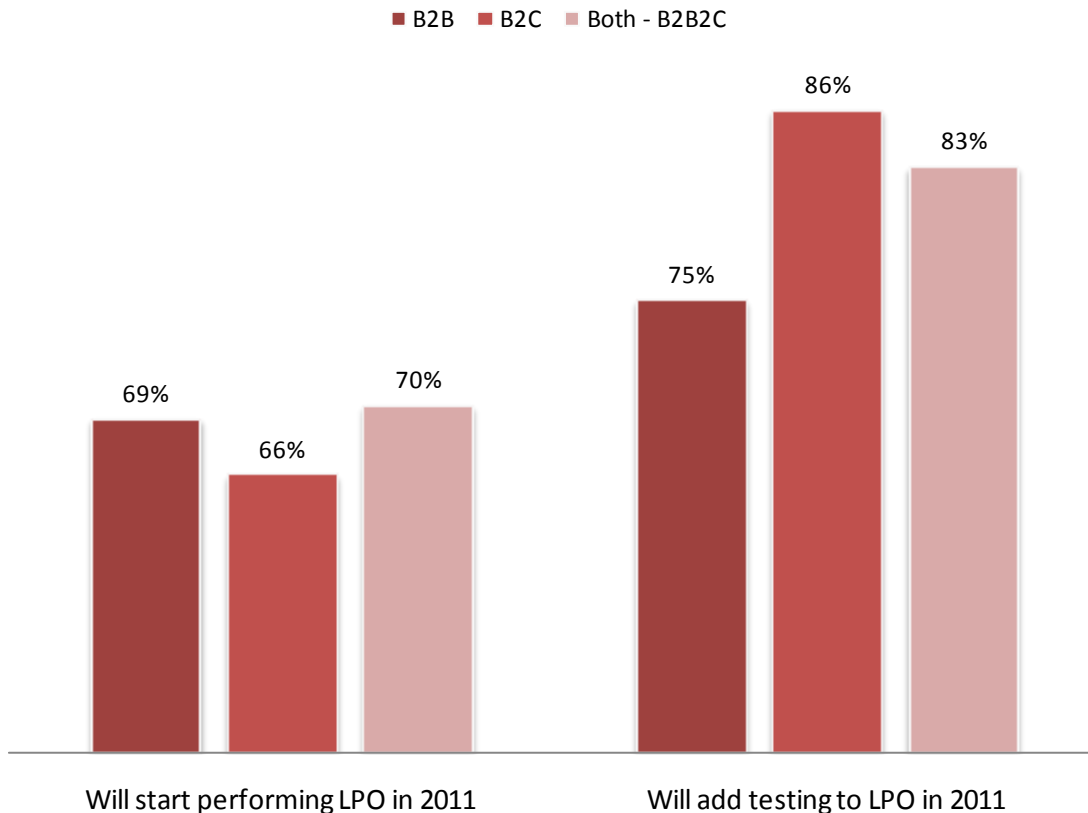
State of LPO in 2010

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

Boris Grinkot: It's a little different. So, we definitely seem to have a pretty sophisticated audience on the clinic today because in the survey, which is more representative of the average, although still again relatively more sophisticated than the overall average, but more than…the good thing is that over 2/3 of the survey respondents did say that they are involved in the LPO in some way or form, whether with testing or without, even given the bias in the data. At the same time, we see here that 31% of them said they did not engage in LPO at all in 2010. And, then again, that spells opportunity for the marketers.

Daniel Burstein: I think Boris found, from his research, that marketers, even if they're not testing today, they do get a sense that they want to use AV and multivariant testing.

Growing LPO practice in 2011

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B2B ■ **B2C** ■ **Both - B2B2C**

| | Will start performing LPO in 2011 | Will add testing to LPO in 2011 |

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

Boris Grinkot: If you look at marketers that were not engaged in LPO… So, of those who were not engaged in LPO in 2010, I have to kind of extend the chart a little bit. Those who were not engaging in LPO in 2010 at all, they responded roughly in the ratio of 2:1 that they were planning to commence some form of LPO projects in 2011. Also, on top of that…so let's look on the left side of this chart. On the right side, those who were engaged in best practices-based LPOs, so people who were doing some optimization but they were not yet, they were even more likely to take it to the next level, to start testing. So, the momentum of LPO is very high. Of course, you've got to take this with a grain of salt because of course either futures or projections, and as scientists and champions of testing, we know that because someone said in a survey we're going to do this doesn't mean they're going to actually do it, but so you can see that the sentiment is this is important. And, in terms of using this information as a tool for you to sell LPO upstream to your CMO or CEO, this is the very stark evidence that LPO is important and it's becoming not only a source of competitive advantage but maybe at some point also a necessity.

Daniel Burstein: Source of revenue.

Boris Grinkot: Exactly! So, the question is what's driving this, and of course it's the cash. And, those of you who are joining this clinic, not for the first time, but you've seen a lot of case studies that Marketing

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Experiments presents, you know a couple of times a month, on these outside returns that LPO provides. So, again, I don't think I have to sell this audience on this, but Marketing Experiments' clinics a couple of times a month show these double, triple digit conversion improvements that are not atypical for landing page optimization.

How to make the business case for optimization

☞ *Key Principles*

There are three key questions that must be answered when building the business case for testing:

QUESTION #1: What is the state of LPO among your peers?

QUESTION #2: How are marketers filling the resource gap?

Daniel Burstein: Okay, so now that we've given you a general sense of how your peers are approaching LPO, let's take a look at how marketers are seeking to fill the resource gap to start optimizing. So, essentially, as you try anything new, I mean optimization isn't unique in this space. Social media, we see this as well. And, as I said, Boris is also conducting research with the social media with Radian6 so that he can follow up some similarities he has seen. But, anything that your company is trying to do new to improve, you need to fill some resource gaps that you don't currently have. Now, when I was talking to Todd Lebo about this earlier today, he made an excellent point. He said, "As marketers, we are essentially all optimizers. Right? I mean, we're trying to increase conversion rates. We're trying to increase traffic to our sites, increase sales, increase leads." So, there is definitely something inherently in us where we understand the basics of optimization.

