Background

All of us have our own unique perspectives and biases when dealing with landing page testing. The knowledge and belief systems that you bring to it will largely determine your success. As you study the topic of landing page optimization, you first have to get the right perspective. The first part of this book lays this groundwork. Leave all of your assumptions at the door, and let's get started. Part I consists of the following chapters:

I

Setting the Stage

Life is like a sewer…what you get out of it depends on what you put into it.

—Tom Lehrer, American humorist, singer, and
  songwriter

What does a landing page look like from your perspective? How does it fit into the overall marketing picture? Can you really convert every single visitor? Are you devoting enough attention to your landing page?

This chapter will examine these questions and set the stage for understanding landing page optimization.

Chapter Contents

A Few Precious Moments…

The following is a true story.

My Online Shopping Adventure

I was looking to buy a new camcorder online. First I used the Web to gather information about desirable features. Then I researched appropriate models. I invested hours of my time making sure that I bought the best possible one. After deciding on the one for me, I started looking for a place to buy it by typing the specific camcorder model name into a search engine. I got back a page of search results and started investigating the promising ones.

As I clicked on each link in my mission-oriented hunter mode, I looked for intangibles that would cause me to stick around. One site was too cluttered with confusing links and options; another featured obnoxious colors and was plastered with banner ads; the next looked too cheesy and unprofessional. Other websites' failings were subtler. I gave them a little more of my time and attention, but ultimately abandoned them as well. Click, backtrack, click, backtrack, click, backtrack—and so it went…until I found a company that was just right, and I bought my camcorder from them.

Sound familiar? The fact is that most of the companies that I had briefly visited sold the model that I wanted, had it in stock for quick shipping, and were in a similar price range. So why did one particular company get my money while most of the others got just a second of my attention?

Imagine that you are in charge of online marketing for your organization.

You have slaved for months to tune and optimize your campaigns. Countless hours and days have passed in a blur. You have constructed keyword lists, written pay-per-click ad copy, properly set your bid amounts, bought additional banners and exposure on related websites, optimized your site for organic search engines, created a powerful affiliate program with effective incentives, and set up the website analytics needed to track the return on your investment in real time.

You are standing by with a powerful series of e-mails that will be sent to prospects or customers who respond to your initial offer or leave their contact information on your site. This should significantly increase the lifetime value of the relationship with your website visitor.

The first visitor arrives—and leaves in half a second. The next one lands on your site, clicks another link, and is gone as well. More and more visitors flash by—a virtual flood. Yet only a tiny percentage will take the action that you would like them to take. What's wrong?

It's hard to figure it out:

• You have their fleeting attention for a split second.

• You don't know who they are.

- You don't know what they are thinking or feeling.
- You don't know why the vast majority of them leave so soon, empty-handed.

It seems like a hopeless situation. You are forever doomed to suffer from the poor marketing program economics that result from a low website conversion rate.

> All of your hard work comes down to the few precious moments that the Internet visitors spend on your website…

But all is not lost. This book is about those few precious moments, and what you can do to make them count.

"On the Internet, nobody knows you're a dog."

You can (within the limits of ethics and accuracy) represent yourself in any way that you want on the Internet. Your landing page is not written on stone tablets. In fact, it is the most ethereal of objects—a set of bits that resides on a computer hard disk that is accessible to the whole world. No one is forcing you to use the particular colors, page layout, pictures, sales copy, call-to-action, or headlines that comprise your landing page now.

> The only things stopping you from creating more compelling landing pages may be a lack of attention and imagination.

You are as free as an artist in front of a blank canvas. Maybe you will create a masterpiece that will move most people who see it. Maybe you will create bland and uninspired mush that will bore and turn away everyone. This freedom can be both energizing and scary at the same time.

The promise of better performing landing pages is often tempered by a fear of making things worse than they already are. How are you to know in advance what will or won't work better? Yet you are supposed to be the "expert." Shouldn't your landing page already be perfect based on your extensive online marketing experience? What if your landing page design knowledge was exposed as nothing more than pompous subjective posturing and guesswork?

Don't be afraid. You actually have access to a real expert—in fact, thousands of them. You are interacting with them daily already, but you have mostly ignored their advice to date.

> The real experts on the design of your landing pages are your website visitors.

You may never be able to answer why a *specific* person did or did not respond to your landing page. But there are ways to determine what your website visitors respond to. In fact, landing page optimization can be viewed as a giant online marketing laboratory where your experimental subjects voluntarily participate in your tests without being asked. Their very actions (or inactions) expose them, and allow you to improve your appeal to a similar population of people.

Websites have three desirable properties as a testing laboratory. Let's look at these in turn:

High data rates Many websites have significant traffic rates. The supply of test subjects is ample. Some of the traffic is free, while other sources are paid. In aggregate, all of your traffic sources result in a particular traffic mix that is unique for your website.

A relatively steady and large stream of visitors allows you to use statistics to find and verify the validity of the best landing page designs. The best versions are proven winners. Unlike previous designs, they are no longer based solely on subjective opinions. Nor are they the results of popularity contests within your company.

> With high website traffic volumes, statistical analysis allows you to find verifiably better landing pages and to be confident in our answer.

