Google Analytics: Conversions







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Abstract

Data Analysis has become an indispensable subject for most businesses in any sector. The data provided by the digital resources has many benefits for your e-commerce business too. It gives you a better insight into your target audience profile, the way this audience interacts with your e-commerce and your website, and how the user behaves when he's browsing your store; among many other benefits.

In this white paper we will see reports on different sections of the website and the use that users make of them.

In the preceding sections we can find:

- **Metrics:** find out which metrics are relevant for your e-commerce store.
- Purchase behaviour: understanding the behaviour of your users will let you optimize your e-commerce website.
- **Product and Sales performance**: maximize results having a better insight into the product performance of your store.
- **Multi-channel funnels**: one of Google Analytics' crucial sections, where you can see how your marketing channels work together to create conversions.

This white paper is aimed at retailers with a superficial knowledge of the Analytics tool, so we will focus on the most relevant reports for online stores.



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Introduction

This is the section you will probably check more times during the day. Here we have information related to the number of sales, profits, products, purchasing behaviours...

Right like previous white papers, here we are going to focus on the more relevant information for your e-commerce store.

Let's see which are the most important metrics of this section:

- Revenue: the benefits you generated, in euros
- Transactions: number of unique purchases that have been made
- E-commerce conversion rate: of users that entered an specific page of your website, how many ended up buying.

As a general advice, and if you followed the steps of the first part of the guide on how to structure a Google Analytics account, the analysis of this section will be available from the view "e-commerce" of the property.



Goals

As we explained at the beginning of this guide, goals are the action users make in the website and bring some type value for us. In the case of e-commerces, it allows us very relevant data.

We are not going to dig much deep into this section, as it is more recommendable to focus on the following ones. However, let's take a quick look a the conclusions we can obtain from these reports:

- Detect which paths bring users to purchase.
- Analyze metrics all along like "add to shopping cart" and create your customized conversion funnels. For example, a quitely used KPI by most e-commerce stores is the one called "arrived at checkout/transaction". If many people arrive at this page but don't end up purchasing, it means you might have to optimize this page in particular.
- Smart goals: these are created automatically by the variables that Google considers adequate. With this report you can determine the quality of the traffic on each canal, campaign, media, etc.

E-commerce

Here in this section there are the most important reports from a business point of view. Let's see in detail each report, skipping the general report.

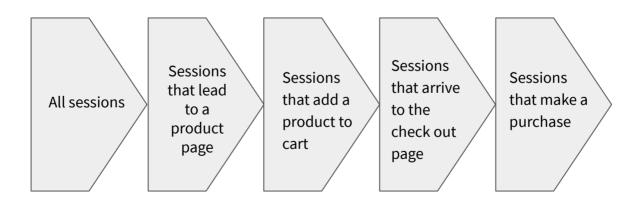


Purchase Behaviour

This report indicates visually the purchase funnel of your e-commerce store. Let's take a look at how interpret the graph using the following example:



The graph shows five phases of the purchasing process, that is:



In the first phase we can clearly see all the sessions that visited your e-commerce store; in the second phase there are only the sessions that visited a product page, and so on until the fifth and last phase: final purchase.

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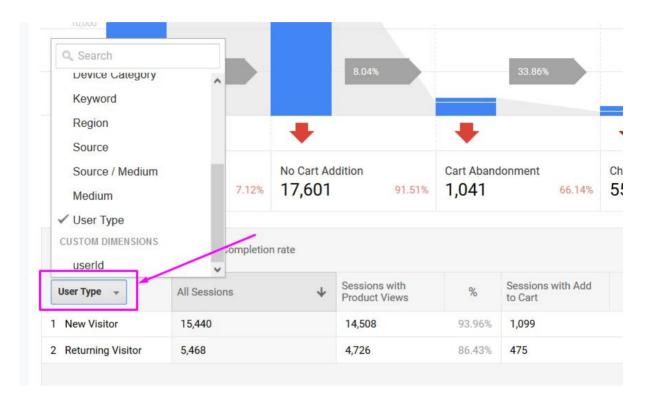
The percentages indicated here make reference to the % of sessions that have progressed to the following phase.



