

If your profits aren't improving, your website isn't working!

Introduction

Have you.....

- Invested a lot of time and money in your web site?
- Invested further in web advertising like pay per click, search engine optimisation, and banner advertising?
- Run e mail campaigns with disappointing results?
- Seen an improvement in revenue or profit performance, and have any improvements been as a result of your internet strategy?
- Increased market awareness and share, and
- Seen your traditional marketing budget decrease?

Put simply are you happy with the ROI of your internet investment? If you are then there is no doubt that your profits are rising, or they are poised to do so. If you are not, this article explores a simple mechanism to improve the performance of your internet investment.

Basics

Before launching into a new strategy it is important to examine why you are about to make, an investment in the internet. The first question to ask is "what is the objective your internet investment?" Do you wish to:

- Enhance your brand
- Generate competitive advantage
- Change the way you do business
- Attract new business
- Increase sales
- Reduce the cost of sale
- Increase profits
- Move to electronic trading
- Out market the competition, or
- Is it just an act of faith?

Your objective can be one, or all of these, or it may be something that is not on this list. Our contention is that the objective of a commercial organization's internet strategy is "to increase profits", and the route to achieve this is by **identifying, attracting, winning and retaining customers profitably**.

Having agreed that this is a realistic objective to pursue, does your internet strategy support this. Some answers may be:

- It does and it is working
- It does and is partially working
- It has not been in operation long enough to have an informed judgement.
- It does not!

In reality it is either working or not! Your strategy must be to deliver customers to your business, getting them to your web site is only the first step. It is vital therefore to understand the nature of the internet user today. According to the Office of National Statistics 49% of householders, 12.1m in all

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have access to the internet, 85% use the internet for email, and 50% use the internet for commercial transactions.

Some recent research from Penn University in the USA shows that there are no longer surfers of the internet, there are searchers, people who are actively seeking something specific. Their survey of 450000 web queries shows that overwhelmingly people use search engines to drive answers to their needs. However,

- over 80% stop searching after looking at just three results
- 50% only enter one search
- over 50% only look at the first page of results
- only 19% looked at the second page of results
- fewer than 10% looked at the third page
- "People make instantaneous judgements about whether to stay on a site, and if a site doesn't give the right impression users will bypass it"

Added to this the search engine suppliers now know how to make money and are actively marketing their services. The net results are more sponsored sites, hence Pay per Click, or Cost per Click in the USA is starting to win over free listings. Other ways of driving prospects to your site such as email and banner advertising are reducing in effectiveness¹. (¹ Sources Direct Marketing Association/Iboost)

There are many organizations that will claim to help you improve your return on investment by driving guaranteed traffic to your site. But is it the right traffic? Having 10000 visits does not guarantee business,

Improving the effectiveness of your internet strategy

Bearing in mind the comments above, our view is that the key to successful internet marketing focuses on the four key points below, executed in the most cost effective manner.

1. Identification

- How many potential customers are actively looking to buy yours, or your competitors, products/services?
 - By identifying key search words for a product or service it is possible to determine the actual number of searches over a given period
- Can you increase this number?
 - only half the population has a PC, but a large percentage of the population has a mobile phone
 - refining search terms may give higher search numbers
- How can you find out who they are?
 - do your existing customers know you have a website?
 - in a B2B environment you can acquire business lists, though the accuracy of these is not always good.
 - in B2C lists are also available. However, if an organization can create a viral (referral) environment better quality lists can be created
 - The same applies to mobile phone users
- What is the most effective way of contacting them; is it email, mobile phone (voice or text), search engine optimisation pay per click, banner?
 - in most cases a combination of the above is required to drive an acceptable response rate per pound invested

2. Attraction

Having identified the target market and chosen your selected contact methods how can they be attracted to your web site?

- Pay per click will get them there if you have made a bid for your key words that put you near the top of the sponsored list. The question is how do you keep them there

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- Banners will only be effective if they offer something different, exciting and of real value to the searcher. The same applies to other internet advertising methods.
- E mail can be really effective providing the mailing list has become an “opt in” list and if there is value for the recipient.
- As far as mobile phone is concerned, avoidance of high tariff response numbers is essential.
- Is there value for your existing customers to use your web site?

3. Winning

Having successfully attracted potential customers to your website, how do you get them to buy? Given the Penn University research it was never truer but you only get one chance to make a good impression. One assumes that the products or services on offer are competitive in terms of price, brand and quality, therefore your site must:

- Give the right impression
 - test market your site
 - your customers views are more important than your web designers or advertising agency
 - Will it get the searchers attention?
- Be up to date
 - ensure news pages are current
 - offers have not expired
 - current offers must be appealing
- Reflect the search terms
 - If some one searches on “used red Ferrari”, get them directly to that page
- Be easy to navigate
 - make sure it is easy to move about
 - make menus simple and clear
- Make the buying experience pleasant and rewarding. Even if the prospect is not buying, the minimum required from their visit is some personal information.

4. Retention

Customers are lost more often than not by poor service rather than quality. However, getting feedback is always difficult.

- Make the feedback process rewarding and fun
 - it is difficult to get feedback, so why not present the process in a way that encourages the recipient to respond
- Find ways to make your satisfied customers your ambassadors
 - the feedback process should be capable of rewarding the recipient for referring your products and services to other prospects
- Remarket regularly; it goes without saying that this a necessity, but remarket using the method that is most likely to drive results
- People don't want points, they would rather have cash!
 - loyalty schemes are good and they do encourage more spend
 - However, if you offer cash back or a discount on a future purchase, and tie it into the feedback process it is more focused, probably less expensive and more effective.

What makes a web site successful?

Sites that are electronic advertisements are not successful because:

- They offer nothing more than an advert and are highly forgettable
- They offer little support for their claims
- They are not proactive and offer little value added to retain the searchers attention
- The content is not sufficient for search engines to find them, and

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- Other sites get little or no value from linking to them

Successful sites are those that have excellent, current, relevant content and that offer ongoing value to the searcher. This is achieved by:

- Saying what they do and supporting it with testimonials and case studies
- Relating to the searcher by exhibiting industry knowledge and project experience
- Identifying their skills and their people
- Hosting relevant news, articles and white papers
- Providing links to organizations with complementary products and/or services
- Inviting searchers to receive their regular newsletter
- Welcoming papers or reviews for publication
- Having available secure customer specific information such as price lists
- Giving the ability to search other sites, and
- Personalising contact, for example mail fred@abcinc.com or call Fred on 01219999999

By adopting this approach to a website design and implementation the four principles above will be strongly underpinned.

Summary

- Have a clear, realistic, achievable, and measurable financial objective.
- The strategy should be to identify, attract, win and retain customers profitably
- The website is the focal point of your strategy
- An internet strategy is a business strategy and is not just a website
- Review it like any other strategy.

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