



AWA

**The Advanced Guide to
Conversion Rate
Optimisation for E-
Commerce Managers and
Marketing Directors**

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Introduction

The fastest and least expensive way to increase your web-sales is via conversion rate optimisation (CRO). But CRO can be difficult.

With the plethora of inexpensive and powerful split testing tools now on the market, the challenge is no longer how to test. The greatest obstacle to CRO success is in discovering what to test.

If you're (even slightly) responsible for conversion on an e-commerce website, you're about to discover a very helpful system for running an industry leading optimisation programme.

Implement our recommendations and you and your team will soon have a road-map of tests that will win more often, and win bigger than you've ever experienced before.

Learned through painful trial and error at the cutting edge of conversion rate optimisation, this paper contains the distilled lessons of nearly a decade's experience increasing sales and revenue for multichannel businesses.

Our unique perspective helping a broad range of e-commerce businesses across many and varied industries, from flowers to medical equipment to clothes, means we understand the common online challenges multi-channel businesses face, which techniques will work the best, and crucially - which won't work at all.

To managers from a more heavy analytics background, our optimisation approach may seem unorthodox, but please bear with us. It's proven by

winning split tests, and will certainly profit you and your business - if you implement and test it.

We hope you enjoy this paper, and if you have any questions or feedback, please don't hesitate to contact me.



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The hidden problem for most multi-channel businesses

Analytics vendors say it's the golden age of data. But we say it's the age of noise, confusion and data overload.

If you've been in e-commerce any length of time, you'll be well acquainted with the feeling.

A never ending stream of emailed demands from managers, colleagues, team members. Why's conversion down? Why's traffic down? Don't forget this problem. That deadline. Innumerable messages from vendors, blogs and all manner of self-proclaimed digital gurus bombard your inbox.

Most of the e-commerce managers we meet find it a struggle to know what to give their attention to. And no wonder.

In the midst of all this noise you've got to know exactly what to do to your website to hit your growth targets, and because the cost of making changes to sophisticated websites is high, so is the risk of failure.

Bad decisions mean wasted time, wasted budget, wasted development resources - and wasted credibility.

Before committing you must know as far as possible which strategy will live up to its promise, which will give you mediocre results, and which could leave you out in the cold looking for a new job.

With this perspective in mind, it's easy to see how tempting it is to lean more and more heavily on data. It offers you much needed decision insurance. A business case you can point to if, and when, things don't turn out as planned.

But, if more and more data is really the key, why do companies still struggle to make dramatic leaps with their conversion?

Even companies with the highest paid analysts working with the most expensive tools still struggle with the same problems:

- Conflicting opinions on what to change on the site, and horrifically slow implementation times
- A long list of ideas, with no certainty which one is going to deliver the outside results you, and your senior managers, are looking for
- Difficulty attributing an ROI to your analytics investment. Where's all that money gone?

And when tests do finally get implemented, there are too many single-digit lifts, some don't reach statistical significance at all and still more just plain lose.

So if quantitative data is so amazing, why the struggle?

We believe we know the answer.

Over the course of hundreds of split tests, some winning, some losing, we've refined an easy-to-follow, repeatable system that has the power to give you total clarity on your web strategy at all times.

Say goodbye to all that noise. Unsubscribe from most of your email lists. Forget about the majority of your analytics reports. And stop worrying that you're not up to speed with the latest technologies.

Follow the secret map we're about to give you, and you'll soon have a robust plan that will deliver you many more winning split-tests, with much bigger gains for your company than you imagined possible.

Let's be clear.

Quant data is great for delivering a host of insights. But for the e-commerce manager that wants action and measurable ROI, extracting the answers to the following questions should be at the epicentre of your data analysis.

- How many qualified visitors are dropping off your website without buying. (Because they represent the biggest opportunity.)
- Where are they're dropping off. (So we can do something about it.)

But even when you're equipped with that data, you still have a big unsolved problem.

The multi-million pound question (most businesses forget to ask)

The problem is that you still don't know the answer to the single most important question - Why are visitors dropping out in the first place?

This is where your analytics tool falls down.

- It can't tell you what's going on inside the head of your users as they surf your site
- It can't tell you the wants, needs and desires of your users
- And it can't tell you those niggling objections that stop a user from buying what you have

Knowing this is fundamental to all sales success. You've got to know what motivates your visitors, and what turns them off? Why do they behave the way they do?

