CommerceCM includes a powerful Referral and Conversion tracking system to help you maximize the effectiveness of your marketing efforts. CommerceCM provides many detailed reports and lots of data that can be mined, analyzed and acted upon. Like any powerful tool, the system is easy to learn but it can take time to become totally comfortable.

Google and Yahoo! Search Marketing can provide you with basic information on the number of impressions for your search terms, and the number of people actually clicking on those ads. In 2004 they even began to tell you how many of those people converted to actual sales. This is great information but is incomplete. Neither site can tell you the dollar sales values of those conversions. Additionally, they only report on their data so you have to check two reports and even then, all of your other programs have no data. CommerceCM gives you one view into all your online programs: Yahoo!, Google, Froogle, Shopping.com and even that banner you run on your brother's web site!

Glossary

Click Through: The number of people that click on a link to visit your web site.

Click Through Ratio (CTR): Usually expressed as a percentage, this is the number of people that click through as a percentage of the number of times the link was shown. Example: A banner shown 100 times in a day that gets clicked on 15 times, has a CTR of 15 per cent.

Conversion: Getting a shopper or site visitor to 'convert' to become a customer.

Conversion Ratio: Usually expressed as a percentage, this is the number of shoppers that become customers. For example, if you get 100 Click Through's from a tracked link, and four become customers, then you have a 4 per cent conversion ratio.

Referrer: A web link that sends people to your web site. CommerceCM allows you to create trackable links using the RefID.

Referrer Landing Page

You access the Referrer Manager using the Marketing Menu in your store.

- Figure 1 Referrer Landing Page

The Quick Stats on the top left shows you some basic information on your RefID programs.

Referrers: The number of trackable RefID's you have configured for your site. All RefID's are active as long as they remain in the system even though they might not receive Clicks on a regular basis. So if you have a RefID in a newsletter from last Christmas and someone opens it up and clicks through, you will be able to see that click and any sales.

Clicks: The number of times people have clicked on your RefID links and come through to your site. These are shown for the calendar Year to Date (YTD) and the current month. A visitor who comes to your site by clicking on a RefID tagged link twice will be recorded as two clicks.

Orders: The number of orders generated by the RefID tracked visitors. Your conversion ratio for these visitors is shown in brackets

Items: Shows the total number of items sold for those orders. Because CommerceCM can handle many currencies, the quick stats report does not show the value of those orders.

On the top right side of the page you can quickly Create a New Referrer.

The Data Controller at the bottom of the screen allows you to generate reports on your Referrer activity. The reports are loaded onto the page bellow the data controller.

Creating a Referrer

Each Referrer has three pieces of information

RefID: This is included in a specially formatted link used on pages sending you visitors. RefID's are alphanumeric meaning that they can contain letters or numbers and must be unique.

Most store managers using alpha numeric id's use internal standards and naming conventions. Using letters helps make the id's easier to remember and program. For example, a Yahoo! bid on the term "Froot Loops" could have an id of "Y_fruit_loops". The RefID for "frootloops" would be "Y_fruitloops". You will want to create your own internal standard.

If you are using numeric id's you can use the **NextID** tag to generate the next sequential RefID. This can save time when creating the ID's and makes it easier for several people to manage your RefID programs. The NextID function only generates numeric ID's.

Title: This is used for internal reports only and is never visible to the customer shopping your site. RefID's are not affected by language or currency.

Category: RefID's can be assigned to Categories that you create by selecting them from the drop down Category menu. Grouping into Categories helps you get a quick view of the performance of a given group of RefID's. For example, you can create a Category for all your Yahoo! Search Marketing terms, and another for your Google AdWords terms.

You can create a new Category when setting up a RefID by selecting " – New Category – " from the Category menu. This changes the form so that you can enter in a new Category.

A link below the form allows you to Add, Edit and Delete your Categories on another form.

Using the RefererID

When creating Referrer links that you want to track, you add the RefID you created to the end of your URL. Here is an example of a link for a refid=2003

http://www.yoursite.com/default.htm?refid=2003 [1]

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[1] the actual syntax will vary based on the number of currencies or languages that your CommerceCM site is using. Your ideaLEVER project manager or customer service representative will provide you with specific instructions for formatting the link for your site.

