XYZ Company www.XYZ Company.com Website Analysis

**XYZ Company** (XYZ Company.com) is in a highly competitive business of selling educational toys online to the US and Canadian buyers. There are big players in the market, such as ToyRus, Target, Amazon, and also smaller players, such as Calicocritters.com, Intplay.com and others, making the competition quite tough and challenging.

<table>
<thead>
<tr>
<th>Table 1</th>
<th>Market Potential &amp; Elite Toy’s Sales Cycle</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Data Source:</strong> Google Insights for Search, Google Analytics</td>
<td><strong>Notes</strong></td>
</tr>
<tr>
<td><img src="#" alt="Graph" /></td>
<td>1. Online sales of educational toys have strongly expressed seasonal character <em>(see callout 1).</em></td>
</tr>
<tr>
<td></td>
<td>2. While the web search interest for Educational toys (see the blue line in the graph) is declining, “Calico critters” picks up (see the orange line).</td>
</tr>
<tr>
<td></td>
<td>3. Web search peaks are during Christmas holidays, starting somewhere in mid October and continuing till end of January.</td>
</tr>
<tr>
<td></td>
<td>4. Small prediction here: that maybe in 2011 the trend will slightly decrease <em>(see callout 2).</em></td>
</tr>
</tbody>
</table>

**XYZ Company Revenue**

| ![Graph](#) | 5. Above trends is visible at XYZ Company website revenue cycle during a year. The seasonal peak starts in about mid-October and lasts until mid-January next year. |

**Conclusion**

- Overall market trend for educational toys is declining compared to the past holiday seasons, which makes even more challenging to compete.
- However, more and more people are looking for “Calico critters”. There is a potential in that growing segment for XYZ Company.
- It is crucial to improve effectiveness of “Calico Critters” seasonal campaign in 2011, because of existing tough competition and predicted slightly declining trend in search this year.

XYZ Company’s online sales in 2010 had increased by 8.3%. Company’s goal for 2011 is to increase website sales by 15% *(see Graph A).*

It is also noted that calico critters products contribution to overall revenue of XYZ Company is high: 41% of total revenue in 2009, and 43% in 2010. As Table 1 shows, it is a growing market and potential for XYZ Company.

Thus improving the growing segment would help company reach its objective.
The strategy to reach the objective consists of the following goals:

- **Improve “Calico Critters” seasonal campaign success rate**
- **More revenue from search traffic**
- **Provide higher customer satisfaction**

See **Table 2: Web Analytics Measurement Model**
<table>
<thead>
<tr>
<th>Table 2</th>
<th>Web Analytics Measurement Model for XYZ Company</th>
</tr>
</thead>
<tbody>
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<td>More and return customers</td>
<td>Success in seasonal campaigns</td>
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<td>Website Goals</td>
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<td>Provide higher customer satisfaction</td>
<td>Improve “Calico Critters” seasonal campaigns success rate</td>
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<tr>
<td></td>
<td>Website KPIs</td>
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<tr>
<td>Task completion rate</td>
<td>Landing page bounce rate</td>
</tr>
<tr>
<td></td>
<td>KPI targets</td>
</tr>
<tr>
<td>70% completed their tasks</td>
<td>Decrease bounce rate by 30%</td>
</tr>
<tr>
<td></td>
<td>Segments</td>
</tr>
<tr>
<td>People completed the survey</td>
<td>People who came via “Calico Critters” campaign</td>
</tr>
</tbody>
</table>
Website Goal 1: Improve “Calico Critters” seasonal campaign success rate

Revenue from “calico critters” product increased 19% during 2010 seasonal sales.  
Data Source: Google Analytics (created in Excel)

The fact was due to the company’s strategy of acquiring traffic proactively, which increased from 0.03% to 3.42% in the overall pie (see Graph C).

However, even though number of people arriving from the campaign increased by 40.20% their bounces increase at a higher rate 52.90%, per visit value and conversion rates decreased, too (Graph D).

Graph D Data Source: Google Analytics (Oct. 1, 09 – Jan. 31, 10 compared to Oct. 1, 10 – Jan. 31, 11)  
(segment – people who arrive on “Calico critters” landing page via campaign)

To understand the situation the following segments were analyzed (see Table 3):

- People who came via “Calico Critters” campaign
- People who made purchase from “Calico Critters” campaign
- People who bounced from Calico Critters landing page coming from “Calico Critters” campaign
- People who abandoned shopping cart
- People who viewed “calico critters” pages
### XYZ Company Website Experience by people who came through “Calico Critter” campaign

**Data Source:** Google Analytics

**Comparing** 1 October 2009 – 31 January 2010
**with**
1 October 2010 – 31 January 2011

#### Notes

1. People who arrive from cpc **80.41%** of them come only once to the site and never come back during the period. In 2009 this number was lower **77.55%**.