If you don't have a deep understanding of your customers, your website becomes an auto-mated version of that annoying telesalesman who doesn't bother to ask a single question before he tries to close you.

We don't want that, do we?

Why best practice strategies can only take you so far

If you've tried implementing ideas and strategies based on best practice, you've probably enjoyed mixed success.

Why is that?

It's simply because of this. There are no cookie-cutter template 'best practice' customers.

Something that worked like gangbusters on one website will not deliver the exact same results on another. You may even see a surprising inversion.

Trying to apply something just because it worked on other businesses is an incredibly high risk strategy. Your customers are not the same as ASOS', or Debenhams' customers. They are unique, and will transact with your website in a unique way.

Yes, there are certain immutable laws that every website can benefit from. Usability. Urgency. Scarcity etc.

But when it comes to persuading your visitors to open their wallet, there are so many other variables to consider.

Here's just some of the things that demand consideration. There are literally hundreds, and they vary for every website.

- Urgency of your visitors problem / need
- Maturity of your service / product / solution
- Awareness of your product by traffic source
- Awareness of your brand by traffic source
- Cost of the product versus value it communicates
- Specific objections that arise because of past experience or gaps in information
- Specific objections that arise because of some element of your, or your competitors' offer
- Age of the visitor
- Technical savvy of the visitors
- Gender of the visitor
- Competitive landscape

If you overlook these things the changes you introduce to the website will often miss the mark, making conversion improvements unnoticeable.

Turn the page for an example.

Button colour doesn't matter one bit, if the objection is price

For a straightforward example, if your users have a price objection because your copy doesn't communicate the value of your product, it really doesn't matter what colour your buttons are.

The only test that will win is a price justification test, or testing the pricing itself. And the only way you can uncover the details of your users' objections is by a systematic process of discovery that your analytics tool can't do, and typical enterprise grade customer surveys overlook.

So, if the answer to the 'why' question is vital to unblocking the profit pipes on your website, and your analytics tool can't help you, how do you find answers?

- How do you get sufficient detail?
- How do you know you're listening to the right people?
- How do you know there's sufficient profit potential in a test?
- And how do you know that your fix will work?

Discover an easy way to answer these questions on the next page.

Unearthing the hidden gold in your business

So, we've established that the multi-million pound word in conversion is not the 'what' you read in your analytics reports, but the 'why' that can only come from the minds of your web visitors. But how do you get it out of their minds, and on to your test plan?

There are lots of ways you can get this 'why' information from your web visitors. In fact, without knowing it, you probably already have a lot of it at your disposal.

Here's 12 sources you can quickly tap to answer the 'why' question:

- 1 Customer support emails
- 2 Live chat transcripts
- 3 The minds of your call centre staff
- 4 Web forms analysis
- 5 Social media mentions
- 6 On-site search

- 7 Targeted on-site surveys
- 8 Email surveys
- 9 Tell-a-friend open text fields
- 10 Your store managers and floor staff
- 11 Keywords research
- 12 Exit surveys

But before we rush off and ask everyone everything, let's have a look at how we can organise this process of discovery in a much more sensible way.