A RefID can link to any page on your site, in any currency, and in any language. This helps you to provide pinpoint targeting for your marketing and measurement for your site.

Here is a sample RefID link for Robeez Footwear. The RefID at the end has been highlighted for visibility.

http://www.robeez.com/EN-US/default.htm?lang=EN-US&PriceCat=2&**refid=2003**

The ID takes visitors directly to the US English homepage with US dollar prices.

Reports

Landing Page

Using the Data Controller on the landing page, you can run queries against your tracked data. The report shown below is for Overture North America during April 2005. It includes only those terms with Sales data. To show all terms in the category, you need to select the checkbox in the Data Controller to show Referrers with no data.

Data Controller

Show Results for:
Overture - NA

During: April / 2005 / **OR**
From Date: (mm/dd/yy) 4/01/2005 **To** 4/30/2005 | **SHOW RESULTS**

[ ] Include Referrers with no data

[download spreadsheet]   26 Records ; Page: 1 of 1   Items Per Page : 100

RefID	expand all [+]	Title	Category	Clicks	Orders	Items	Conversion / Sales Value
2001	[+]		Overture - NA	57	1	3	1.75 %
2002	[+]		Overture - NA	14	1	2	7.14 %
2003	[+]		Overture - NA	1188	35	49	2.95 %
2006	[+]		Overture - NA	89	1	2	1.12 %
2010	[+]		Overture - NA	538	14	22	2.60 %
2012	[+]		Overture - NA	84	4	7	4.76 %
2014	[+]		Overture - NA	156	9	11	5.77 %
2015	[+]		Overture - NA	1788	125	193	6.99 %
2016	[+]		Overture - NA	405	34	51	8.40 %
2020	[+]		Overture - NA	391	6	11	1.53 %
2024	[+]		Overture - NA	102	7	11	6.86 %
2026	[+]		Overture - NA	1	1	1	100.00 %
2027	[+]		Overture - NA	20	1	1	5.00 %
2039	[+]		Overture - NA	13	1	1	7.69 %
2042	[+]		Overture - NA	43	2	3	4.65 %
2046	[+]		Overture - NA	6	1	1	16.67 %
2047	[+]		Overture - NA	9	1	2	11.11 %
2049	[+]		Overture - NA	498	60	93	12.05 %
2052	[+]		Overture - NA	26	2	6	7.69 %

- Figure 2 Referrer Report from Data Controller

The report shows the number of Clicks, Orders, and total Items sold for each term in the Category. The Sales Value column shows the Conversion rates for the terms. We cannot provide a sales total until we expand an item to see results by currency.

You can download the report as a spreadsheet if you wish to do advanced analysis by clicking the **[download spreadsheet]** link.

This report quickly shows the program manager that several ID's are converting well above the site average. By clicking the **[+]** icon in the Expand column, we can view the sales values for each term.

2049	[-]	Overture - ▓▓▓▓▓▓		Overture - NA	498	60	93	12.05 %
		CAD				1	2	$66.29
		USD				56	87	$2,594.80
		GBP				0	0	£0.00
		EUR				3	4	€94.00

• Figure 3 Expanded RefID report showing sales data by currency

By expanding the line for RefID 2049, we can see that of the 60 orders in May, 1 was Canadian, and 56 were US, and three were Euros, and we can see the total value of sales in each currency. We cannot show the number of Clicks for each currency because it is possible for the shoppers to click through to the site and start in one currency, then change currency while shopping. In this example, the RefID is for a North American Overture listing and 3 shoppers ended up with orders in Euros.

Tip: Our customers all create their links into a specific currency depending on where the link is being placed. A link on a Canadian shopping portal will link to Canadian currency. Because of the dominance of US web traffic, most CPC programs should be linked into US currency.

To get further information we can click on the title of the RefID from this page and see a full report with details on the sales.

RefID Detail Report

This report can be used to edit the RefID and view additional information. There is a lot of data here so we will break it into a couple of parts. The entire report is show below.

• Figure 4 RefID Detail report

Quick Stats

Like most CommerceCM reports, the Quick Stats panel on the top left of the page gives you a quick view of key performance indicators on your site.

