A Case Study In Site Registration Click -Thru

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Tracking click-thru helps you understand how easy it is for customers to use your Web site. Understanding that can both help them and directly affect your bottom line.

Click-thru is a tool we use to understand customer interactions with our Web site. Tracking click-thru helps us understand how easy it is for customers to complete the process, where the roadblocks are, and where to focus our efforts on improving the customer experience.

The customer experience on the Web is talked about but often under valued. Research suggests that for every dollar spent on improving the visual design or style of a site, there is virtually no improvement in sales. However, a dollar spent on improving the behavioral interactions with a site will return $50 to $100. Just as important, a customer's experience affects how they *feel* about your company. That feeling helps determine if and how often they want to do business with you.

The Direct Marketing Association has a site registration system that provides user names and passwords to our online customers. While we use our log-on to restrict some content to our members, we also allow non-members to access information if they register with the site. This is fairly common for both associations and commercial Web sites. For the DMA, it is our most significant source of new prospects and critical to our business. This paper will look at our customer's interaction with that registration system by looking at click-thru.

The Registration Process

The DMA creates 24,000 new Web accounts per year. Of those, some are member accounts and some are non-member accounts. As an association, we are interested in the members. Those folks are engaged customers. As marketers, we are interested in the non-members. Those are engaged prospects. Knowing this, we are able to more effectively target and recruit these prospects to make them into customers, reducing our acquisition costs.

Obtaining a Web account is a multi-step process. When a person wants a Web account, we must first see if they are already in our database and, if not, add them. Then we must provide them with a user name and password.

- First, to see if the person is already a customer, we ask for some identifying information such as their e-mail address, their name and zip code, or their customer number.

- When the customer submits this initial information, we look for matches in our database. We provide a list of those matches and the customer selects which person they are. (Figure 1). This matching helps minimize duplicate records*.

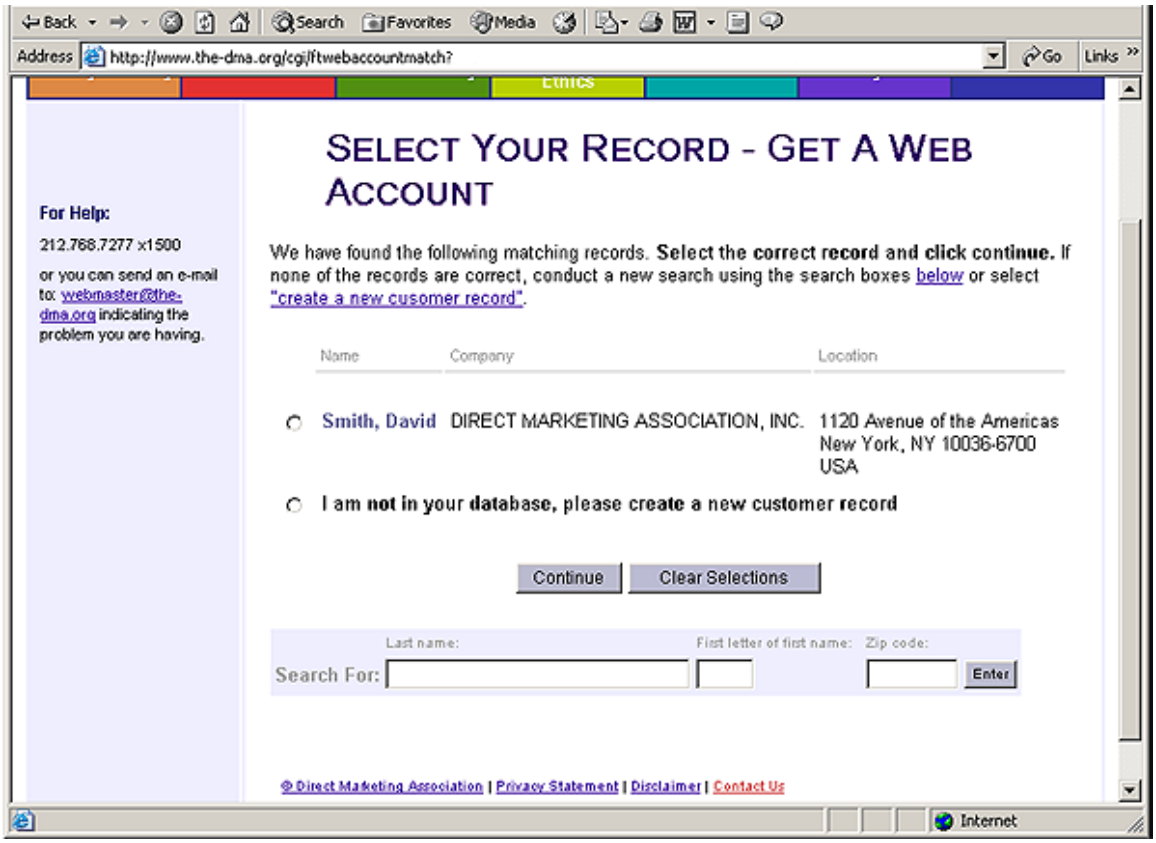

Figure 1. Example of an Existing Customer List

- If the customer is new to the database, we ask them to fill out our new customer form with their contact and company information. If the customer exists, we make sure they have an e-mail address on file.