Here in this picture, the numbers marked with pink arrows indicate the number of sessions that didn't go to the next phase. The numbers marked with red arrows indicate the percentage of sessions that didn't go to the following phases of the purchasing process.



In the table of the following picture, you can segment this data by default depending on whether the session was conducted by a new user or a recurrent user. However, you can select the dimension we believe will turn out more relevant to you:



What conclusions can you make from this report?

Basically, you need to make that the funnel has a soft decrecimiento, that means, attempt to have a funnel similar to this one:



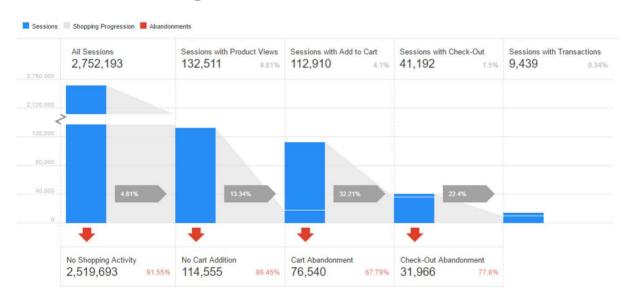


Here in this case would be a real situation. The truth is that in all e-commerces there are phases where we lose more users than we would like to.

For example, let's imagine that we have a high percentage of losses between the phase Sessions with product view > Sessions with add to cart. This means you might not have properly distributed the add to cart button on your website; or it might not stand out in the overall.

Let's see another example, we detect that many sessions end up between the phases Sessions that arrive to check out page > Sessions that make a purchase. In many cases it is because the shipping costs are not properly informed on the product page, or the paying methods are not trustworthy enough for the user that arrived to check out.

Behaviour during the Purchase Process



This report shows a funnel similar to the previous one, but referring to users' behaviour during the checkout process. All checkouts have the same mandatory fields, as it's the basic necessary information for the logistics operator.

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There are cases where the checkout process can take a few pages. This is the easiest way to tag the process. Nevertheless, there is also another case known as "one-page checkout"; by applying this option you may need to tag each step with javascript events.

Using this report is helpful to extract useful information similar to the previous one, but it applies only to the checkout process.

Product Performance

This report is one of the most important ones on Google Analytics for any e-commerce store. Here you can find detailed information about the performance of each product: from the profits they generate to the percentage of users that visits its product page and ends up buying it. Let's see in detail the information provided by this report:



First, let's take a look at the four possible primary dimensions:

- Product: you can see the title of the product of this page (it's not the title indicated on Merchant Center)
- Product SKU code: you can see the internal reference code of each product. It's useful for exporting and crossing it with other sources' data.
- Product Category (Enhanced Ecommerce): you can see the same metrics as in the two last dimensions but grouped by the category we have informed on our website.
- Product Brand: you can see the same information as in the last listing but grouped by product brands.



Producto ?	Rendimiento de las ventas						Comportamiento de compra	
	Ingresos del producto	Compras únicas	Cantidad ?	Precio medio ?	Cantidad media	Importe de reembolso del producto	Porcentaje carrito/detalle	Porcentaje compra/detalle
	1.402,00 US\$ % del total: 100,00 % (1.402,00 US\$)	61 % del total: 100,00 % (61)	79 % del total: 100,00 % (79)	17,75 US\$ Media de la vista: 17,75 US\$ (0,00 %)	1,30 Media de la vista: 1,30 (0,00 %)	0,00 US\$ % del total: 0,00 % (0,00 US\$)	7,65 % Media de la vista: 7,65 % (0,00 %)	0,55 % Media de la vista: 0,55 % (0,00 %)
Google Sherpa Vest Black	237,00 US\$ (16,90 %)	1 (1,64 %)	3 (3,80 %)	79,00 US\$	3,00	0,00 US\$ (0,00 %)	4,35 %	2,17 %
2. Google Men's Tech Fleece Grey	89,00 US\$ (6,35 %)	1 (1,64 %)	1 (1,27%)	89,00 US\$	1,00	0,00 US\$ (0,00 %)	20,83 %	4,17 %
3. Google Sherpa Zip Hoodie Charcoal	69,00 US\$ (4,92 %)	1 (1,64 %)	1 (1,27%)	69,00 US\$	1,00	0,00 US\$ (0,00 %)	0,00 %	4,55 %

Sales Performance

Just like the previous report, let's see first the primary dimensions and later on we will check the metrics this report provides.