Accurate tracking Web analytics software supports the accurate tracking and recording of every interaction with your website. Each visit is recorded along with a mind-numbing amount of detailed information. Reports can tell you the source of the visitors, their path through your site, the time that they spent lingering over certain content, and whether they were persuaded to act. Although Web analytics software is not perfect, it provides a standard of data collection accuracy that is almost unheard of in any other marketing medium.

Easy content changes Internet technology offers the ability to easily swap or modify the content that a particular website visitor sees. The content can be customized based on the source of the traffic, the specific capabilities of the visitor's computer or Web browser software, their behavior during the particular visit, or their past history of interactions with your site. In other experimental environments it is very expensive or time-consuming to come up with an alternative version or prototype. On the Internet, countless website content variations can be created and managed at minimal cost for a landing page optimization test.

The Three Keys to Online Marketing

Before we focus on the specifics of landing page optimization, let's get oriented. Online marketing can be divided into three key activities:

- **Acquisition** Getting people to your website or landing page
- **Conversion** Persuading them to take the desired action(s)
- **Retention** Deepening the relationship and increasing its lifetime value

Each step feeds into the next. The efficiency of each online marketing activity can be viewed as a funnel like the one in Figure 1.1.

Inefficient acquisition activities will limit the traffic to your site. An inefficient website with low conversion rates will restrict the number of leads or customers. Inefficient retention follow-up activities will fail to extract additional value from your current prospects or clients. Ideally you would like each step to have the highest possible yield. Let's discuss them each in more detail here.
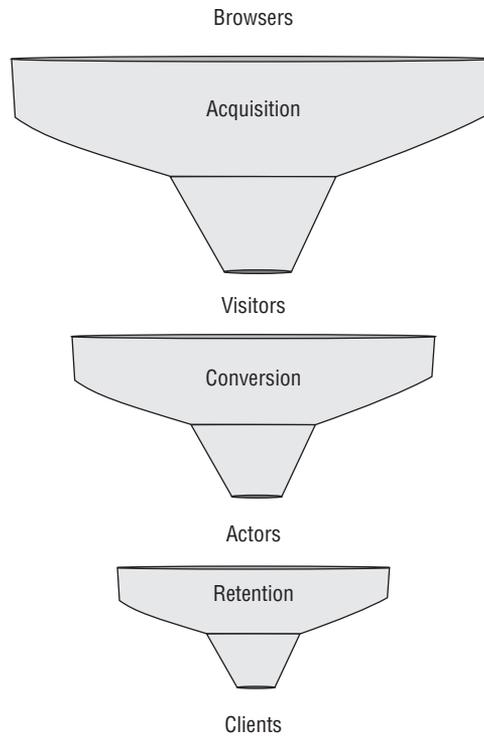
Browsers

Acquisition

Visitors

Conversion

Actors

Retention

Clients

Figure 1.1 The activity funnel

Acquisition

Acquisition activities focus on generating traffic to your website or landing pages. The goal is to create an awareness of your company or products and enough interest for your target Internet audience to actually visit your site.

Web marketing experts use a variety of methods to generate traffic. I've listed the traffic sources in this section, to convey the range of possible acquisition activities. They can be broadly grouped into online and offline methods, although there is often some overlap and mutual reinforcement between the two.

Online Acquisition Methods

Web marketers typically use the following *online* methods for driving traffic:

Search engine optimization (SEO) Search engines like Google, Yahoo!, and MSN provide an excellent source of traffic for many companies. Contrasted with most *interruption marketing*, people using search engines show focus and a specific intention to act. They may be actively gathering information about a topic, selecting the right product or service, or looking for a place to make an immediate purchase.

The process of making your website pages appear near the top in search engine search results for words and phrases (also known as *keywords*) that are relevant to your business is known as *search engine optimization (SEO)*. This process is also referred to as getting organic listings in search engine results. SEO involves initial activities to enhance your website content and get other highly ranked sites to link back to yours. Once your SEO campaign has achieved your initial visibility goals, ongoing maintenance is required to keep you near the top of the search results.

One of the key ways to increase your SEO website traffic is to have important and credible sites in your industry link back to you. Links are usually requested from the webmasters of other sites. You contact them and ask them to add a relevant link back to your site from the appropriate spot on theirs.

Getting such *back links* from other popular websites in your industry has many benefits. As part of your SEO link-back activities it can result in higher placement in the search results and more visibility. Outside links can also enhance your credibility to people browsing the Web and drive motivated visitors to your site. Links can appear in industry directories, on the websites of your business partners, and in news-related blogs (which I will discuss in a moment).

Banner and text ads Many popular or special-purpose websites reserve space on their pages for advertisers. This is usually in the form of short text advertisements, or rectangles of various sizes containing images designed by the advertiser (*banner ads*). Advertisements on multiple websites (*run of network* campaigns) are possible through a number of online distribution companies. Such distributors can also target your ads to websites that have a specific theme. In some cases, advertisements can be further tailored to appear on only certain sections or even individual pages of a desired website. Typically banner ads are sold on a *cost per thousand impressions (CPM)* basis. This means that you are charged a set fee based on a preset *rate card* for every time a visitor to the site sees your ad on a page. You pay even if *nobody* ever clicks on your ad and visits your website. This has begun to change as leading companies in the industry are moving toward an auction model (where the ad real estate is sold to the highest bidder). Some experimental programs have even sold ads on a pure performance basis. Under this business model the advertiser only pays if a specific action such as a sale or completion of a lead inquiry actually happens downstream.