2. People who arrive from cpc and purchase **53.03%** of them come once. In 2009 this number was lower **50.82%**.

3. Within 3 visits almost **93%** make purchase.

4. People coming through the campaign in average stay on site **3.42** minutes.

5. However, people who are making purchase spend in average ~**30** minutes on the site.

6. Top consumed content for people who are buying is “Calico Critters” landing page.


8. Shopping cart abandonment rate decreased by **3%** compared to previous year. However, it is still high **65%** abandon the cart.

9. Shopping card $index overtime is decreasing.
XYZ Company proactive visitor acquisition strategy obviously needs to be mended. During seasonal campaigns company is spending money acquiring people who are unproductive for the business; they bounce, provide less value to the company, and convert less. Most probably something happens on the page where they don’t like and leave it (see more in Table 9: Multivariate testing results).

Website visitor loyalty is very low; people kind of drive by. It is hard to get new people over and over without capacity to engage and retain them. People, who make purchase, however are staying on the site in average 30 minutes. People should get engaged: e.g. video viewing, online games, downloading, sending e-card, and other micro conversion possibilities (see Graph B for more insight).

Shopping cart experience needs to be improved. Even though in absolute numbers order confirmation increased (457 in 2010, compared to 399 in 2009), however the $index is decreasing at ~15%!

Website Goal 2: More revenue from paid search

XYZ Company was getting 0.10% of total paid traffic (see Table 4 and 5). Increasing share of search to 0.3% will bring more revenue during 2011 season (see Table 11 Graph 8).

Data Source: Google Adwords and Google Analytics

### Table 4: Share of search for paid campaign

<table>
<thead>
<tr>
<th>Keyword</th>
<th>Global Monthly Searches (av. last 12 mo.)</th>
<th>Website visits from paid campaign (Dec. 2010)</th>
</tr>
</thead>
<tbody>
<tr>
<td>calico critters</td>
<td>40,500</td>
<td>1,496</td>
</tr>
<tr>
<td>jeopardy</td>
<td>1,220,000</td>
<td>117</td>
</tr>
<tr>
<td>2010 holiday</td>
<td>550,000</td>
<td>162</td>
</tr>
<tr>
<td>calicocritters</td>
<td>40,500</td>
<td>44</td>
</tr>
<tr>
<td>toys toys electric cars</td>
<td>880</td>
<td>23</td>
</tr>
<tr>
<td>evo powerboards</td>
<td>1,600</td>
<td>2</td>
</tr>
<tr>
<td>calico critters luxury townhome gift set</td>
<td>170</td>
<td>8</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td><strong>1,853,650</strong></td>
<td><strong>1,852</strong></td>
</tr>
<tr>
<td><strong>Share of Search</strong></td>
<td><strong>0.10%</strong></td>
<td></td>
</tr>
</tbody>
</table>

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1. Keywords campaigns at XYZ Company website
XYZ Company’s Adwords Campaigns during 2010 December

Adwords monthly search data
1. The month of December is selected because the largest visits happen through the paid campaigns in XYZ Company website. This is for comparison purposes.
2. Adwords keyword paid monthly search data for the last 12 months.

Conclusion
- There are some keywords that XYZ Company is bidding for, such as, “calico critters part numbers” that has no information about monthly search volume or competition. That campaign should be dropped.
- There is another one “toys toys electric cars” that has high competition with low monthly search volume. For that keyword it would be better to work on link building and optimization. And appear on the shopping results in Google, rather than using PPC campaign. It is a looser campaign.
- “2010 holiday” has no conversion at all. Again use these words on the website or create a page and optimize it, instead of participating in paid search campaign.

For more insight the following segments are analyzed (see Table 6):
- People arriving via organic (the same keywords) vs. paid search
- People searching in Google vs. on the site

Table 6
XYZ Company: People who come organic vs. paid segments

<table>
<thead>
<tr>
<th>Data Sources: Google Analytics &amp; Wordle</th>
<th>Notes</th>
</tr>
</thead>
</table>

- Paid campaign traffic bounces less than site average, and less than organic
- People from paid campaign stay in average longer than organic as well as site average.
- These people also visit in average more pages
4. It is obvious that XYZ Company paid search acquired traffic is head stronger, than organic.
5. Intent of people coming from paid search off site and on site is very similar.