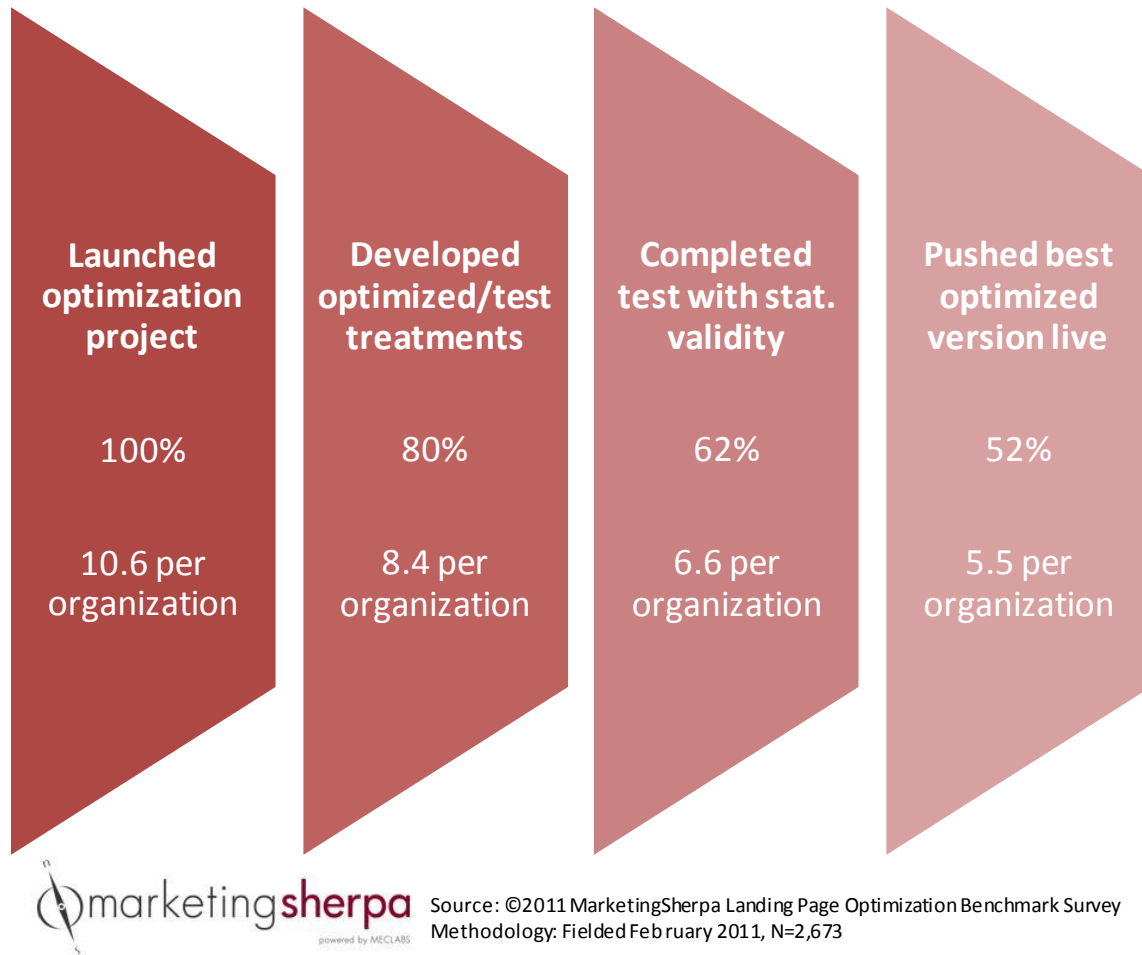## CMO Insights: Budgeting for salaries/consulting

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

*"Didn't consider outside consulting, **tried to start in-house resources first.**"*

- Benchmark Study Participants

Daniel Burstein: But, that doesn't mean that there aren't certain specific skills that your organization doesn't have right now that you need to fill. So, let's take a look at how organizations are doing that, whether they're trying to fill that extra piece in-house or they're trying to outsource that and feel like they don't have that expertise in-house. I think there is a certain commonality between when they try to launch an optimization program, as with any program, and what they get out at the end of that funnel, so to speak. Wouldn't you agree, Boris?

Completion of LPO projects in 2010

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Launched optimization project	Developed optimized/test treatments	Completed test with stat. validity	Pushed best optimized version live
100%	80%	62%	52%
10.6 per organization	8.4 per organization	6.6 per organization	5.5 per organization

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

Boris Grinkot: Yeah. And, actually I wanted to share is this excerpt from the study which shows…and it's a nice summary of the data on the LPO project lifecycle. So, one the one hand, this should give marketers that nod on LPO, kind of a sense of project load that's involved. Although, again this is an average, so…and if you saw the variance, it's pretty broad. So, some companies do a lot more than this. But, you can kind of get a sense of how many projects organizations typically get through per year. But, also what the study has revealed is that almost…well, you can see, is almost half of the projects, 40%, don't make it even to test completion. They die somewhere in the planning or development stages, which means that…again, this an operational issue and we wanted to focus this clinic on operations more than anything else. And, in the study which we go through there is a number of different challenges. We're going to show you a couple of them today, but just all of these different kinds of challenges that marketers are facing in their different degree of influence on their ability to get engaged in LPO. And, also we'll talk a little bit about ways that we learn and pick up these skills. But, certainly one way is to look at how do we, as I'm saying, so how do we close this gap.

Daniel Burstein: Yeah, so we got a great comment here on #webclinic @photobethr said, "If landing page camels (horses designed by a committee) or the HiPPO, (highest paid person's opinion wins) are

we jellyfish?" So, we certainly don't want them to feel like jellyfish. So, maybe we can give some structure to that…I don't want to say a backbone, but some structure to those people that feel like jellyfish out there. But, before we dive a little deeper, are clearly hiring more development and creative staff important, as you can see in this marketer's clip.

CMO Insights: Overcoming challenges to LPO

"Hiring more Development and Creative staff to solve problem of not enough resources, and being more proactive in getting test traffic via social media and personal invitations (as opposed to just waiting for it to turn up)."

- Benchmark Study Participant

Daniel Burstein: Boris, maybe from your research, can you give us a high-level look at the overall strategy you think an average marketer with limited resources could take to begin LPO? Clearly, we're talking now about setting that business case to help you get the resources. But, where else should be they begin?

Boris Grinkot: The question as far as the…

Daniel Burstein: I mean, what…

Boris Grinkot: Go ahead.