Pay-per-click (PPC) Pay-per-click (PPC) is a very popular online advertising model. PPC ads are typically short text advertisements along the top, sides, or bottom of a Web page. PPC text ads appear in two major contexts. When featured on *search engine results pages (*SERPs*)*, the PPC ads are targeted to the particular keyword that the searcher typed in. Other text PPC ads occur by insertion into targeted Web pages whose themes are associated with the keyword in question. In contrast to the way that

search results are normally presented, the advertiser controls the exact title and text of their ad within the editorial guidelines and policies of the PPC program.

Most PPC search engines charge advertisers using some variation of a live auction model. In other words, your position in the paid search results depends on how much you and other advertisers are willing to pay per click. The more you pay, the more prominently your ad will appear.

Many PPC campaigns involve a large number of keywords (ranging from dozens to tens of thousands). Each keyword has a different value based on its focus and relevance to the advertiser's business. Because of the live auction environment, the position of each ad in the paid search results can change based on the actions of other advertisers. If the position gets too low, the amount of traffic from that keyword can drop very quickly. Typically, many advertisers will compete for the top few positions and bid the prices up over time. Specific software tools have been created to maintain the proper pricing and position for each keyword in the face of changing circumstances. Even with these automated tools, maintaining PPC campaigns can be extremely time-consuming. Because of this, some companies hire dedicated staff to run the campaign or outsource to a search engine marketing (SEM) agency.

Banner ads may also be bought on a PPC basis. Regardless of the format of the ad (text or banner ad), the advertiser is only charged when a Web surfer clicks on the ad and follows the link to their website or landing page. With pay-per-click ads, the advertiser controls how much they are willing to pay for a click on their ad.

Affiliates Many midsize and larger companies have well-established affiliate programs. An *affiliate program* is essentially a form of pure-commission selling. The affiliate directs a visitor to a website or landing page. The affiliate that the visitor originated from is recorded. If that visitor converts by taking the desired action (e.g., purchases, fills out a form, downloads something, or clicks through to another Web page), the affiliate gets credit and payment for the action. For sales, the payment is typically a fixed amount or percentage of the sale. For other actions such as sales leads or special offers, the payment is typically a fixed amount. There are often volume tiers, with higher payouts for top-performing affiliates. Affiliates vary widely in their sophistication and traffic-driving tactics. The bottom line is that they send traffic to your landing page and get paid only if that traffic subsequently converts.

Third-party e-mail lists Many companies purchase third-party e-mail lists from a number of sources and send a single e-mail or multiple e-mails to the list. The quality and targeting of the lists varies widely. Some are clearly low quality and will be perceived as spam by the recipients. Others can be well targeted and provide a good overlap with your intended audience. Very targeted e-mails can be sent (e.g., to the readership of a

particular focused blog). Since repeated mailing to the same list can lead to *list fatigue* and lower response rates over time, responders to e-mail are not typically used as traffic sources during conversion tuning tests (which require a steady flow of new and unbiased visitors).

Blogs Blogs are public online diaries. The number of blogs is continuing to explode. They exist on an incredibly wide range of topics, and are often focused on deep coverage of their subject matter. Some blogs are informal and conversational in tone. Others are more akin to a regular magazine or newspaper column, with in-depth coverage of a specific event or topic. Once a blog author has a reputation as a "thought leader" and an expert in a certain field, their readership can grow quickly. They may mention, or "cover," your company in one of their online entries, or "posts." The resulting exposure may mean high-quality ongoing traffic from their reader base as people read and reread the post over time.

Social networking Social networking sites such as MySpace and Facebook allow people to connect in communities of shared interest. If members of the community recommend your products or services or describe them in a positive light, they can influence other people with similar tastes and interests to visit your website. Key members of these online communities can have significant audiences and followings similar to popular bloggers.

Collaborative authoring Collaborative authoring sites include news and discussion forums, client-authored product reviews on e-commerce sites, user reviews on various city-guide websites, and extensive encyclopedias such as Wikipedia.org. Anyone can add content to such websites (and in the case of Wikipedia even remove the content of others). Links embedded in informational posts on such sites can direct visitors to your website or landing page.

In-house e-mail lists You can construct in-house mailing lists by asking people for information while they are visiting your site. If used properly, in-house lists can become an asset that grows in value over time. In-house mailing lists are rarely used to create traffic for conversion tuning tests because each person on the list has already interacted with your company and may be biased in some way. They have been exposed to your marketing, messaging, and current website or landing pages, as well as previous e-mails that you have sent them. In-house mailing lists are at the core of retention activities and will be discussed in more detail later in this chapter.

Online video ads Online video content is growing quickly with the increased penetration of high-speed Internet connections in many businesses and homes. Many video clips and programs now include short promotional messages or commercials.

Offline Acquisitions Methods

The offline methods that you use to drive traffic will lead to a Web visitor directly typing in your *universal resource locator (URL)* (or Web address) into a Web browser. It is difficult to accurately attribute traffic coming from offline sources to their original source (with the exceptions noted below). A single visitor may be driven to your site from multiple sources at different times.