<table>
<thead>
<tr>
<th>All visits</th>
<th>search in SEs</th>
<th>search on site</th>
</tr>
</thead>
<tbody>
<tr>
<td>Paid campaign visits</td>
<td><img src="calico.png" alt="Image" /></td>
<td><img src="calico.png" alt="Image" /></td>
</tr>
</tbody>
</table>

6. $ index for all visits is much smaller than for the “paid campaigns” segment
7. People arriving from paid search more effectively interact with the content; they are more targeted to taking actions.

Conclusion

- Ideally site should acquire 10% of traffic proactively. XYZ Company uses that sub-optimally. Since the quality of traffic coming from paid search has higher value, it is necessary to increase more targeted traffic.
- It is also easier to control the paid traffic landing page and optimize it for better performance (see Table 9: Multivariate testing results).
- Graph 7 in Table 11 shows the possible effect of increased share of search for paid campaigns.

**Website Goal 3: Provide higher customer satisfaction**

Taken the problems with the low customer loyalty, higher bounce rate (Table 3), company had implemented site level on-exit survey using KISSinsight. Survey lasted 4 months and 1580 people responded to the survey. The questions were designed to find out whether the visitors were able to complete their task. The following 2 questions were asked:

1. Could you please tell us what are you looking for?
2. Were you able to complete your task?

See Table 7 for the results.

<table>
<thead>
<tr>
<th>Table 7: Task Completion Rate</th>
<th>I was looking for</th>
<th>I found what I was looking</th>
<th>I couldn't find what I was looking</th>
</tr>
</thead>
<tbody>
<tr>
<td>Information about educational toys</td>
<td>15%</td>
<td>0%</td>
<td>100%</td>
</tr>
<tr>
<td>Looking for Calico Critters</td>
<td>30%</td>
<td>62%</td>
<td>38%</td>
</tr>
<tr>
<td>Reading testimonials</td>
<td>5%</td>
<td>90%</td>
<td>10%</td>
</tr>
<tr>
<td>Looking for corporate deals</td>
<td>10%</td>
<td>92%</td>
<td>8%</td>
</tr>
<tr>
<td>Want to buy a toy</td>
<td>20%</td>
<td>88%</td>
<td>12%</td>
</tr>
<tr>
<td>Want to play</td>
<td>5%</td>
<td>0%</td>
<td>100%</td>
</tr>
<tr>
<td>Other</td>
<td>15%</td>
<td>0%</td>
<td>100%</td>
</tr>
</tbody>
</table>
Overall 50% of the people are not able to complete their task (see Table 8: Website for more information on the website issues). The problem areas, as identified by the visitors, are:

1) There is no information about educational toys in general, and 237 people were not able to complete their task.
2) Second problem area is where people want to play games. 79 people here were no able to complete their task.
3) In “Others” section (237 persons) people mentioned that they wanted to watch videos, see/virtually experience toys in action; they wanted to download coloring pictures, etc. Some said they didn’t need anything, they were just checking browsing around.

XYZ Company Website

<table>
<thead>
<tr>
<th>Table 8: Website</th>
<th>Website: <a href="http://www.XYZ">www.XYZ</a> Company.com</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Data Source:</strong> Website</td>
<td><strong>Notes</strong></td>
</tr>
</tbody>
</table>

1. Website sells about 120 “Calico Critters” products
2. There are options to shop by price, by age, by brand, also choose by category
3. Top sellers and new products are featured on the right column.
4. Site has internal search capability.
5. “Calico Critters” product page allows to choose sub-category, most popular. Manufacturer, newest, oldest, etc.