The first two columns are statistics for all RefID's across the site for both Year to Date and the current month. The next two columns show the same information for the term we selected so we can compare. **NOTE:** The Month values shown in Quick Stats are always for the current month, not for the month queried by the Data Controller.

For the year, the term we are looking at has converted at a respectable 10.39 per cent which is lower than the site average across all terms. The current month though sees the term converting very well at over 27 per cent.

While the report might seem confusing now, you will learn to understand them at a glance, notice changes, and recognize their significance. This is a good term. It converts very well and is increasing. This term might have performed better this month than others because of a promotion that was being run or because of the average positioning of the term if it is a CPC term.

As you get more familiar with your terms and conversion rates, you can drop terms that do not perform well. We will discuss this further in the section on Analysis.

Edit Referrer

This shows that this ID was created March 2, 2005. Clicking the garbage can deletes the ID and all the data associated with it. We recommend being cautious about deleting data. There is no harm in keeping it. Once it is no longer getting clicks, it will not affect your conversion rate data

You can edit the title and category as required without affecting the data you have collected.

Edit Referrer

RefID: 2049   Created: 3/2/2005

RefID: 2049

Title: Overture - ▓▓▓▓.▓▓▓

Category: Overture - NA

SAVE CHANGES

[Referrer Link Help] [Add/Edit Categories]

Data Controller

The Data Controller can be used to adjust the time period for the data shown in the Activity Summary on the bottom part of the page.

Selecting the Currency label in the Activity Summary takes you to the Advanced Order Search and loads the sales data for that currency into the table. We are showing the Activity Summary for the three Euro orders below. This is a standard report found in several places throughout CommerceCM. From this page, you can drill through to view the order by clicking the Order ID, sales for the entire day by clicking the Date, or shopper profile by clicking the shopper name.

Advanced Search

Criteria 1 :	Referer ID	=	2049		AND
Criteria 2 :	Placed On	>=	4/01/2005		AND
Criteria 3 :	Placed On	<=	4/30/2005 11:59:59 PM		AND
Criteria 4 :	Currency	=	4	ADD CRITERIA	
					SEARCH

[download spreadsheet]   3 Records ; Page: 1 ▼ of 1 Items Per Page : 100 ▼

Order ID	Date	Shopper	Items	Product	Shipping	Tax	Total:	Method	
▓▓▓▓▓▓▓ ▓▓▓▓	4/1/2005	▓▓▓▓▓▓▓, ▓▓	1	€23.50	€0.00	€0.00	€23.50	Visa	🗑
▓▓▓▓▓▓▓ ▓▓▓▓	4/7/2005	▓▓▓▓▓, ▓▓▓▓▓▓	1	€23.50	€0.00	€0.00	€23.50	Visa	🗑
▓▓▓▓▓▓▓▓ ▓▓▓▓	4/20/2005	▓▓▓▓, ▓▓▓▓▓	2	€47.00	€0.00	€0.00	€47.00	MasterCard	🗑

3 Records ; Page: 1 ▼ of 1 Items Per Page : 100 ▼

Referrer and Conversion Analysis

Getting the most out of your online marketing is key to running an effective web site. CommerceCM provides you with the data you need to make choices and optimize your marketing.

Site owners must keep in mind that the Referrer reports only cover the RefID formatted links you have set up intentionally through banners, newsletters, CPC or other

$$\text{Conversion Ratio} = \frac{\text{\# of Orders}}{\text{\# of Visitors}}$$

online marketing programs. To calculate your site wide conversion ratio, divide your total number of sales by the number of visitors in the same time period.

There are many things that can affect your conversion ratio. What defines a good conversion ratio depends on your industry and your specific operation. Sites of internet only or mail order retailers such as Amazon and LL Bean have significantly higher conversions that established retailers like Sears. This is caused in large part by shoppers' tendency to research purchases online and make the actual purchase in a store. With no physical locations, all of Amazon's sales are online. Established sites also usually have higher conversion ratio than new sites for two reasons. Shoppers might visit several times before becoming customers, and returning customers are more likely to purchase than shoppers who have not already made a purchase. As trust in your online brand increases, so does your conversion ratio.