Daniel Burstein: Yeah, I know one thing we've talked about in the past is to start small, test, have that first basic test and use that as part of this business case to make more of a case for testing.
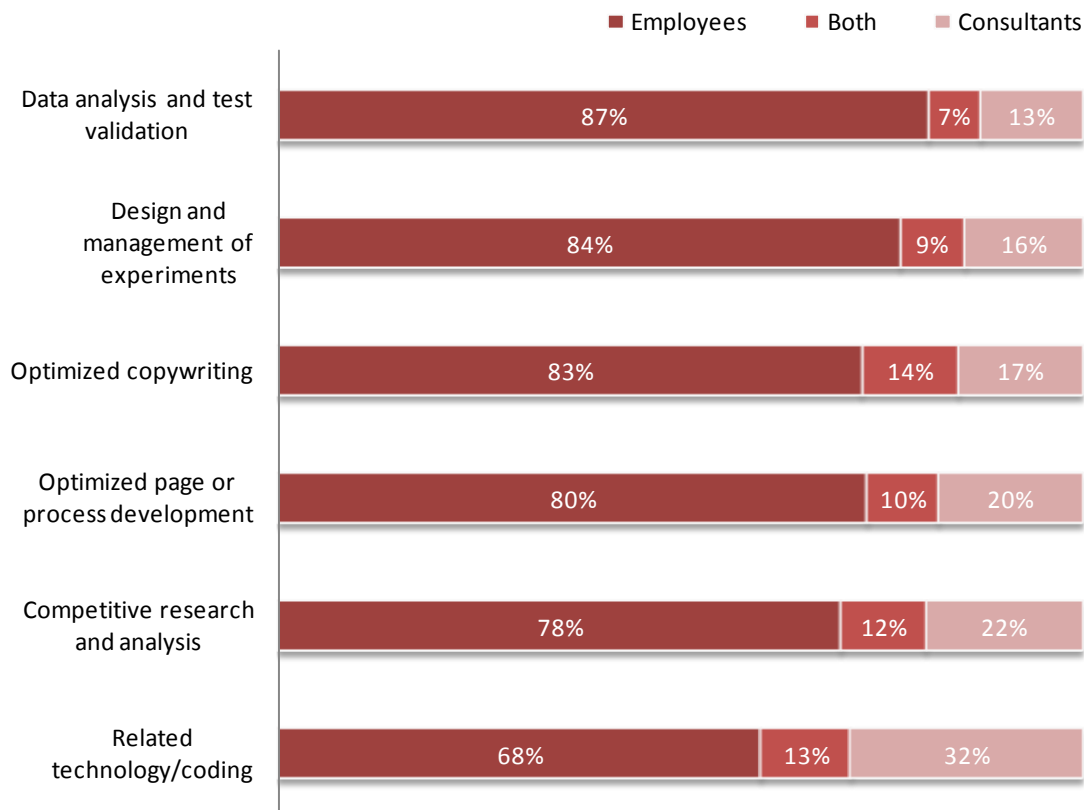
Boris Grinkot: Sure. Absolutely! There's a little bit of the chicken or the egg problem here. Right? So, a lot of questions that questions that marketers…one of the challenges that I don't have the data for in this deck here, but one of the big challenges is demonstrating ROI of landing page optimization. What we've seen is that the last thing it's taking too long and that can't calculate ROI are showing that the ROI is positive. But, the problem is 40% of marketers either don't know what the ROI is or tried and could not figure it out. So, there is this gap between being able to demonstrate the results and then being

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able to use those results to get budgets and consequently resources to get more results. So, the key is to be able to use…to find these low-hanging fruit. Now, actually in some sense, it should be easier. So, if you are not…if your organization has not been involved in LPO before, you probably have more of that low-hanging fruit available and it's easier to apply best practices, even potentially not testing, because you can identify these big, big…just like in the case study actually that we had at the beginning of this clinic, where a huge improvement…I think it was somewhere around 47% of new carts were being lost in this funnel leak and basically by recovering them it was a huge increase in the revenue the site could obtain.

So, there is always low-hanging fruit. And, we'll talk actually a little later about the importance of looking at data and web analytics, because that's where you get into start to find these big drop-offs. We can focus just on those. As I was saying, we're pulled always in a lot of different directions. There is this email campaign that you need to create a landing page for…or they may be just the fires that need to be put out or something is just broken on the website. But, taking a step back and looking at the analytics, and identifying pages, and independent of course on the level of sophistication that you're going to have with your analytics tools, but being able to identify steps in a process or envision the pages that seem to be responsible for major drop-offs, that's how you can identify, "Well, here's what I need to focus on. Let me figure out if I can quickly make a change. And, sometimes it will be obvious. Again, in the example at the beginning of the clinic, once they've saw the numbers, when they saw it, they're just, "Hey, there is this huge drop-off here. What's going on?" All they have to do is just pry it open a little bit and the answer is obvious. So, if you haven't done LPO, you probably have a lot of those. Use those simple changes. It is critical if you also measure so you can actually demonstrate that here is what was happening before and here is what we have after, so you can have numbers in hand to build a case for LPO.

Daniel Burstein: Now, I wonder if one of the challenges of measuring ROI is like the previous slide you showed, that so many…there is such a drop-off between what's started and what's completed, and clearly you can't show ROI if you don't complete the project. That's step one. Right? Get it done. So, let's dive more and talk more into how marketers are planning to address that and those gaps they see in their skills. One way, they're trying to hire more development and creative staff. But, how many marketers are actually trying to hire and do that in-house versus how many are outsourcing that?

CMO Insights: Overcoming challenges to LPO

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Legend: ■ Employees ■ Both ■ Consultants

Function	Employees	Both	Consultants
Data analysis and test validation	87%	7%	13%
Design and management of experiments	84%	9%	16%
Optimized copywriting	83%	14%	17%
Optimized page or process development	80%	10%	20%
Competitive research and analysis	78%	12%	22%
Related technology/coding	68%	13%	32%

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

Boris Grinkot: So, and this is a pretty straightforward solution. Right? So, if you can't do it yourself, you can outsource this. But, actually what we've seen is that marketers that perform these functions, as we see on the screen and we've had some other ones, but these are some of the key functions related to LPO, we see that the level of outsourcing is actually not terribly high. And, marketers that do outsource, a high portion of those have in-house staff that supports the same functions. So, you see that little sliver in the middle. That's the overlap between the two, between the employees and the consultants.

And, in my experience, working on these kind of consulting engagements, having in-house counterparts that understand optimization and testing is actually incredibly valuable because it helps the project move along. So, it's not like the consultant is there making their case, but nobody is listening to them, nobody understands what they are doing. Although, a lot of the time a company is just, with the virtue of having paid a lot of money, they're listening to the consultant anyway because that's kind of the built-in value. But given how important LPO is to the business, it absolutely makes sense that it shouldn't be entirely performed outside of the company, that you have somebody in-house who at least understands and is aware of the process, because they'll see LPO as… Dan, you were saying earlier, it's not easy, but

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it is manageable. So, it's complicated. There is a lot of expertise involved, but there is no reason not to have anyone in the company who has at least some idea of what data analysis and design of experiments is all about.

Daniel Burstein: Along with that data analysis and design of experiments, a question we often get, and I'd like to get your insights into this as well, Boris, but people also often ask what specific tools or resources that we recommend for the marketers trying to do this, especially those in-house marketers. You know, what would they recommend? And, we don't tend to recommend a specific platform because we work with Omniture, we work with Google, we work with lots of different platforms. So, if they have Google Analytics…so as far as Google, that is a sponsor for our upcoming optimization summit.

Boris Grinkot: Hey, I think it's true. The second letter, O, in Google, that's the sponsor.

Daniel Burstein: I like when you search in Google and there is about 100 O's because it's so long. Then, we've got the 14th O or something. But, Boris and I with both be speaking there. But, anyway, we don't tend to dive as deep into the tools because, you know, we work with a lot of these different vendors. They're similar, in some ways they're different. We try to focus more on that methodology that you use when you're testing. And, so some resources we can provide you, of course we have our own…you can go to Marketing Experiments, to our research archive there and learn about all of these different ways you can optimize your pages and your buttons, through testing. You can also learn about what I'm speaking about, what I'm getting excited about, is how to make sure you have valid, statistically significant tests. One chart that Boris isn't able to show you today from his book is the surprisingly low number, I thought, of marketers that don't validate their tests at all. I believe it was only 60% of marketers validate their tests.

Boris Grinkot: Right. Yep, it's 60:40.