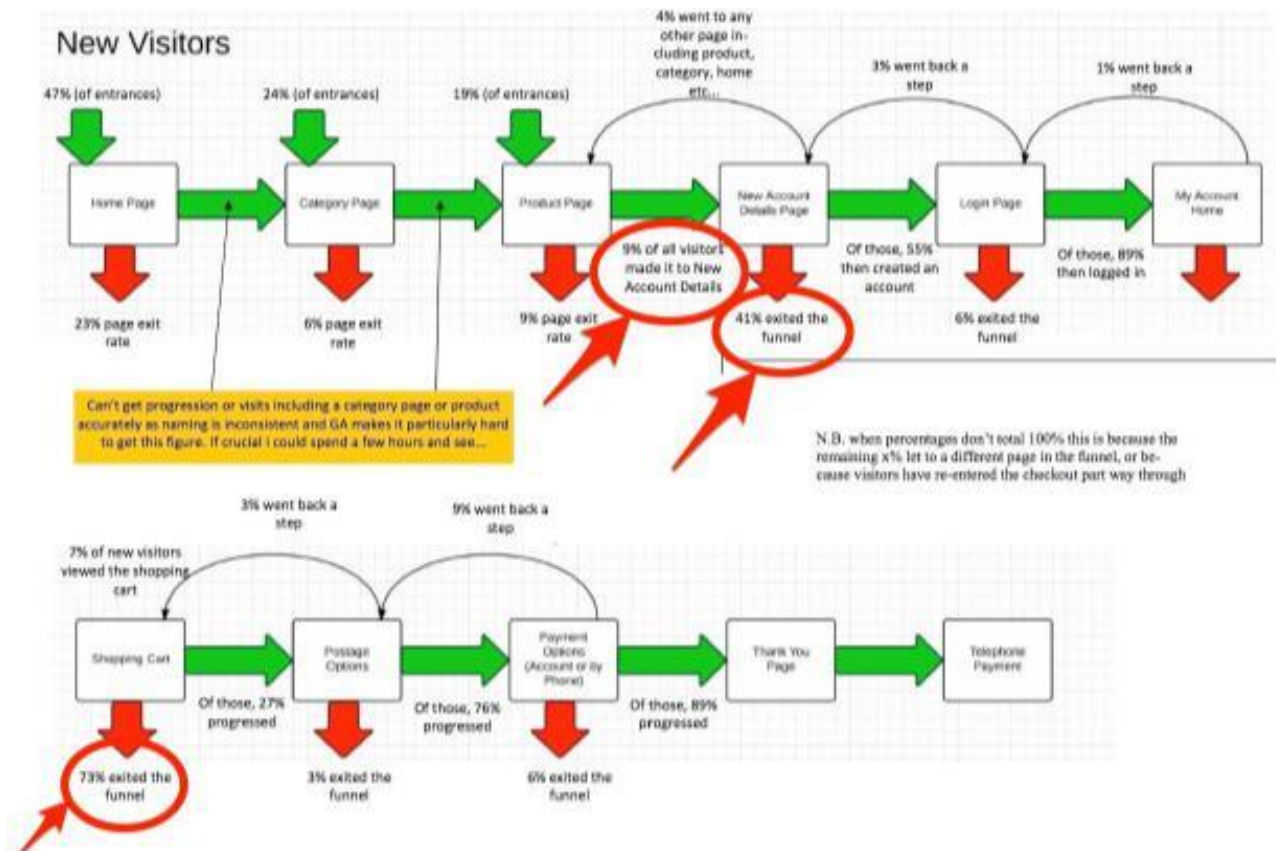
Mapping your way to successful conversion

You'll probably be familiar with the concept of conversion funnels. This is one of the single analytics reports we consider indispensable.

That's because your conversion funnel tells you:

- 1 Where your website is haemorrhaging traffic
- 2 Where to focus your voice-of-customer activity for the biggest opportunity

If you haven't got a robust conversion funnel set up and confirmed as generating accurate data, this should be the first thing you do



This drawn example shows the exit rate of each page in the sales funnel of a B2B e-commerce site.'

At a glance you can see which parts of the funnel are bleeding money, and thus present themselves as the most obvious places to begin voice-of-customer activity.

In this example, two stages present themselves as a massive opportunity. The registration page, and the shopping cart.

The drop off you can see from the shopping cart is a false alarm caused by a limitation with the clients Google Analytics set-up, so the major haemorrhage by far is the account creation process.

Visitors are obviously not sufficiently persuaded and this was where our client needed to focus their voice-of-customer feedback efforts.

The fastest way to figure out your visitors' biggest objections

A great tool for uncovering problems at specific parts of your funnel is Qualaroo.

You can place it on any page of your conversion funnel and ask your visitors any question you like. It's not intrusive, and has never negatively impacted conversion when we've used it.

(Even if it did, it would be worth running it for a few days. The value of the feedback you get far outweighs any temporary loss you'd encounter while it was running.)



'Qualaroo is one of the quickest ways to discover hidden opportunities'

The survey can be configured to appear for certain segments only, or as an exit survey, which makes it handy for investigating cart abandonment.

We've developed a list of incredibly powerful, slightly unorthodox, questions to ask at each point of the funnel.

The answers to these questions almost always lead to conversion-boosting insights. If you'd like to know these, please get in touch via the contact form on our [website](#).

A common mistake most businesses make when choosing their survey questions

It's tempting to shy away from asking open questions with a free-text reply box, especially if you have lots of traffic.

Using multiple choice or radio button answers are tempting because it cuts down on the work of analysing the feedback, particularly if you get thousands of responses.

But don't take this shortcut. There's HUGE value in free-text answers - it's a mistake that most of your competitors are probably still making - so make sure to take advantage.