Common offline tactics include:

Brand awareness Brand awareness is demonstrated by someone typing in your company's Web address directly into their Web browser or when somebody uses your brand names as a Web search. This means that the person is specifically looking for your company. Although not strictly an offline traffic-driving method, brand awareness traffic is usually achieved as a result of multiple exposures to your company in diverse settings. A high proportion of brand awareness traffic is an indication that your brand is strong in your industry sector and that you are "top of mind" for prospective customers. It usually results from a combination of all of the other online and offline activities.

TV and radio advertising Many TV and radio commercials specify a URL as one of the possible response mechanisms (along with a telephone number and mailing address). Some Web addresses add a specific trackable landing page (e.g., http://YourCompany.com/tv) to attribute the traffic correctly to its source. This is not a foolproof method since many people may drop the last part of the URL and just type in the company name.

Print ad magazine advertising Almost all print advertising includes a URL. It is standard practice to direct the traffic to a specific landing page. Since the print medium offers more permanence (unlike a fleeting TV or radio ad), people may be more willing to type in a longer landing page URL.

Public relations and media coverage Various public relations activities can result in mentions of your company in print and broadcast media. Typically your site will experience a spike of coverage-related traffic after such events. Afterward you may also get additional traffic from people who later come across the information.

Industry analyst coverage Many complex industries (especially in high technology) have key industry analysts and market research firms that routinely put out reports and analyses of emerging trends, products, and services. If your company is included in these publications, you will be considered by a very interested group of prospects as they research their buying decision. If you are not part of the industry analyst reports, your company will be invisible to these prospects.

Industry tradeshows Industry tradeshows can provide the opportunity to speak and exhibit in front of a targeted audience. Many key influencers and decision makers also attend networking and social events held in conjunction with such shows.

Event participation Event participation and sponsorship may raise awareness of your company with a particular audience or group. You can choose the demographics and psychographics of the events that you promote.

Point-of-sale (POS) promotions Many companies conduct promotion and advertising at the point of sale or the point at which the service is delivered. Common forms include sweepstakes, contests, and games of various types. The Web is used as the mechanism to complete the promotional transaction, allowing you to accurately gauge its impact.

Client referrals Current and past clients can be an excellent source of additional traffic. If a company has a specific incentive program to reward them for referrals, the mechanism for completing the referral transaction is done via the Web.

Outdoor advertising Billboard advertising is typically used to promote the company or overall brand. Its limited ability to convey deep information means that it is usually limited to building awareness.

Promotional items Company promotional items can feature a Web URL. Typically such items enhance your type-in traffic but cannot be tracked directly. However, you can have a dedicated domain name on the promotional item for certain events (e.g., for a new product launch).

Direct marketing and catalogs Sending out specialized flyers or catalogs by mail is a proven way to market to prospective and existing customers. Activities can be tracked through to the Web by specifying unique landing pages in the printed materials. A *promo code* that is entered by the recipient on the landing page can serve to identify them. Most people will type in this additional information in exchange for receiving the benefit of the promotional offer.

The resulting mix of traffic hits your website or landing pages in a number of places. Some visitors will arrive on your home page, while others may land deep within your site, or even on specially designed single-purpose landing pages that are not connected to your main website at all. The particular composition of traffic, and where it lands, depends on your current acquisition marketing activities. Each site's traffic mix and landing pattern is unique.

Conversion

Since conversion is the main topic of this book, I'll briefly define and summarize it here.

Let's start with the basics. A *landing page* is the point at which an Internet visitor lands on your website. Landing pages can be stand-alone with no connection to your main website. They can also be specialized micro-sites that are focused on a particular audience and desired outcome. The landing page can also be a specific page deep in your main website. For purposes of this book, the term *landing page* will be used for all of these cases unless noted otherwise.

A *conversion* happens when a visitor to your landing page takes a desired *conversion action* that has a measurable value to your business.

The desired action can be a purchase, download, form-fill, or even a simple click-through to another page on your website. Conversions can also be measured by having someone interact with a particular feature of your site (such as a product demo tour). A conversion can also be measured in more subtle brand interaction terms by looking at the number of page views, repeat visits, and the time spent on your site, or by interactions with content that includes product placements from your company. The main point is that the conversion action must be trackable and its value can be calculated or estimated.

A *conversion rate* is the percentage of visitors to your website or landing page who take a desired action that has a measurable value to your business.

Conversion rates vary widely across different industries and even between competitors in the same industry. There are many reasons why they may vary, and many of them are not related to the visitor's direct experience with your website.

External Conversion Factors

Conversions do not happen in a vacuum. Before people even get to your site, they will be inclined or disinclined to act by factors that have nothing to do with your site directly. Several external factors affect conversion rates:

Brand strength Visitors to your website are more likely to act if they are familiar with your company or products and trust your brand promise. Many companies spend enormous sums of money to have their brand penetrate the visitor's awareness. If they are successful, the brand serves as a permanent shortcut and aids in decision making. Other companies without this status are simply not in the game, and will not be considered by many people despite their objective parity or even advantages over established rivals.