Daniel Burstein: Yeah. So, when you're thinking of resources, I mean think about…you've got to look at what the fundamentals of testing and optimization are, and some of those things are statistical significance, and validity, and understanding what it means to have a valid test. So, you can learn more about that on MarketingExperiments.com. Boris, do you have any other thoughts about any tools or resources that can help marketers?

Boris Grinkot: Oh, and…well, not only just because we don't want to be biased in which tool we recommend, but really as far as web analytics and testing, the industry is fairly mature. I want to say that all of the kinks have been worked out and every tool is perfect, and there are definitely differences between them and I would encourage marketers to explore those. From working with different companies, we've seen that depending on what these needs are, depending on what specific functions, their website has built in different analytics and testing tools that work better, and they are still different. You know, Google Analytics and Omniture Site Catalyst are not identical. There are some advantages to each one and you have to know which one to use. And, it's actually…and it's a substantial investment even though Google's tool is free. But, but actually you do invest a lot of time and resources into installing it, so it's…if you get married to a particular tool and you spend time rolling it out, you have

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to be sure that it's going to work for you, because if it doesn't then you not only have wasted time setting it up and installing it, also the data it's collected, it's not as easy to take it somewhere else with you. So, there are a lot of different issues, and you want to have that data…the data is probably one of the most valuable things that you can have in LPO. It's not really the best practices really, the data that you have that you can analyze. So, identify, like I was saying, those low-hanging fruit. Or once we've passed the low-hanging fruits to maybe slightly high-hanging fruit, opportunities.

So, the flipside is, not to give you a non-answer, is to keep investigating the tool so you…and you can try them out and see if they work, and at the same time there is a lot of general things that are the same across all tools. And, so if you're just starting out, for all different purposes, pretty much any of the leading brands is going to work for you and you may necessarily have to learn…I absolutely encourage everyone to…you know, the learning, the tutorials and so on that vendors provide, and they are pretty extensive. And, you do get a lot of value out of it, so absolutely time very well spent.

Daniel Burstein: Yeah, and I think you made a good point, Boris, for doing a MarketingSherpa case study with a company called ClickMail. And, they sell all sorts of different email service providers and they tried something called "The ESPinator," to show that it's not one email service provider, or in this case it's not one optimization analytics and testing tool that works best, period. It's what works best for you, and I think that's what you have to discover.

So, let's dive again into how to fill these gaps with the resources and then we're going to end it with, I think, something that's going to be very helpful to give you a high-level look at how you can help starting to put together a very basic plan, an optimization plan, and I think Boris is going to be able to use not only his research that he generated with this book but again all of the hands-on research he has done with our research partners to help you with that. But, let's dive back in.

Agency Insights: Overcoming challenges to LPO

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*"Hopefully greater **cooperation** between different marketing departments. Greater creativity in coming up with different treatments to test."*

*"Designing better tests taking into consideration **resources available** to the client"*

*"Working to get **greater buy-in and commitment** to the optimization process."*

- Benchmark Study Participants

Daniel Burstein: So, as you said, Boris, the challenges, even if you've got people in-house or if you're outsourcing, the challenge is you need that cooperation. You need to make sure the resources are available and there is buy-in and commitment throughout the organization, or you can set up the best possible tests and they may never run. Right? You may just never have the resources to even put the simple analytics code on a page. Right? So, regardless of how you start, you need to be able to make sure you get it done, where you're not just a statistic on that slide that Boris showed earlier about how much drop-off there is between beginning of an optimization project and actually getting that optimized page live.

Agency Insights: Overcoming challenges to LPO
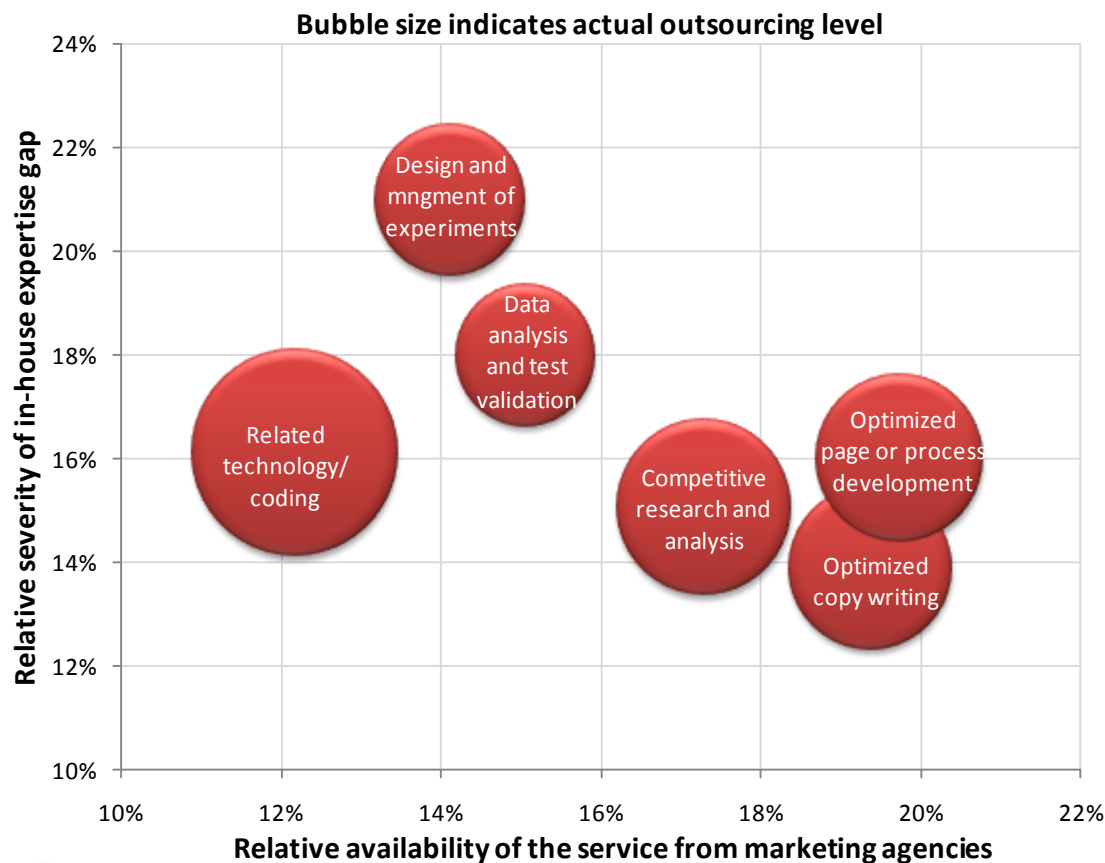
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Bubble size indicates actual outsourcing level

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

Daniel Burstein: Let's talk about outsourcing specific LPO functions. And, actually, I think if you're an agency or vendor, you'll be very interested in this slide because it also shows where there is a gap between what agencies and vendors, and consultants are providing to marketers, what marketers are looking for.