Here in this case we have two primary dimensions:

- Transaction ID: It's the code of the transaction generated by the CMS of the website. If you are looking for the PrestaShop bumber, for instance, you will see it's exactly the same.
- Date: metrics grouped according to date the transaction was made.

You can obtain powerful insights like:

- How many units are being sold on each unique purchase on average?
- What's the average order value (AOV)?
- What percentage of transactions is refunded?
- And most importantly, how many transactions are duplicated? This is a common error for most e-commerce stores.

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Products List Performance



Let's take a look at the four primary dimensions:

- Name of the product list: it's a group of products created based on the tags.
- Position in the product list: the position of the same list.
- Product: name of the product.
- Product SKU code.

What can you extract from this report?

- If you have all your sections properly tagged:
 - How many products are sold from cross-selling modules of related products
 - How many products are sold from upselling to modules inside the check out.
 - How many times a product is added to the shopping cart based on the list.
 - How many times a transaction has been made based on the list.





Marketing

Let's see what information provides this report:

- Internal promotion: take a look at the performance of internal discount campaigns.
- Order coupon: the discount codes appear for all the orders.
- Product coupon: how many times a discount code has been used for certain products.
- Affiliation code: see the performance of the campaigns on the affiliated pages.

Multi-Channel Funnels

This section is extremely significant to analyze to the smallest detail the different marketing strategies that are being applied.

One of the biggest issues of analytics is determining which attribution system is right for our business. Let's freshen up the different attribution models we have available on Google Analytics:

- Last interaction: the conversion is attributed completely to the last interaction.
- Las non-direct click
- Last Google Ads click
- First interaction: the conversion is attributed completely to the first interaction.
- Linear: the conversion is distributed equally all along the process.
- Time decay: the last interactions are more important that the first ones.
- Position based: 40% the first interaction, 40% last interaction and 20% is distributed among the other interactions.

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Assisted Conversions

An assisted conversion is a conversion attributed to a channel or any other dimension that appeared in the conversion path, but it was not in the last interaction.

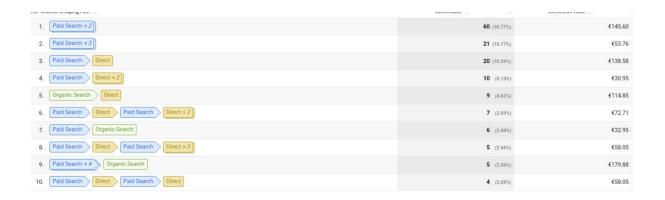
For example, if a user enters first by Paid Search and afterwards by Organic Search and makes a conversion, the conversion will be attributed to the Organic Search and the assisted conversion to Paid Search.

It's a pretty useful report to determine the effectiveness of certain channels or campaigns.

Conversion Paths

This report shows the paths that lead to conversion according to users. It's very effective when determining the effectiveness of several strategies.

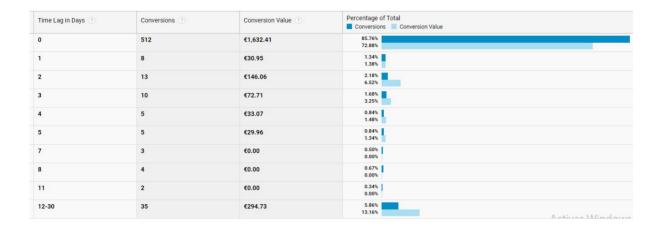
For example, imagine that in the report Acquisition > Channels we notice that direct traffic generates a huge amount of benefits. Thanks to this report we could see what to do before converting directly. Let's say they knew us thanks to a contest on Facebook or Instagram and they ended up buying when entering directly to our website.



As usual, you can change the primary dimension of the report.