Degree of commoditization If your industry sells nearly identical generic products as your competitor does, then the main factor in visitors' minds will be price. There may be many competitors who offer identical products, and it pays for the visitor to shop around. So the likelihood of a particular visitor converting is lower. If you offer a very specialized or unique product or service, your website visitors will be much more likely

to act simply because there may not be many choices, or because the effort required to find viable alternatives may be too high.

Seasonality Some products or services are in constant demand because they are either consumable (you will use them up) or perishable (they have a limited effective shelf life or a specific expiration date). So people will reliably replenish their supply or renew the appropriate subscription. Other products are highly seasonal or are only needed for a single event or purpose. For example, the cut flower business has a steady flow of year-round occasions (dates and anniversaries), but is largely driven by the ordering frenzy that precedes Valentine's Day and Mother's Day. During such peak demand times, conversion rates will be higher because the product or service becomes a "must have." For many seasonal businesses, the limited supply of available product can also drive up its value and desirability (e.g., scarce hotel rooms in high-demand locations, or airline seats on popular routes).

Physicality and uniformity The lament is often heard among e-tailers: "Why are we only converting 2% of our site visitors to buyers? We get much higher conversion rates in our retail locations. We must be doing a lousy job to lose 98% of potential customers."

Of course this is an apples-to-oranges comparison. The visitor to a physical store typically has already decided to invest more time and energy to the visit than a Web visitor. Many of the visitors to a website who don't purchase anything would never visit a physical store at all since they just don't care enough to make the effort. The physical experience in a real store can never be duplicated online and involves many experiential and sensory details. Before we even decide to buy something in a physical store, we must carry out a number of tasks—drive to the store, park, walk inside, take in the décor, experience the lighting level and temperature, compare our appearance to other customers, react to whether we are greeted or ignored by store employees, physically interact with potential products that we are considering, and so forth.

This is a completely different experience than sitting in front of a computer and surfing the Internet. We stare at a tiny screen (compared to our normal field of vision), and decipher information that is organized typically not around our needs, but along the organizational and usability concepts of others. We rarely get to interact with the products beyond clicking on their small *thumbnail image* to get a larger zoomed view.

Some products and services must be experienced before they are bought. Imagine buying an expensive suit without feeling the texture and thickness of the fabric, and feeling the construction and drape of the materials over your particular body. You will probably need to have the suit customized and tailored to your build, and would not wear the pants unhemmed out of the store.

Other products (like books or bottles of wine) cannot be sampled without consuming them and are more easily sold online. You are buying their contents based on the packaging and reputation. They depend on their cover (or label), and the recommendations and reviews of trusted friends or expert authorities. Because they can be reduced to images and written text, such products translate well to a Web buying experience and are much more likely to have higher conversion rates. You do not typically worry about their contents since they should be uniform.

Intention and commitment Not everyone who visits your site has the same intention and commitment to act. As you will see in the following chapters, visitors' frame of mind depends on their demographics, psychographics, personality type, role, time of day, day of week, physical environment and the presence of distractions, and their position in the buying/decision cycle. Someone who is surrounded by coworkers and researching a gift idea on their lunch break at work will behave very differently than someone who is alone at night in their home and is looking for the lowest price vendor for a specific product. People are often looking for an intangible package that represents the best value proposition. Of course, price is often an important consideration, but other factors such as the warranty, in-stock availability, shipping speed and methods, positive reviews, available financing and payment terms, and accepted payment methods all enter into this equation.

People arrive at your website with all of these factors already influencing them to various degrees. And all of this happens before they even see your landing page. So don't forget that your website does not exist in a vacuum. Your online visitors, like any other traveler, are already bringing a lot of baggage with them.

Onsite Conversion Factors

As we just discussed, visitors will arrive at your website with their own needs, perspectives, and emotions. Since you don't know very much about them individually, how can you influence them with the design of your site?

This is not exactly new ground. The field of direct marketing (DM) is all about getting people to act and respond to offers. Since basic human nature has not changed, we can apply the well-tested lessons of DM to the online sphere.

People do not often make rational decisions. In fact, the capacity for abstract rational thought is only a recent evolutionary addition to our brains. We have mainly gotten by on our emotions and gut feelings. We may think that we are approaching something rationally, but most of the time we use after-the-fact rationalization to justify our intuitive and emotional decision making.

The Case of the Sleepy Dog

A tourist was driving on deserted rural road and happened upon a cabin. An old man was smoking a pipe in his rocking chair on the porch while a droopy hound dog dozed by his side. The tourist got out of his car and struck up a conversation with the old man. Periodically as they talked the dog would let out a long plaintive howl and would then settle back down to sleep.

After this happened a few times, the tourist finally asked the old man, "What's wrong with your dog?"

The old man answered, "Oh don't mind him—he's just lying on a nail."

The flabbergasted tourist asked, "Why doesn't he move?"

The old man thought for a minute and responded, "I reckon it don't hurt badly enough."

It is a well-known maxim in marketing that people who are comfortable enough with their current situation (like the hound dog in the story) are not good prospects for buying goods, services, or ideas—they simply don't care enough to make a change.