Most CommerceCM customers also take orders over the phone and we always recommend that your site include a prominently displayed toll free number. These offline conversions will not be reflected in any of your reports and can come from any number of sources. We recommend asking all of your phone customers how they found out about your store, and if they have visited the site, ask how they found the site.

Once your site has been running for several months you will have a sense of what your underlying conversion ratio for your site is.

As noted above, the sample term has a great conversion ratio. It consistently performs higher than the average RefID term on the site and it's conversion rate increased more than the average this month. A site manager would be aware of all changes that might have occurred to cause that change.

Quick Stats

Statistics	YTD	Month	Overture -	
Referrers:	947	203	YTD	Month
Clicks:	1102138	60909	5002	274
Orders:	18659 [1.69%]	2795 [4.59%]	234 [4.68%]	40 [14.6%]
Items:	28005	4319	363	56

Increasing Conversion Ratio

A high conversion ratio is important to get the most return on your investment in your site. A small increase in conversion ratio can make a big difference in monthly sales.

Sales and Promotions: While a store cannot continually run promotions and sales, a good promotion can increase your conversion ratio.

Improved Targeting: CPC programs like Yahoo! and Google allow you to have custom titles and descriptions in your ads. The right wording can help to attract the right customers and increase your conversion ratio. The right wording can also eliminate wasted clicks for customers who are not going to buy. Reducing your wasted clicks reduces the amount you spend.

The RefID link should also take the shopper to a point as close to the checkout as possible. For example, if you are paying for top spot for the term 'blue ski jacket' don't take the visitor to the homepage of your site. Take them directly to a listing for a blue ski jacket. You can also create a hidden department of all of your blue ski jackets and link the ad directly to a page with 8 styles of ski jackets available in blue.

Tracking Return on Referrers

Conversion ratios are not the only measure of success for your Referrer programs. Your RefID programs need to support what you are spending on them so your product margin on the sales generated must be more than you are spending on the links. A very expensive RefID link with a great conversion ratio might still have a negative returnl. To get truly accurate results you can download order details and analyze your margin by looking at the margin on each product sold however that sort of analysis is beyond the scope of CommerceCM. For a rough analysis, most merchants are aware of their average product markup and can do some quick calculations.

Let us take a look at the data we have from our sample RefID.

[download spreadsheet]   2 Records ; Page: 1 ▾ of 1   Items Per Page : 100 ▾

Order ID	Date	Shopper	Items	Product	Shipping	Tax	Total:	Method	
		Report Summary	3	$84.00	$11.90	$6.72	$102.62		
		MasterCard	1	$28.00	$5.95	$2.38	$36.33		
		Visa	2	$56.00	$5.95	$4.34	$66.29		
C20050	5/2/2005	Powell, Margaret	1	$28.00	$5.95	$2.38	$36.33	Visa	🗑
C20050	5/9/2005	LaValley, Cindy	2	$56.00	$5.95	$4.34	$66.29	MasterCard	🗑

2 Records ; Page: 1 ▾ of 1   Items Per Page : 100 ▾

Total product sales in Canadian dollars were $84. We will assume that shipping and tax are neutral. With a 40 per cent margin after transaction fees, the merchant has $33.60 C profit on the two orders. Analyzing the US sales, (not shown here), shows total product sales of $639.60 US which gives us a profit of $255.84 US.

The RefID is for an Overture term which we pay for in US dollars. We need to convert the Canadian profit to US, for total profit of $284.30 US.

Our cost from Overture for the month is $0.27 per click. Since there were 274 clicks, we paid $73.98 US to get those 20 sales. Since the profit is substantially higher than the cost, then we know that we can continue to support this expenditure.

As you get more familiar with your margins, average online sales and average profit, you will be able to tell at a glance which RefID programs are most effective for you.

Conclusion

This is only a short introduction to the power of Referrer tracking using CommerceCM. Given the time and inclination you can learn a lot about your marketing efforts. Not all orders or conversions are created equal and it is possible that you will have RefID programs that will generate higher (or lower) value sales than average so it helps to look at the total number of items sold per order and average dollar value of the sales.