Boris Grinkot: Yeah, and so this is a nice little summary, kind of three-dimensional summary of data, on the one hand availability of certain kinds of services from agencies, and then on the other hand the degree of expertise gap that we identify through the study that different organizations have. And, you can see that design and the management of experiments and data analysis are near the top of the demand scale, but actually they're near the bottom of the availability scale. So, this is an opportunity, as Dan was saying, for agencies to jump in off of those services. And, it's part of the reason why in the previous chart we saw those services are the least likely to be outsourced. Although, at the same time,

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it's also important that these services that are so critical to the core operations, or core LPO operations, that it might be difficult to outsource, and some marketers are probably just wanting to keep it close to the chest because this is really the core or the heart of LPO is really in data analysis. On the other hand, if you do choose to outsource, again it's important that somebody in the organization is at least informed on those topics and I hope that some of the folks in the audience today are doing it.

Daniel Burstein: But, what I get doing when I look at a chart, I just get to speculate. You know, I'm on the editorial side. I mean, Boris actually has to answer with research, but I like looking at this chart and just speculating. And, an interesting thing I noticed, I have a past in copywriting, and it said, "optimized copywriting." Right? "Relative availability of the service in marketing agencies." I'm particularly interested in this because we were just working with Dr. Cliff McLaughlin yesterday, the Managing Director of our labs, and they talked about our optimization summit. He's going to be speaking about copywriting there and I question how many of these agencies are actually offering optimized copywriting and how many are just offering copywriting. So, that's also something to think about when you work with your agencies, and I'm not trying to put the agencies on the spot, their real sense about what they mean by optimization. Is it just optimized because they have a senior copywriter who they think is very good or are they actually testing it and really working off some optimization principles? So, that's my speculation, Boris. I don't know if your research supports it.

Marketer Insights: Overcoming challenges to LPO

"We are [currently allocated] 1.5 full-time employees to manage entire marcom effort in educational institution and these **important tasks are falling off the table.**"

- Benchmark Study Participant

Daniel Burstein: But, let's jump ahead. So, I think while you're trying to set up these functions and make sure you have all of your bases covered beforehand, when you're making this business case, because you're trying to set yourself up for success. Right? I mean, that's what we're trying to do through this entire web clinic, is help you set yourself up for success when you're making that business case. And, one thing you would need to do is you need to make sure that someone is leading the charge for optimization, either you or someone on your staff. You need to make sure because it's so easy to have important tasks fall off the table and, again, get sidetracked. So, Boris, why don't you tell us about how companies are staffing up?

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LPO Staffing

Part-time or secondary responsibility
Full-time and primary responsibility

3.2 Total

1.62

1.56

2.4 Total

1.30

1.13

1.6 Total

0.83

0.73

2009   2010   2011

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

Boris Grinkot: Sure. So, what we see in the study is this very steady growth in the number of employees involved in landing page optimization. Again, these numbers are somewhat optimistic because survey respondents tend to be more aware of LPO as such. Again, same thing we are seeing in the clinic audience today. So, even if we surveyed the audience today, probably would see even higher numbers here. And, also, as you can imagine, most companies have zero employees involved in LPO, who are just not represented in the study for the most part.

So, for the folks that are on the call today, this is probably very good news. If you had at least one person working on LPO, you're well in the game for toning it up. And, as I was saying before, it's certain functions you do want to have, either awareness or preferably somebody who is, if not full-time, part-time responsibility is to be on top of these things. Because, it's not just some…you know, it's not something you can just hire an intern for. And, Dan mentioned our social media project. In social

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media, there is the same kind of…you know, they just hire an intern to do tweeting for us. Probably a lot of you have heard all kinds of disasters, just PR nightmares that has caused because the companies weren't treating social media as an important part of what they do and they just delegate it to somebody who wasn't experienced enough and with some detrimental result, LPO same thing. And, it's probably easier not to make those mistakes in LPO because website, as such, is a much more mature part of the company, a part of the business engine. So, you don't just have some random person come in and change your pages for you. And, so it's important, in so far as needing to go too much in depth on the type of expertise that are required, but as you can imagine, with the data analysis and design experiments there is some fairly advanced level expertise you can have in those topics and it's important that there is some awareness of them at least, if not actual expertise in the organization.

Daniel Burstein: Yeah. And, Boris, as you talk about staffing up and making sure to get enough expertise. I'm following that. Twitter has that web clinic there. And, I've got to say, I'm loving @photobethr. She was the one that tweeted about jellyfish. She said, "There is a huge difference between SEO-optimized copywriting and conversion-optimized copywriting. Know what you're getting." That's an excellent point! I think that you've got to keep that same point in mind as you hire and staffing up. That word, optimization, is attached to many things, for example search engine optimization. And it's probably different when you're trying to bring in traffic to your site. We're talking about optimization, as you invest heavily, likely, in driving traffic to your site. You invest through billboards, through PPC ads, through name on a stadium, through sales calls. A lot of what you do likely leads into a landing page, leads into a site. Even a lot of the social media activities. And, are you getting the best value? Are you making the most efficient use of all of those investments to tap into what you're doing? So, as Boris said, you've got to look for those key core competencies among them, data analytics, ability to run tests and ability to understand what we're really talking about when we're talking about optimization.

Boris Grinkot: Absolutely! And, not to dwell on the SEO point, but this clinic is…you know, SEO copywriting and SEO in general are performed for the purpose of impacting what happens on the search engine. You are optimizing for the search engine algorithm. You're not optimizing for human beings. Now, Google and so on will tell, "You know, go ahead and optimize your site as much as you can for people and we will figure out an algorithm that will actually take advantage of that, and so our algorithm will work with a human being." But, as those of you who are SEO experts know that it's not the case. There is somewhat of a disconnect between what you would do for a person and what you would do for a search engine. And, so in that sense, LPO is very much about psychology and we'll talk about that in a second.

How to make the business case for optimization

☞ Key Principles

There are three key questions that must be answered when building the business case for testing:

QUESTION #1: What is the state of LPO among your peers?

QUESTION #2: How are marketers filling the resource gap?

QUESTION #3: How do I develop a proposed optimization plan?

Daniel Burstein: Boris, you're setting me up perfectly! That's our next topic! And, so we've already talked about, you know, what are your peers doing, what are other agencies doing, what is the state of LPO right now. We talked about how to get those resources. But, in the end, if you're going to make that business case for optimization, either to your clients or to your business-level managers, you're going to get that by doing…you're going to set yourself up for success. You need to develop a proposed optimization plan. Right? And, this ties into another great tweet on #webclinic @ericarowe is talking about, you know, "Optimization for what purpose?" We talked about SEO. That's an entirely different optimization. Are you optimizing for conversions? Are you getting the best value? And, we want to help you, at a very basic level, develop a proposed optimization plan so you can understand how to get that.

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Developing an optimization plan

LPO Master Task List

STEP 1: Explicitly determine the objective

STEP 2: Understand visitor preferences and motivations

STEP 3: Create relevant, value-driven experiences

Daniel Burstein: So, Boris put together, from his years of experience this LPO master task list. Now, let's start with step one here, "Explicitly determine the objective." I'm just guessing if you're trying to get somewhere, you need…you're trying to optimize. Right? The very basis of optimization is knowing what you're optimizing for. You know? It's kind of like getting in a car and not knowing where you're going. Right?