All of the specific strategies and tactics that you will learn later in the book are aimed at influencing basic human emotions and moving your visitors off their comfortable spot. Direct marketers Bob Hacker and Axel Andersson have defined several key copywriting concepts that motivate people to act: fear, greed, guilt, exclusivity, anger, salvation, or flattery. Not one of these motivations is rational—all of them are rooted in our fundamental and unchanging emotional nature.

The best way to get visitors to act is to appeal to their fundamental *emotional* motivations.

At SiteTuners.com we have developed a set of hierarchical scales to help us rate websites. They are not precise instruments, but rather tools that help us to focus outward (on our website visitors) and then inward (on their emotional state). Each scale is a continuum of feelings and internal states.

A specific design change proposal must be explainable within these scales, and should attempt to "move the needle to the right." Although the scales are distinct, changes that affect one scale will often have an impact on the others as well.

Anxiety vs. Trust This is the most basic scale and addresses our feelings of safety and security. You would not think that sitting in front of a Web browser would produce much anxiety, but you would be wrong. Giving up personal information, allowing people to contact us, and paying by credit card all have significant fears associated with them.

> We cannot expect someone to act unless we first guarantee their safety and security.

How will my information be used? Will I get on a spam list? Will I be the victim of identity theft? Will the purchase arrive undamaged and on time? Will I actually get what I ordered? Will unexpected fine print charges be added to my order without my knowledge? Will anyone respond if I have a problem after buying? Will it be easy to dispute or cancel my transaction?

Anything that you can do to minimize anxiety will help conversion. This includes clear privacy policies, detailed shipping directions, unconditional return policies, client testimonials, certifications, and trust symbols that show that you conduct business with integrity.

Confusion vs. Clarity Some sites are simple and intuitive. Most are akin to a busy marketplace with loud hawkers vying for your attention. You are assaulted with bright colors, boxes, flashing advertisements. You are overloaded with too many choices and links. You are drowned in too much text displayed in tiny fonts. You are not sure how to navigate the site and find the information that you need.

Is this a button that I can click or just a graphic? Does "Buy it now" just put something in my shopping cart or does it actually charge me and place my order? Where am I in the site? How do I get back to the page that I read earlier? Which of these 20 links should I click? Why does this page text not address my particular needs?

Often too many internal company interests compete for real estate and prominence on important pages. Over time nothing ever gets taken away—new items are simply added to the Web page. Unfortunately, this often leads to a phenomenon know as "The Tragedy of the Commons." If too many shepherds have unrestricted access to the unregulated common grazing lands, the sheep will overwhelm the grass's ability to regenerate itself—destroying it for everyone. The individual self-interests of shepherds undercuts the common good.

> By emphasizing too many items on a Web page, we destroy visitors' ability to find key information and paralyze them from making a decision.

Most sites and landing pages have very poor information architecture and interaction design. Fixing major usability, coherence, and cognitive problems can have a major conversion rate impact.

Alienation vs. Affinity Even if we get over our anxiety and confusion to find the information that we need, we still have to deal with affinity and alienation. We want to be recognized for who we are, understood, and valued. These are subtle issues of identity, tribalism, self-esteem, and belonging. We are members of many formal and informal tribes in our lives: fans of a specific sports team, employees of a certain company, drivers of a particular make of car, occupants of a specific zip code, and graduates of a certain school… the list is endless. Some of these tribes we chose consciously, others unconsciously. Still others chose us (e.g., the "tribe" of orphaned children, or being a member of a specific racial/ethnic group).

> A sense of belonging and being understood is a powerful motivator for people.

The editorial tone of the landing page needs to conform to the visitor's values and beliefs. Any images of people should also help them to self-identify. Graphics color schemes should match the appropriate palette for their sensibilities. Button text and calls-to-action should also use the language of the target community. By segmenting your visitors and personalizing information for them, you are much more likely to appeal to their sensibilities and move them to action.

Online and Offline Combined

Although I have tried to separate conversion-related factors into offline and online, the world is not really that neatly organized. There are very important interactions among the two, and they often play complementary roles. Many people will conduct extensive research online and then convert offline. So the online channel serves as a key influencer, but not as the point of conversion. If an online marketing program has no way to track these subsequent conversions, the apparent economics seem much less favorable. One way to close the loop is to create specific incentives (such as printable coupons), which can be redeemed at the point of purchase and can be used to encode the exact online origin of the transaction.

The influence can extend the other way as well. Many people will see a product in the physical world and then track it down and purchase it online.

Every contact with a potential customer can impact their eventual behavior. This often involves a complicated and tangled thread with multiple exposures to your brand and products across several online and offline channels. Accurate tracking and measurement in this kind of environment can become nearly impossible. Even if you could track everything properly, it often comes down to interpretation about how to assign the proper marketing credit. For example, should you always count the initial source of

the visitor, or assign credit to their last point of interaction before the conversion action happens? There are no clear answers or rules about such chains of contact over extended periods of time. The point is that you should be aware of the multiple influences on each Web visitor, and understand the real value of each customer conversion regardless of where it happens.

Retention

Retention is the third key online marketing activity. Once someone has become aware of your company and made initial contact, you must deepen your relationship with them in order to extract value in the future. In his excellent book *Permission Marketing: Turning Strangers into Friends and Friends into Customers* (Simon & Schuster, 1999), author Seth Godin accurately lays out the changing balance of power between consumers and companies. Consumers are in almost total control and are increasingly impervious to traditional advertising assaults. They tune out most interruptions and focus only on what is important to them. If they notice you at all, they will give you very limited "permission" to interact with them.