- 1 If you force a user to answer based on a selection YOU pre-populated, who's thoughts are you really getting? What if there are things happening on the page that you haven't thought of? You'll miss them because you didn't create an option for that. Let the user tell you their problems in their own words.
- 2 By leaving it as free text, you get a granular level of detail on the problems or objections the visitor has. As they use their own words you'll start to see genuine trends, and you'll be able to more accurately assess the scale of the opportunity based on the frequency of similar responses.

- 3 If you leave it free text, your users will sometimes tell you how to best fix the problem. Handy.
- 4 Depending on the questions you ask the answers you elicit from your users will contain genuine, real-world language to describe their problems, frustrations and delights. You can adapt, adopt and apply this language to your descriptions, and connect more directly with your target audience.

Other ways to get targeted feedback on specific pages.

The hidden benefit of Live Chat.

If you've only seen Live Chat as an aid to conversion, you've missed a huge amount of the value it can deliver. The objections you'll find hidden in the transcripts are worth their weight in gold.

If you already have a Live Chat client installed on the site, use your conversion funnel to identify a page with high attrition, then pull off transcripts from chats that began on that page.

You'll find them chock full of insight you can take and start to build new content around.

Mine them, introduce new content to the site, test it, and reap the benefits.

(If you don't have a Live Chat client installed, take a free trial, install it, and see if there's a business case for keeping it as a voice-of-customer tool alone. There probably is.)

How to recruit usability testers from specific pages

The usefulness of feedback from a service like UserTesting.com is limited, because it only allows you to recruit testers from a panel of volunteers that are not representative of your target market.

On the other hand a tool like Ethnio allows you to recruit usability testers direct from specific pages of your website.

You simply create a ‘screener’ and place it on your site with one JavaScript snippet. Your visitors fill it out and you get real-time notifications. Then you call them to do live remote usability. You can even send them to a 3rd party tool like UserTesting.com. (Although the functionality that lets you do this could be slicker.)

With a few carefully chosen questions on the screener you can make sure that the volunteers are qualified prospects. People that actually have the wants, needs and desires that your product or service meets. This makes the insights you get infinitely more valuable. Which introduces another important point.

What’s the difference between qualified, and unqualified feedback, and why does it matter a lot?

We’ll answer that next.

The difference between qualified and unqualified feedback, and why it matters a lot

Forget about all the fancy segmentation you can do with your analytics tool for a minute. Right now, there are only three types of traffic on your website:

- 1 **Qualified YES people** - those that want what you sell and are persuaded to buy it from you.
- 2 **Qualified NO people** - people that want what you sell, but are NOT persuaded to buy it from you.
- 3 **Unqualified NO people** - these are folks that will never buy your product because they don't want it, don't need it or can't afford it.

That presents us with a challenge.

When we're reading feedback gathered from users before the user has done anything that demonstrates their intent, how do you know whether the user is qualified or not? Who are the 'wallet out, ready to buy' customers, and who are the timewasters?

Sadly, most of the time you can never be 100% sure your feedback is qualified, unless you deploy a little known secret weapon...

A much overlooked yet super-lucrative feedback source

There's only one place you can gather feedback that's not polluted with feedback from unqualified visitors, and that's from visitors that already converted. That's because conversion is the ultimate buying signal.

So what would happen if you were to start gathering feedback on your order confirmation page?

The visitors there have just made a purchasing decision in your favour. All the objections they had have been satisfied somehow, either by content on your website or during a longer research phase that might have taken in several other sites.

They'll know all about the particular problems they were trying to solve with your product. They'll know all about what finally persuaded them.

They'll also know the exact things that nearly stopped them from converting. These objections will be fresh in their mind, and if you make it worth their while, they will happily share them with you.

A few cleverly chosen questions designed to draw out the things that nearly stopped them from buying from you will give you a list of highly profitable actions to take. Remember that for every user that persisted to find the answers to their objections, there will be a huge swathe that didn't.

Embed a survey on the thank you page. Pop Survey is a good one and gets an incredibly high completion rate. You can style it to your brand and it looks great.

Look for common objections and usability problems and you'll find a vein of gold running through the website. Bye bye mediocre optimisation results, hello fast-track promotion and holidays in the Caribbean.

How to prioritise your CRO efforts

Start mining just a few of the data sources we mentioned, and before long you'll have a spreadsheet full of tantalisingly profitable feedback from your web visitors.

The question is, which of the findings is going to improve your sales, and which will be a lot of time and effort for comparably little reward?