Boris Grinkot: Yeah. What I've wanted to do with this task list is just really help the audience start planning their operations for LPO. And, this is something that you can use to build a case for your CMO, for your CEO, or if you are one of those C folk, for yourself, to be able to actually start implementing. And, we saw on this clinic, we only have, what, 20% that were not engaged in LPO at all. So, this should be helpful for those who are as well because what we've seen is that even people who do optimize or run tests, it's not always framed in a regular operational process that's installed. So, it's just kind of performed randomly, without a plan in place, and definitely we have to plan on just doing all of this work with our research partners, is that planning experiments. And, it's also, just from the scientific method perspective you have to have the design of experiments. You cant just throw things in there because that's going to be incredibly inefficient and, you know, if you just want to see what text you can use, all of the tools and all of the analytical…all of the analysis and have all of the good statistics there, you know have statistical experts. But, you are still not going to get good results because you don't have a plan in place that takes advantage of all of the experiments that you perform to be able to use, let's say, an interpretation of the results to build the next experiment. But, also from the operational perspective, you still need to be…you could have certain prerequisites. So, it might seem simple, but explicitly determining that objective is absolutely critical. And, before I go into that, let me just get out of this page by showing how we conceptualize LPO in the first place.

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STEP 1: Determining the objective

Boris Grinkot: And, part of this came out of this Marketing Sherpa study to just really boil it down to two things. And, it sounds primitive, but it's…it's just LPO is the intersection of the website and the visitor, and how they interact. So, the main attribute of the website is its objective, that is basically the ultimate outcome that you want. And, the main attributes of the visitors are their preferences and motivations. This is what they want or how badly they want it. I'm going to show you, in probably a couple of slides, a chart from the study that demonstrates which data marketers are using to determine these preferences and motivations. But, first I want to talk about the easy stuff, which is the objective. So, for larger websites, there may be more than one objective. For a given interaction, you should try to narrow it down to one specific target business outcome. It could be generating a lead, closing a sale, and so on. And, I would not even say that's a best practice. I would say that is THE practice. You know, **LPO is web design with an agenda**. That is the very core nature of landing page optimization.

Daniel Burstein: Yeah, I love that line, Boris! I love it! Let me…I'm just going to jump in and talk because I love this line! I love this line so much!   I said, Boris…he was kind enough to ask me and a few others around here to take an early look at his book. And, I was reading through his book and I saw this line, and I loved it so much I had to tweet it before we even published the book. This is the tweetable line in the presentation, by the way, if you're looking for the tweetable line, by @grinkot. And, someone tweeted back and I don't know where they were working from, but they said, "What are you saying, that design doesn't have an agenda?" And, I'm sorry to say, sometimes it does. But, when we talk about an

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agenda, we talk about an ROI goal and an end result. And, with many of the designers I've worked with, their main agenda is to make something look pretty. And, that's not the agenda we're talking about now. Are we Boris? That's not how you make the business case. Is it?

Boris Grinkot: No. Absolutely! And, that's thing, just responding to that comment, to that tweet, was that there are other things that are also designed in the agenda. I'm not saying that LPO owns design. There are other things that are designed for a purpose. But, this is, as far as how marketers change their web pages a lot of the time, it's just pushing things around, like you said, to make it look good and do experiments. And, again, people who have been in these clinics for a while have seen probably a ton of cases where something that looks better actually does not perform better. So, defining the objective is critical because the way you use it...so, it's not just an exercise, just to have an objective, print it out, frame it and put it on your wall. You use it because…the way you use it is you can examine every single element in the page and every part of the conversion process with just a simple question, which is: does it help achieve the objective?

If you're making changes to your website without that objective, so you just…you could be just wasting your efforts because you could not be contributing to the end. I wanted to see if our audience today has gone through the exercise of explicitly defining the objective of their websites. We will give you all maybe 20-30 seconds to respond.
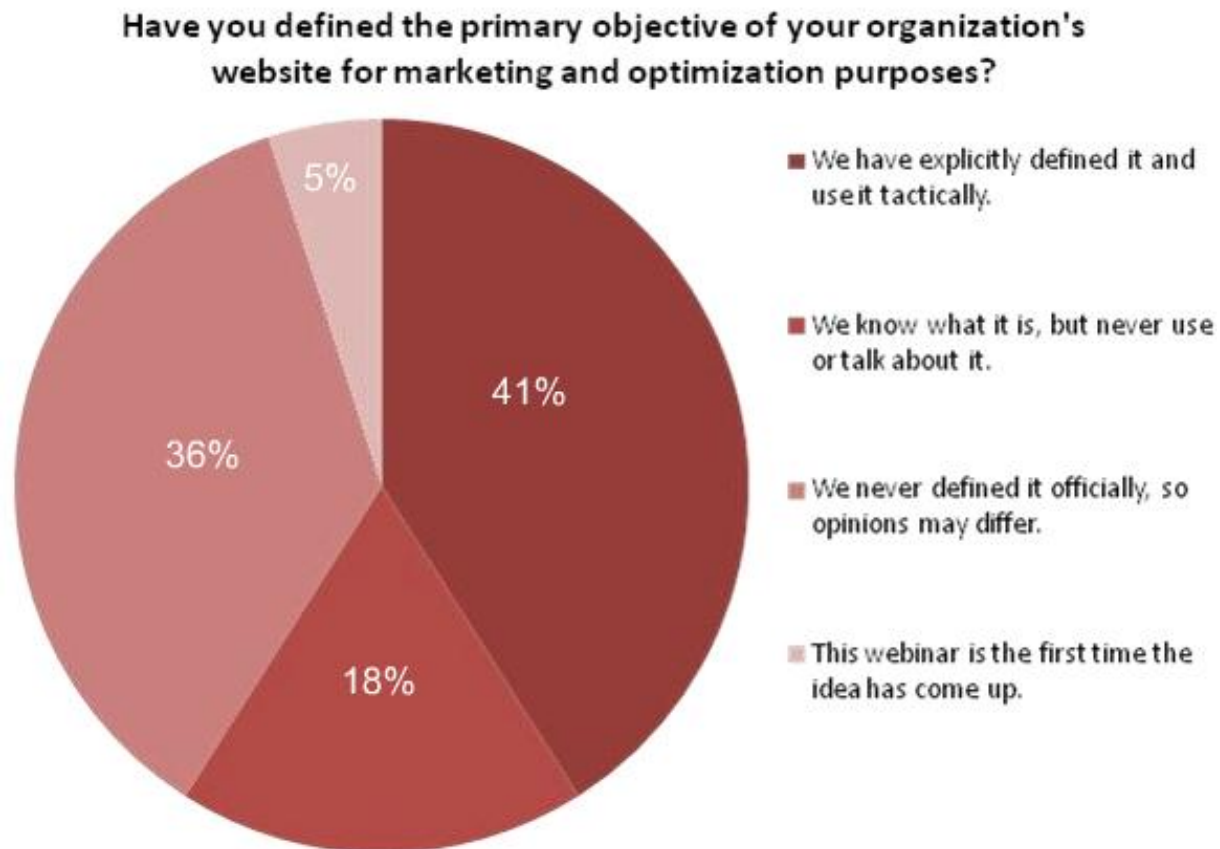
POLL: Determining the objective

POLL: Have you defined the **primary objective** of your organization's website for marketing and optimization purposes?