Retention programs should seek to build on the initial permission with anticipated, personal, and relevant ongoing communications. Over time, as you earn the consumer's trust and continue to provide value, you are granted higher levels of intimacy and permission in return.

Retention programs start immediately after the initial conversion action on your site has been taken. This initial action may have been an e-mail sign-up for your newsletter, or a whitepaper download. It will often not be the actual initial purchase of your products or services. But you can leverage the right to contact the person by educating them and leading them closer to the ultimate desired action (an initial sale or a repeat sale).

The basis for all retention programs is the ability for the user to receive information from your company on an ongoing basis. So the minimum requirement is that they have given you their e-mail address or added your blog or news source to their data feed.

E-mail has three disadvantages from the user's perspective. You typically do not restrict the list of people or entities that you are willing to accept e-mails from, you are not anonymous, and you cannot control the contents of the messages that are sent to you. Of course, there are ways to *blacklist* certain senders, or receive e-mails only from a *whitelist* of approved addresses. There are also ways to create anonymous or even disposable e-mail addresses. Unwanted content can also be fought by spam-filtering software. But none of these solutions are perfect, and it is difficult to strike the right balance among intrusiveness, extra effort and work, and access to the right information.

News feeds and blog readers address some of the problems with e-mail and are increasingly the preferred choice for getting information from companies. Feeds allow you to specify your news sources and modify them at will so you can control the mix of information that you receive. You can also filter the results and flag only those news entries that mention specific keywords that interest you. You can also remain anonymous and read about events without the originating company knowing your identity. There are a growing number of readers available. Most new blogging software allows you to subscribe to feeds and blogs in a number of the most popular formats.

Retention marketing takes on several forms online:

E-mail E-mail is probably the most widely used of all retention media. A clear distinction must be made between unsolicited spam versus true opt-in lists that are carefully collected and built by companies over time. Spam has no place in this discussion (or ethical online business) and is actually a form of acquisition marketing because you have no prior relationship with the e-mail recipient. In-house mailing lists, on the other hand, are a powerful resource that grows in value over time. Sophisticated e-mail campaigns can be set up to touch specific recipients with a preprogrammed sequence of messages. The presentation of information can even be modified based on reactions to previous contacts (such as opening an e-mail, clicking a link, or actually responding to a particular offer).

Newsletters Newsletters are a close cousin and a specific use of e-mail retention marketing. They tend to be sent on a regular schedule, and their main purpose is to educate a prospect about the details of more complex products or services, and enable the reader to make an informed buying decision at some point. Their editorial tone is generally informational, and calls to action subtly nudge the reader to take the next step in the buying process.

Blog feeds Online diaries or blogs exist on a very wide range of topics. Some of the authors of blogs have large followings and are considered authorities in their respective domains of knowledge. Blogs can be very timely and are often updated several times per day. Getting someone to subscribe to a blog is the desired goal for a retention marketer. After that, all new posts to your blog will automatically become available in the recipient's blog feed.

News feeds News feeds are similar in concept to blogs, but the source of content is different. The information often comes from accredited news sources and major publications, and is typically less varied in quality, length, and editorial tone than blogs.

Rewards and loyalty Various "points" programs are used to incentivize people to act. These include frequent-flyer miles or simple promotions like "every fifth car wash is free." Online tracking allows retention marketers to reward very granular events such

as responding to e-mail promotions, clicking on certain pages, participating in surveys, or referring others.

Retention marketing is critical to an online company's profitability. Effective programs can have a multiplier effect on revenues by increasing lifetime value of the client relationship. You will also typically have much higher profit margins with repeat customers because the incremental cost of marketing to them is minimal.

But it is important to realize that every experience with your company contributes to your success. Well-designed e-mail campaigns may fail because of a user's poor experience with your product or service, or negative interactions with your customer support or billing staff. So it is critical to keep your nose clean and sweat the details of every customer or prospect "touch point." Otherwise, you can undermine the success of your retention programs.

The Myth of Perfect Conversion

Don't make the mistake of assuming that every visitor is a potential prospect or buyer for your goods or services. That would be a delusion. The mythical 100% conversion rate simply does not exist.

There are three types of visitors to your website:

1. Noes—Those that *won't ever* take the desired action

2. Yesses—Those that *will always* take the desired action

3. Maybes—Those that *may* take the desired action

You should completely ignore the first two and concentrate on the last group. Let's examine this more closely.

Some visitors to your website are not prepared to take action. They may be unable to afford what you sell. They may work for your rival and are merely conducting competitive research. Or they may have been simply surfing the Web and thought that it was worth a second of their time to look at your landing page. There are countless reasons why someone will not take the desired action. The important realization is that there is *nothing that you can do to influence them to act*. For most landing pages, this group is by far the largest of the three.