A surprisingly easy exercise will tell you.

- 1 Go through the data and group similar responses together.
- 2 Count the responses for each group.
 - The frequency of the response gives you an idea of the improvement in conversion you can expect to see if you fix the problem.
 - Allocate the group a number from 1 to 10 based on the volume. 1 being, not many. 10 being the most.
- 3 Next, index the groups by the technical difficulty / cost of development. 1 being slow and/or expensive. 10 being quick and/or cheap.

- 4 Multiply the two figures out divide by 10.
- 5 Sort by your new combined profitability and difficulty index.

You now have a road map for tests based on their potential return on investment. Simply execute the highest ROI tests first.

How to make sure your test will win before you spend a penny on development

Okay, so we all know that agencies are slower and much more expensive than we'd like them to be, and if you have an in-house team, there's almost always a development queue.

That's just the way things seem to be.

But it doesn't mean there's not something powerful we can do to save time, money and ensure the greatest possibility of success.

First have your agency or someone from your team produce a wireframe using a piece of software like Balsamiq, Axure, Mockflow, or Wirify: there are lots of them, some are free.

Going down this route allows you to develop interactive wireframes super-quickly and cheaply compared to the cost of going straight to a graphic designer.

Once you have a wireframe, recruit some user testers from your website and have them tell you what they think.

Is it an improvement? Does it make the page easier to use? Is the content more persuasive?

If not, no problem. You've hardly spent a penny.

Go back to the drawing board and implement the feedback you got from the usability testers.

Then do it again. What do your users think?

Once you've got the sign off from your customers, then it's time to send the wireframe to be turned in to PSD.

Note: If you're cash and time rich feel free to skip this step, just be aware that if you don't follow this advice:

- You run a high risk of costly revisions and delays as your agency or designers work and rework your PSD to everyone's liking.
- Without user testing the concept, you could find yourself implementing a test that doesn't work, and incur an opportunity cost that runs into the hundreds of thousands in lost revenue.

How to run and read a split-test like an expert

Now it's time to implement your split test, here's a few secrets that only seasoned split testers are privy to.

1) Always run an A/A/B/n test.

Most agencies and businesses that split test will only test their variation against the control (A/B/n). This is fine until someone or something casts doubt on the data. Perhaps a 'cup half empty' colleague that doesn't believe the size of a win. Or an unexpected loss that you don't understand.

The logical next step here is to check the configuration of the testing platform, and run the test again. But there's a better way.

To save you the time and effort of having to run the test again, always make a habit of running an A/A/B test.

A = Your control page

A = Your control page

B = Your 'challenger' or treatment page.

By doing so, you prove the data as you go. If there's a problem with the data, you'll see it quickly.

You should see that the two A variations never reach statistical significance either way, and the longer you leave the test, the nearer to 0% uplift you should get.

If one of the A variations reaches statistical significance against the other, you have a problem which needs investigating and correcting before you run the test again.

2) If a test loses, make sure you know why!

There's nothing worse than running a test that unexpectedly loses and having no idea why. You won't like it. Your team won't like it. Your boss won't like it either.

If only there was a way to know exactly why a test lost, so you could go straight back to the drawing board, make a few tweaks and turn it in to the winner you expected.

Here's how you can do exactly that...

Step 1) Create two versions of a Qualaroo survey asking a question that would reveal the reason why a user didn't perform the action you were expecting.

Something like: "Hi, quick question before you go, if you didn't [fill in the expected action here], what stopped you? Thanks!"

Step 2) To make sure you don't skew the test results by putting the survey on just the challenger page, make sure you create two separate but identical surveys and place one on the control too

So, you've implemented your split test, and you're beginning to see results. Here's a couple of rookie errors even the 'experts' make sometimes.

1) Don't pay attention to the initial results.

Over the first few days rollercoaster gyrations from positive to negative (and back again) are normal. If you check in too early your emotions will be on that rollercoaster with them.

2) Don't stop the test too early.

Your testing platform may declare your variation is a statistically significant winner before an adequate sample has been through the test. Often a test will show significance, and then drop back again, which is normal. It's a flaw in the way the software companies choose to display results. Actually, it wasn't significant in the first place.

As a general rule of thumb, try not to call a test before:

- You have at least 100 conversions for the winning variation.
- The test has run for at least 2 weeks.

To make absolutely sure your result is statistically significant, calculate your minimum sample size before you run the test, and stick to it no matter what.