1. We have explicitly defined it and use it tactically.

2. We know what it is, but never use or talk about it.

3. We never defined it officially, so opinions may differ.

4. This webinar is the first time the idea has come up.

Boris Grinkot: Operationally speaking, setting that objective is essential because it allows you also to prioritize optimization opportunities. I mean, somebody asked that question earlier, about how do we

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get started, how do we make that case. By going through the exercise of stating your objective, you can probably…you know, on the top of your head, everybody on this call can probably list 5 or 10 things that you'd like to improve on your websites. But, by setting the objective, you can then prioritize based on how much does this particular change you're going to make, contribute to this objective. And, sometimes, you know, there might be something broken in the site that between looking at your objective and looking at your analytics you may say, "You know, practically nobody is visiting this page? Nobody is using these features. It's going to take us how long to fix it?" As opposed to, "We can go to this other page that everybody is going through and it seems to be a bottleneck. It's creating all of these exits from the site, so let's investigate that, even though there are other things that might be also amenable to improvement but not critical."

Poll Results

Have you defined the primary objective of your organization's website for marketing and optimization purposes?

- ■ We have explicitly defined it and use it tactically.
- ■ We know what it is, but never use or talk about it.
- ■ We never defined it officially, so opinions may differ.
- ■ This webinar is the first time the idea has come up.

Daniel Burstein: Let's take a look at those results. So, look at that, 41%! We've got a pretty advanced audience here, 41% explicitly defined it and used it tactically. And, 36% it's another pretty big group there that have never defined it explicitly, that the two may differ. So, hopefully you're getting

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something out of this web clinic, where you are able to define it more explicitly and make sure everyone gets onboard, and that's partly hopefully, what we're showing you here, how to get your business-level leaders onboard. But, that 5%, and I'm glad that's small, but hopefully we're really serving you, that this web clinic has given you the idea to set that, determine that objective and make sure you're using it tactically throughout your organization. So, how would people determine that objective, Boris?

STEP 1: Determining the objective

Boris Grinkot: Yeah, so I just want to throw out a very simple three-step exercise. And, again, this is something you can probably do in an hour and this is probably where you do want to have key stakeholders. Because, what you start with is going to be the business objective. So, if you have a business plan in place, that's great because you can actually just copy and paste from there, but understanding your business objective first, then understanding how these business objectives map onto your website objectives. If your website is your business, even then it's not always exactly the same thing, because you need to express your business objectives now in that second step, in terms of things that need to happen on the website. And, sometimes it's pretty straightforward. You know, we want people to buy stuff. Sometimes, it's not as straightforward, especially in scenarios where it's not an e-commerce website, in which case there is probably a lot of different things your website visitors can do and you might have multiple objectives then. One is maybe a direct request for...let's say you

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request for a proposal. Another objective would be to get, let's say, somebody who just subscribe to a newsletter and so they can then be entered into a nurturing process.

But, it's important that you translate your general business objectives into specific things that need to happen on the website. And, the last step, and then translate those also into actions that you want the visitors to perform. So, those…and, it might seem like it's the same exact thing, but actually it's important to understand from the visitors' perspective what you want them to do, what do you want them to actually click. And, I mean it's really getting down to that kind of very primitive level of you want them to click on this button after reading this page. And, that of course also has implications for how you define conversion. That's outside of the scope today, but that's something we also cover in the benchmark studies, how marketers define a conversion, what does that mean. But, I know it's out of scope today.

Developing an Optimization Plan

LPO Master Task List

STEP 1: Explicitly determine the objective

STEP 2: Understand visitor preferences and motivations

STEP 3: Create relevant, value-driven experiences

Boris Grinkot: And, if you go to the next step…so, the first step is to explicitly determine the objective. The second step, and this is not…you know, it's a big step, is to understand visitor preferences and motivations. And, it's…of course, it's a lot more difficult. Getting a human being to behave in a certain way is something that requires the right psychological….you know, pulling the right psychological levers and setting off the right psychological triggers. In LPO, this means communicating the offer in a way that matches those preferences and motivations. Fundamentally, one of the things you need to identify, and this is something you will see pretty easily from your web analytics, is to understand the page and paths that contribute to conversion. So, that's what I was saying, in terms of what's important, which pages are important that we need to look at. You can see where people are actually going or where people are dropping off. And, from there, you can identify leaks in paths toward the objective.

If you're a little bit more sophisticated with your web analytics, you may be able to identify what are called virtual segments or active segments, where you can see a page embedded…people visited a particular page. Those people convert really well. Or, if they visit a different page, those people convert

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really badly, and you can start from there, identifying not only leaks in a kind of straight-forward way, where people drop off, but also pages that impact conversion directly. And, lastly is identify significant visitor segments. And, that's probably the most complex part, because it's not just something you can easily pull out of your analytics tools, although to some degree you can and we will show a chart in a second that gives you some of those. Because, you can develop segments based just on the traffic source, but also, of course, the preference and site graphics that look into it. And, we have a chart with some of the key sources of segmentation.