There is also a group of visitors who will always take the desired action. There is ample evidence for this. People will put up with maddeningly difficult registration or checkout processes. They will seek out links and information that are buried deep within websites. In general, they will display a degree of tenacity and will that is staggering. Why do they do this? There are a variety of reasons. Some of them have willful personalities. Others are already sold on what you are offering due to outside influences. Still others have searched far and wide and have been able to find only your company as a viable answer to their immediate and burning needs. Others are just tired

of looking further and have settled on your company as the best alternative that they have seen. Regardless, short of a broken website nothing will deter these people from taking the desired action on your landing page. The main point is that *these people do not need any convincing by you*.

The final group of undecideds contains a wide variety of people. Some of them are almost there—a small improvement in your landing page or website might get them over the hump and result in the desired action. Others may need significant additional persuasion and hand-holding in order to come around. Figure 1.2 shows the range of possible visitor dispositions towards the desired conversion actions
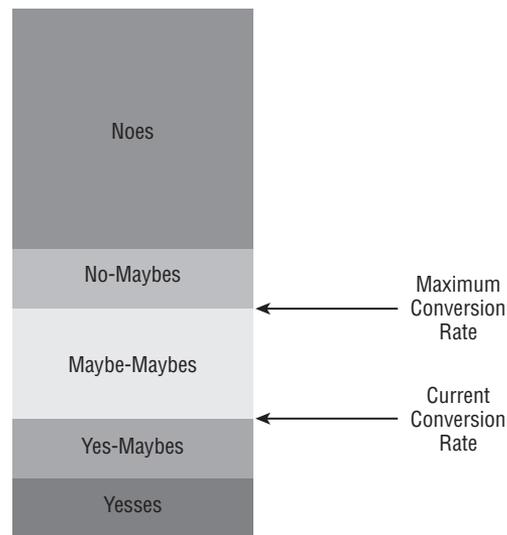

Figure 1.2 Visitor conversion action dispositions

Unless your website is truly ineffectual, you are already converting some of the maybes. This segment of "yes-maybes," along with your yesses, makes up your current conversion rate. However, even with the best landing page you will not be able to convert all of the people in this group at once—they have contradictory needs. Landing page changes that sway a particular person might repel another. So at best you can hope to convert only a portion of the undecideds. The remainder (the "no-maybes") will forever be out of your reach. So the maximum conversion rate improvement that is possible for your business is limited to capturing the rest of the "maybe-maybes" that are still up for grabs.

Of course, it is impossible to precisely measure or even estimate the sizes of these segments for a particular landing page or website. But you should understand that your actual conversion rate "ceiling" is well below 100%.

What's Wrong with This Picture?

What's wrong with this picture?
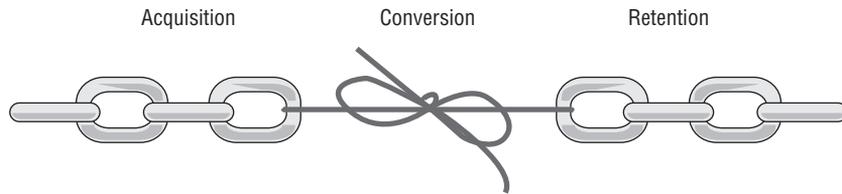
In the marketing world, a lot of time and resources are spent buying media, tracking pay-per-click (PPC) campaigns, driving organic traffic via SEO to landing pages, and installing and customizing Web analytics software to properly track all online marketing activities. Dedicated in-house or agency staff craft keyword lists, write ad copy, and manage keyword bidding to achieve the proper profitability, cost per action (CPA), and return on investment (ROI). Copywriters adjust our sales copy to improve click-through rates (CTRs). Every aspect of performance is scrutinized under a microscope as we drill down on mind-numbingly detailed reports.

Once someone converts, extensive retention e-mail campaigns are set in motion to persuade visitors to deepen their level of engagement. We worry about every single word in our e-mails as we test headlines and offers. We analyze "bounce rates," "open rates," and "unsubscribe rates" with almost religious fervor in order to extract the last penny of revenue and profit possible over the lifetime of our interaction with someone.

But we have almost completely ignored our website and landing page. Sure, we occasionally do facelifts or even wholesale redesigns of our sites. But these changes are rarely tested, and are simply assumed to improve the situation. They are just a cost of "doing business." And even though we spend obscene amounts of money to buy traffic, the effort that we devote to the landing pages to which it is sent is negligible. A couple of hours of graphic designer and copywriter time are often all that the landing page merits. With a cursory review by the higher-ups, the landing page goes live.

Worse yet, we assume that the quality of the landing page cannot be changed. So we do not even look to it for improvements. We turn all of the other knobs and dials at our disposal and continue to neglect the biggest profit driver under our control—the conversion efficiency of the landing page. And this is costing a lot of money in the form of missed opportunity. Double- or triple-digit conversion rate gains are routinely realized through engagements at my company, SiteTuners.com. Yet there is still a widespread perception among online marketers that their landing pages are already solid and can't be improved through testing.

Your website and landing page conversion rates have been neglected for much too long—costing you a lot of money.

Because of the large amounts of money spent on acquisition and retention, sophisticated systems have been created to maximize the ROI of these activities. But the efficiency of the website or landing page has been largely neglected. Many companies are now beginning to understand that website and landing page conversion can have a dramatic impact on online marketing program profits. That's where the new battleground is in the coming years.

In the next chapter we will examine the important aspects of your landing pages.