

Using the Website to Measure ROI

Unlike many of the marketing tools used in times past, websites by their very nature produce vast amounts of data that can be converted to marketing intelligence as well as provide a gauge on the financial performance of advertising campaigns. Evaluating data from online campaigns is fairly straight forward but if structured properly, you can even measure offline or traditional campaigns to determine where your advertising dollars are best spent.

It begins with the end.

The key to evaluating any advertising campaign is a clear understanding of what the objectives of the campaign were and how they are to be measured. Online campaigns generally drive traffic to a website and then down into the site to specific content. Ideally, the site visitor would also be directed to some type of online interaction such as a form or purchase. If this occurs, then you can quantify your results when the website records the submitted form or payment. Traditional campaigns can also be measured online if you include a web component as part of the campaign. By offering the respondent an incentive to visit your website, you create an electronic means to begin tracking your campaign effectiveness.

If you build it, they will come . . . but build it well.

Radio, direct mail, television and print ads can all include unique URLs to drive traffic to your website. You simply build special pages in your website to receive this traffic and you've created a tool for measuring the response to each advertisement. These are often referred to as landing pages or microsites. The marketing challenge is *how do you motivate an individual to visit the special web pages you've created for the advertisement?* It requires an incentive. Can you direct the individual to your website to receive a coupon? How about offering an article or video that provides more insight on the subject? What about a discount for ordering online? Build the "offer" into your traditional advertising and use your website as the fulfillment device. Your potential customers receive a reward and you gain valuable marketing data.

Measure the movement.

Sales is a process. If a recipient of your advertisement responds by visiting your website, you have a baseline measurement for measuring campaign response – but this is just one of your objectives. You can establish a performance metric for your campaign by measuring visits to the website, number of pages viewed, downloads of articles or videos, forms submitted, subscribers gained, sales made. Measure each step you identify as important to the process and work to improve the weakest areas.

Calculate the ROI.

You know how much your campaign cost, so you can use those figures to calculate the cost-per-visit generated, cost-per-inquiry, and even the cost-per-sale if you utilize an ecommerce component. Once you arrive at these costs, compare your various advertising methods to determine which produces the most leads, sells or any other metric important to your organization.