Time Lag



Here in this report we will see how long it takes for a user to make conversion. That means, if a user enters our website on Monday and makes the purchase on Wednesday, the lapse will be 3 days.

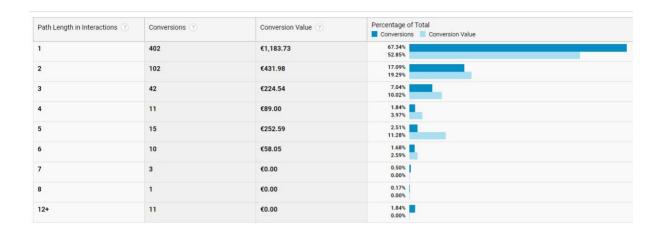
In those stores where products are bought reflexively (i.e.household appliances) the time laps will be much longer than a store that sells common products like toilet paper.

Tip!

With this report you can see how to configure retargeting audiences of high performance.



Route Length



By checking this report you can see information about how many interactions (touch points, as are commonly known in Marketing) are needed for users to reach a transaction.

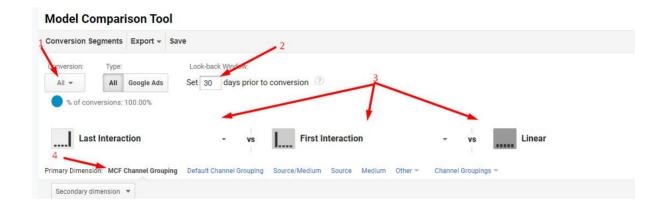
Tip!

If you make a display campaign on social media, you can determine the maximum frequency based on this data.

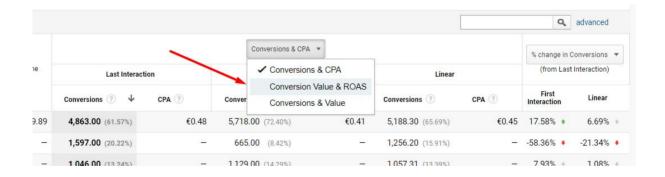


Multi-channel funnel comparison

Let's check step by step each element of this report:



- 1. Conversion: In case of ecommerce we will leave it as it appears. Later on we will explain why.
- 2. Days to convert.
- 3. Attribution model to compare.
- 4. Primary dimension of the report.



In the middle of the table we will select Conversion Value & ROAS as we are analyzing an e-commerce store account.

With this report we will compare the different marketing strategies with different attribution systems.



Let's see it clearer with an example: create a Youtube campaign with the objective of generating brand awareness. This campaign, according to an attribution system based on the last click, will indicate to us that it generated no conversions. If we compare the attribution system with one based on the first click we can see that this campaign let users know us and some of them even made transactions a few days later.

Another example: let's analyze a search campaign and see that it doesn't generate positive results. Instead, the retargeting campaign provides you with considerable profits. If you compare the attribution system of the first click, you will see that the retargeting campaign is the one generating profits. In this case, we recommend to compare it with a linear attribution model.



Takeaways

After reviewing the available reports within the Conversions section, it is necessary to highlight:

- **Conversions** section is one of the most relevant sections of Google Analytics. Here you can find many powerful information that will help you improve your knowledge about your customers and optimize your ecommerce store.
- Understanding how your users behave throughout your website
 will help you define a proper and optimized User Experience, which
 will translate into more conversions. Aspects like Conversion paths
 or Time Lag are essential for your e-store.
- Comprehending the Multi-Channel funnels section of Google
 Analytics will provide you a full understanding of how your many
 campaigns work together and result in the form of new leads and
 conversions.



Additional information

If you want to learn more on user behavior on Google Analytics for e-Commerce, you can visit <u>netrivals.com</u> for more information on the topic. Netrivals helps pure-players and omnicanal stores in different industries and verticals to be more competitive. The all-in-one vision offered by Netrivals covers relevant and valuable KPIs for the e-commerce world such as Price Index, Profit Margin and Conversion Rate. You can learn more <u>here</u> or talk directly to one of our <u>specialists</u>.

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Find out more at <u>netrivals.com</u>

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