You can calculate this with a tool like the one found here:

3) Don't read the test results wrong, it can make you look silly when the results don't follow through to the bottom line.

Turn the page to see how to read a split test.

A common mistake is to see the % uplift, and use that number to calculate the impact on the bottom line without taking in to account the margin for error.

In the example below the test shows a 19.2% uplift, with a 96.1% confidence level



'A snapshot of a split test result from the Optimizely dashboard'

This does NOT mean there's a 96.1% chance you got a 19.2% uplift.

It does mean that there a 96.1% chance your variation is better, and not worse, than the control page. And that during the test, the software observed an average uplift of 19.2%.

It also shows there was a deviation from the average of +/- 0.16% for the control, and +/-

0.17% for the variation. So when calculating how much money this might make for the business, you should take these in to account and express the win like this:

“There’s a 96.1% confidence level that the variation is better than the control. During the test we saw a conversion rate of between 0.94% to 1.26% for the control and 1.13% and 1.3% for the variation. Taking the mean for each variation, and if all other variables stay the same, the conversion increase would be 19.2% which would be worth x in annualised revenue.”

Summary



So, now you know more about how to start and run a successful conversion rate optimisation programme than 95% of digital marketers across the board, let alone your peers in e-commerce.

You've learnt why focussing on quant data and best practice alone will seriously impede your conversion efforts.

You can enjoy peace of mind that your strategy is focussing on the right thing at the right time all without paying any attention to 80% of the industry noise, and most of your analytics reports.

You've learnt how to gather the highest quality voice-of-customer data to transform your split tests from losers to winners, and the best places on your website to do it.

You've learnt how to make sure your test has the best possible chance of success before you've spent a penny on design and code.

You've learnt the most common mistakes most people make when running a split test, how to read a split test result like an expert, and how to turn a losing split test in to a winner.

About the author



World leading optimization expert and boardroom advisor, Dan delivers stirring talks on using CRO to build and grow any business, with first hand success stories from blue-chip companies from around the globe.

Drawing on his experience as CEO of the global website optimization agency AWA digital, Dan's engaging performances combine up-to-date knowledge and wisdom, with valuable insights and actionable takeaways that will have your delegates nodding and note making.

Dan is also co-author of the Amazon best seller 'E-Commerce Website Optimization: Why 95% of your website visitors don't buy – and what you can do about it', published by Kogan Page. Dan holds a MBA from Bath University and was made of Fellow of the Institute of Direct Marketing in 2004.

If you need any further help or advice, please don't hesitate to get in touch.

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Next steps

Are you serious about implementing website improvements that deliver massive sales increases to the bottom line?

At AWA we're here to help companies like yours master all aspects of web optimisation. That's why we're offering a free consultation with one of our Lead Optimisers – to show you how to get up to speed with CRO.

Your free, no-obligation consultation is tailored to your business, to give you some of the most useful and practical advice you'll find anywhere. Delivered at a time to suit you, there's no limit on the number of people who can attend, so your whole team can benefit.

Lasting 30 minutes, you'll learn

- Exactly how to get an effective CRO programme running in your business (OR how to optimise your efforts, if you already have an in-house CRO programme)
- The top conversion mistakes most multichannel businesses make, and how to avoid them
- 5 personalised recommendations to implement now for fast results

Book your free no-obligation 30 minute CRO consultation now. Just follow the link on the next page and fill out the form so we can get it all set up for you.

Free no-obligation 30 minute CRO consultation

Note: this is not a sales presentation. We aim to give you the best advice we can in 30 minutes to help you do CRO yourself.

[Get a free consultation](#)



AWA digital is one of the UK's leading conversion rate optimisation consultancies, helping multi-channel and online retailers increase sales, repeat business and visitor satisfaction.

Our experienced team of web analysts and ecommerce specialists use a range of tools – from in-depth website data analysis to usability testing – to show you how you can quickly boost conversion rates, repeat business and visitor satisfaction. Our pinpoint analysis of your online campaigns will show exactly what's working, what's not and what you need to change to get results that you are bound to make you smile.

We offer our services to both multi-channel and ecommerce retailers, as well as agencies who wish to extend their range of services to include conversion rate optimisation.

Our direct clients include Dunelm, Richer Sounds, Barbour, Interflora, Cotton Traders, Ironmongery Direct, Dune, Bettys and Taylors of Harrogate as well as a number of large and small B2B businesses.

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