**Conclusion**

- XYZ Company is well organized eCommerce website, easy to navigate or search and find products.
- URLs are canonical, site pages are optimized for search engines with titles and descriptions using different keywords.
- **Macro conversion** goal is clear: site is selling educational toys.
- However other, such as **micro conversions** are not very obvious. The only thing the website is evidently pushing is “shopping cart”; however there are no other obvious engagement options that are calling attention on the website.
- The website embarrasses the first time visitor by: “Your shopping cart is empty” expression. I wasn’t sure why something is “empty”.
- Also the “Free Delivery Truck” on the flesh that appears by default is also repelling. It seemed first that truck was one of the toys XYZ Company are selling.
- ‘Calico critters’ landing page is not attractive; nothing is featured, or highlighted. All these ‘choose categories’ sections could be replaced by more and offers, maybe discounted products.
1. Competition is high for “Calico critters” and the related terms.
2. Global and monthly searches vary, however particularly for ‘calico critters’ term it is high 40,500.
3. The trend line also is interesting in Raven tools, e.g. ‘calico critters sales’ and ‘calico critters clearance’ started to pick up.
4. Number of results is huge for ‘buy calico’: 3 and half million.
5. Interest towards “Calico Critters” and related terms searches are immensely rising according to Google insights for search.
6. Product demand is growing.
7. Using Google search and Raven SEO Tool 5 companies with appx sizes were identified:
   - www.calicocritters.com
   - http://www.target.com
   - http://www.intplay.com
   - http://www.growingtreetoys.com
   - http://www.calicocritters.org

XYZ Company website does not appear on this first page of Google search, but on the 4th and also its products are not featured in the Shopping results for Calico Critters” section in Google.

Target (7,291,598 organic traffic) and GrowingToys.com (25,500 organic traffic) are larger among these. So they were removed from the Compete graphic to allow looking at the smaller players’ data.
8. With clarification that the sample is low, Compete shows traffic data from the US, and among the smaller players XYZ Company (blue line) is the lowest leaving only calicocritters.org behind.
9. In Double Click Ad Planner there is some information about large competitors, in particular, ToyRus. Interesting to see the demographics of the visitors:

- 74% women
- Ages between 25 to 54

### Conclusion

- XYZ Company is in a growing market of Calico Critters, both in paid and organic search; however they face rigorous competition where there are huge and small players.
- At present the business in XYZ Company is declining compared to similar size competitors.
- XYZ Company should get the most out of the growing market situation: improve share of search, create more targeted ads for women that have children, link building with the websites, communities where they can attract the target market.
- Also people are looking for ‘sales’ and ‘clearances’: XYZ Company can build awareness about discounts on its site.
- Social media strategies should be implemented.

For example: one of the small competitor Intplay.com works very well in YouTube [http://www.youtube.com/user/IntPlayLLC](http://www.youtube.com/user/IntPlayLLC), the same is about Calicocritters.com [http://www.youtube.com/user/CalicoCritters](http://www.youtube.com/user/CalicoCritters)

The later also has Facebook profile [http://www.facebook.com/CalicoCritter](http://www.facebook.com/CalicoCritter).

### Experimenting “Calico Critters” landing page for improvement

#### Table 10

<table>
<thead>
<tr>
<th>Multivariate testing report for “Calico Critters” landing page</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Data Source</strong>: Google Website Optimizer</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Original</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td><img src="image1" alt="Original Landing Page" /></td>
<td>Multivariate testing was performed on Calico Critters landing page. The test was performed on the following sections.</td>
</tr>
<tr>
<td></td>
<td>1. “Your shopping cart is empty”.</td>
</tr>
<tr>
<td></td>
<td>2. “Choose sub-category” section</td>
</tr>
<tr>
<td></td>
<td>3. “Sort”, “Next page” section</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Recipe A</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td><img src="image2" alt="Recipe A Landing Page" /></td>
<td>1. Recipe A suggests removing “Your shopping cart is empty” and showing an award winning product on the top. Instead of asking the visitor to make more choices, once they arrive show them what you think is the best for the customer.</td>
</tr>
<tr>
<td></td>
<td>2. “Sort” and “Next page” sections moved below.</td>
</tr>
</tbody>
</table>
1. Recipe B shows award winning product on the top
2. Suggests to redesign the page to left-align
3. “Sort” and “Next page” in the bottom again
4. It is suggested to add a video presentation of Calico Critters

Conclusion

- Test was performed during 4 months, using Google website optimizer
- Traffic was split 20% - 40% - 40%
- Total of 6000 people participated the experiment.