- If the company information provided by the new customer matches a company already existing in the database, we ask them to verify if their employer is indeed that company.

- Next we ask the registrant to select a user name. When they submit their chosen user name, we send the customer their password via e-mail.

- The final step in the process requests some optional demographic information.

*Duplicate records created in this process run 0.7% of records created.

The Click-Thru

I have listed our August through October 2004 click-thru figures for the steps above:

Page	Total Visitors	Visitor Click-Thru	% Visitor Click-Thru
Get A Web Account – Begin Page	12,850	6,589	51.28%
Existing Customer List	6,157	5,813	94.41%
Provide E-mail, No E-mail On File	108	105	97.22%
New Customer Form	4,208	3,686	87.60%
Existing Company List For New Customers	700	700	100.00%
Choose User Name	4,613	4,410	95.60%
Optional Demographic Info	4,410	3,863	87.60%

The average conversion rate for this period is 70%. We measure conversion by those who both started the process (submitting their identifying information) and received a Web account. Some 1,232 people who began the process already had a Web account. If those are subtracted, the overall conversion rate is 82%.

Although most pages have a click-thru rate in the 90th percentile, the cumulative abandonment makes for a conversion rate at the 70th percentile. This cumulative loss is inherent with any multi-step process. The more you ask a customer to do, the more the perceived benefit must be to be worth their time to do it. In addition, it is stressful for the customer to fill out an online form. Every step in the process, every input field or selection in every step increases the chance of error. The effect is that asking more decreases your conversion rate.

Another example of this is the conversion rate of the new customer relative to the existing customer. It costs us about 6.5% in conversions to have a new customer fill out contact information relative to the existing customer. The difference is that we are asking more of the new customer. The lesson: Ask only what is necessary to complete the task at hand.

By contrast, 87% of registrants fill out the optional demographic information. We placed this information at the end of the process, after we provide the account. We did not want this optional information to impact our conversions. Nevertheless, this is a high click-thru rate for optional demographics. We believe that is, in part, due to placing it at the end of the process. Having already succeeded in the primary task, people are more willing to engage in this “low risk” activity.

The page with the lowest conversion rate, and the page with the greatest potential for improvement, is the very first page. For every 10 additional customers we get to begin the process, seven will complete it and get a Web account. This page has a click-thru rate of 51%. The lower click-thru for beginning a process is typical. We believe this tells us

that it is harder to get people to begin something than to finish. In other words, there is a built-in start penalty. However, that does not entirely account for the low rate.

Customer feedback has pointed to two potential areas for improvement. First, we can clarify the benefit. Why should someone get a Web account? Second, there appears to be a misunderstanding about who can get a Web account. We allow existing customers to identify themselves using their customer number. Seeing the customer number field has led potential new customers to believe they must already be a customer to obtain a Web account.

Our approach will be to do AB testing on this page and incrementally make measured changes. We will keep what improves response and discard what has no effect or a negative effect. The key here is to test one change at a time to be able to evaluate the impact: Control your variables.

A second page with potential for improvement is the new customer form. For every 10 additional people who complete this form, 9.5 will get a Web account. In addition, most of the people requesting a Web account are new. Thus this page has a greater potential of increasing the overall conversion rate than getting more people to begin the process.

On the other hand, if we look at our company-matching page, we see we have a 100% conversion rate. No matter what this page looks like, no matter what the copy says, there is no possible advantage to changing it.

By looking at the click-thru rates, you can see how we have been able to follow our customer's behaviors and target our efforts to increase our conversions. We can also find other information from our click-thru counts.

It appears that 72% of registrants are new to our database. This is not surprising given we have been providing Web accounts since 2000 against a finite customer base. As time goes on, more and more existing customers will have obtained an account relative to new customers. It is great news, however, for our Marketers who are responsible for expanding that customer base with new customers. We note that only 19% of new customers probably work for a company already in our database. This means that our new customers are not only new, but likely to be working for companies that are new to us. This is important to The DMA because we are a trade association and our membership is company based.

One final thought. We have looked at our click-thru numbers. On the Web, numbers can tell you if the world is indeed flat or round. What numbers don't always answer is why. The best way to find out the "why" is to actively watch and ask customers in a focus group. These can be expensive and time consuming but I believe are necessary to understanding what the numbers are really telling us.

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