STEP 2: Understanding visitors

Sphere size indicates usage

Source: ©2011 MarketingSherpa Landing Page Optimization Benchmark Survey
Methodology: Fielded February 2011, N=2,673
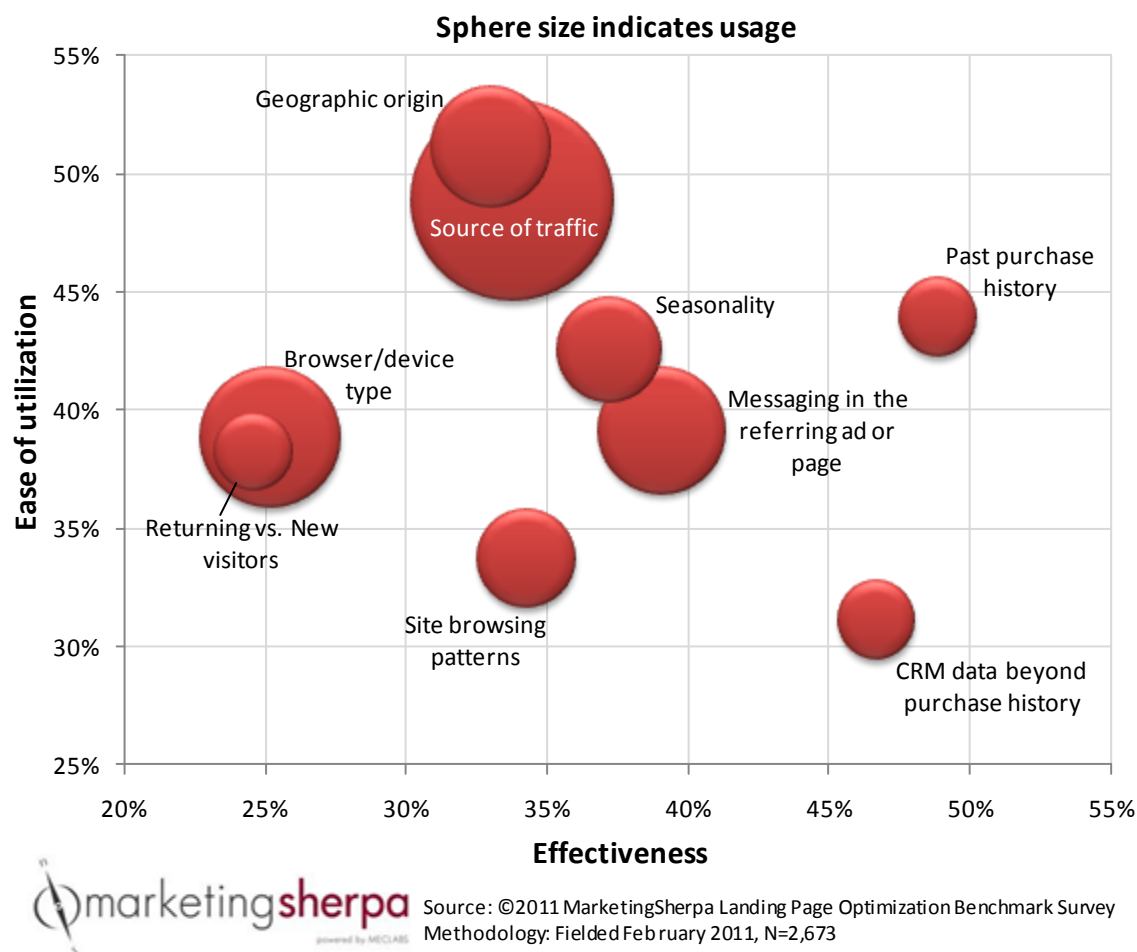
Boris Grinkot: And, it's important to…what we saw in the study, and you see it on the right side of the chart, is that information about the visitors' past transactions on your website have been actually found the most…absolutely the most valuable by marketers in building segments. And, also at the same time, they are some of the most difficult to get. So, why is this data so effective, so the two smaller dots on

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the right? It is because it tells you about visitors' preferences in a very direct way. And, these are their preferences that they expressed and the choices that they already made. This typically results in much higher correlations than all of these other types of data. There is a difference between knowing that the visitors had arrived during business hours tend to respond well to, let's say, emphasis on its extended warranties or knowing that the visitors that purchased the extended warranties in the past respond well to offers that make extended warranties say part of the product selection process, as opposed to just some sort of later, separate step.

Daniel Burstein: Alright, Boris, what have you noticed to be the most significant leaks in LPO? We've got just a few more minutes. I want to definitely get into step three, get a few minutes on that. But, Stuart from our audience asked I think what is an excellent question. He wanted to know what was noticed to be the most significant leak in LPO.

Boris Grinkot: Leaks in LPO as opposed to leaks in the website?

Daniel Burstein: I think what he's talking about overall is that we talked about leaks in that funnel. So, you're going through landing page optimization. What leaks have you noticed that people are optimizing to fight against? Where essentially is that low-hanging fruit? It is probably hard to say that for every organization.

Boris Grinkot: Yeah, it's very...again, I try to avoid those kinds of broad questions because there is no best practice for everyone. But, I would encourage marketers to examine steps that are the closest to the conversion and steps at the entrance pages, because that's typically where you can...whether it's your home page or hopefully you have a dedicated landing page for certain types of traffic, is where you can identify big changes. So, rather than give you a, look at this page, look at that page, I'd say go to analytics and see where are the largest exits that are occurring, and that would be the easiest way to start looking to patch those leaks.

Developing an optimization plan

LPO Master Task List

STEP 1: Explicitly determine the objective

STEP 2: Understand visitor preferences and motivations

STEP 3: Create relevant, value-driven experiences

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Daniel Burstein: By the way, Stuart, I think another great indication that you have a major leak is, as we said in the opening case study, your boss comes to you and says there is a problem. And, then when it comes to that, really all you can do is dive into optimization, dive into the analytics and start testing to figure out how to fix it. Alright, Boris, we've only got about two minutes left. So, can you tell us about step three?

STEP 3: Create relevant, value-driven experiences

- LPO is about seeking out visitor preferences and using this information to present the appropriate messaging and offer

- Transparency and conversation were not invented by social media (So.Me) marketers

Boris Grinkot: Sure. So just to explain this graphic a little bit and in a good restaurant the waiter will not just wait for you to point out an item on the menu and just pass that information off to the kitchen. Actually, the waiter will ask you questions to help you choose the right thing and also to help the chef prepare the right kind of meal that is going to be most enjoyable for you. So, on the website we need to be doing the same exact thing. We're going to use that visitor information that was in that chart. By the way, outside from the transactional data, the big bubble, and it's a lot more accessible and it's very highly useful that marketers are finding, is just looking at where the traffic came from, because that tells you the motivation for the click. It tells you the person responded to an ad or to a link, or to an email, and by responding to it, by clicking over to your landing page, they said, "Hey, this is interesting to me. I want this."

On the last step, what we want to do is create dedicated landing pages or at least…it doesn't have to be dedicated, as in a static page, but they need to be pages that create segment-specific experiences. So, you want to use the information that you learned about your visitors as simple as information based on what they clicked on before (the ad that led them to this page) and use that information to build the

page. And, that will be probably the most accessible data that you have. So, in response to that question, not only look for biggest leaks in your analytics, also look at them specifically by traffic source. That will give you the easiest way, the quickest way to get to some sort of a segment and to be able to identify those leaks.

Daniel Burstein: Okay, Boris, sorry to wrap you up pretty quickly, but I do want to let you know that we have a special $100 discount for Boris' book. Boris doesn't want to sell the book, but I'll sell it for him. It's a great book, lporeport.marketingsherpa.com. You can dive into all 173 charts he has and all…well, how many pages is it, Boris? Like, 3,000 or something? Four million pages. I think basically it includes the entire Internet. Every landing page in the Internet, we just clear and out put it in this. No. Seriously, it's got 173 charts, 220 or so pages. It's a very complete book too and I think it can help you a lot to make the business case, either if you're an agency or a consultant or something to your clients, or if you are a marketer that's up the chain of command, and so you can get the budget and you can get the authority to make the changes you want to make. Also, you can go to Marketing Experiments, you can see the wrap-up slide and you can see more into Boris' slides and hear Boris talk about in the replay, which will be available next week. You can go to MarketingExperiments.com and sign up for our email list and get notified when that happens.

Daniel Burstein: We want to thank you for attending another Marketing Experiments web clinic. You can learn more about our training at MarketingExperiments.com/training. I'm Daniel Burstein and Boris as is Boris Grinkot, and we thank you, from everyone here, thank you much!

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