<table>
<thead>
<tr>
<th>Multivariate testing results</th>
<th>Visits</th>
<th>Bounce rate</th>
<th>Bounced</th>
<th>Conversion rate</th>
<th>Converted</th>
<th>Sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recipe A CONTROL</td>
<td>1,200</td>
<td>30%</td>
<td>360</td>
<td>1.53%</td>
<td>13</td>
<td>$1,587.74</td>
</tr>
<tr>
<td>Recipe B Image of the winner</td>
<td>2,400</td>
<td>20%</td>
<td>480</td>
<td>1.84%</td>
<td>35</td>
<td>$4,364.42</td>
</tr>
<tr>
<td>Recipe C Left Aligned</td>
<td>2,400</td>
<td>18%</td>
<td>432</td>
<td>1.76%</td>
<td>35</td>
<td>$4,279.03</td>
</tr>
</tbody>
</table>

- Surprisingly Recipe B won with a little difference. Bounce rate was higher than Recipe C, where people watched video, however, people converted at a higher rate on the Recipe B. The layout at Recipe A allows showing more products. However, since video viewing decreased bounce rate, final winner included that section on the page.
- According to the calculations the new page will increase the revenue by ~$3,250 during the campaigns (see Graph 5 in Table 11 for details).
Company XYZ aims to improve “Calico Critters” seasonal campaign success, more revenue from search traffic, and provide higher customer satisfaction (see Table 2: Web Analytics Measurement Model).

**KEY FINDINGS:**

1) **Dashboard Graph 1:** During seasonal picks of 2009 compared to the same period in 2010, XYZ Company sales increased by 15%.

2) **Dashboard Graph 2:** Campaign landing page bounce rate increased by 34.0%, conversion rate decreased by 20.26%.

3) **Dashboard Graph 3:** Out of 1,457 customers, the site is losing $1,020 during Christmas season in lost sales from clicks.

4) **Dashboard Graph 4:** Company is losing 65% of its customers on the first step of the shopping cart experience. It improved from 2010 to 2011.

5) **Dashboard Graph 5:** Multi-variate testing increased the revenue by $3,250.

6) **Dashboard Graph 6:** Task completion rate decreased from 50% to 30%.

7) **Dashboard Graph 7:** Share of search for Elite ToyStore paid search for generic terms in Google Adwords.

**Recommendations:**

- Increase sales by 15% in 2011 season.
- Improve campaign landing page bounce rate and conversion rate.
- Increase revenue by improving shopping cart abandonment rate.
- Implement multi-variate testing to improve website performance.
- Focus on improving task completion rate.
- Optimize search for generic terms to increase share of search.
Company aims to increase sales by 15% in 2011 season.

2) **Dashboard Graph 2**: Calico Critters’ product sales increased at a rate of 12.4%. Campaign sales grew at even higher rate of 19%.
   These results coincide with the worldwide trend of more people searching for the product "calico critters", pinpointing the growing market segment here (see Table 1).

3) **Dashboard Graph 3 (KPI – Landing Page Bounces)**: In 2010 company diversified its online marketing strategy and started to attract more people proactively (Graph C). While it was 0.03% of their overall mix in 2009, it became 3.42% in 2010. However, the campaign effectiveness dropped seriously: bounces increased by 34%, and conversion rate dropped by 20.26%.
   The problem with the web page resulted in bouncing 1,457 customers, potential lost sales of ~ $2,700. Since these people came from campaign in Google cpc, the real losses are ~ $1,020 (cost per click for "calico critters" = ~ $0.7, according to Google Adwords keyword selection tool).

4) **Dashboard Graph 4 (KPI – Shopping Cart Abandonment Rate)**: Shopping cart abandonment decreased by 3%.
   However, Table 3 shows that shopping cart $index is decreasing overtime. This metric should be closely monitored. The situation is not worsening, so right now no immediate actions are necessary.

5) **Dashboard Graph 5**: "Calico Critters" campaign landing page needed serious attention, to be redesigned for better performance. 2 recipe pages were tested using Google Website Optimizer.
   As a result of experimentation and testing, Scenario 2 won + video component and it is expected that in case of no other conditions changed, the website revenue will increase by $3,250 during the season.

6) **Dashboard Graph 6 (KPI – Task Completion Rate)**: In order to improve customer satisfaction, site level survey was implemented using KissInsight. The results show that only 20% of people visit XYZ Company website for buying, while the rest 80% are there for different other purposes, such as: information about educational toys (15%), looking for "calico critters" (30%), play online game (5%), reading testimonials (5%), looking for corporate deals (10%. Interesting here!). And 15% of the visitors listed some other reasons, such as watching video, downloading coloring papers, etc.
   Obviously, people are interested in many things that the site does not provide.

7) **Dashboard Graph 7 (KPI – Share of Search)**: Monthly share of search of XYZ Company for "calico critters" paid campaign in Google Adwords is 0.1%. Share of search should be improved to 0.3%. It is expected that improved share of search in paid results will largely effect revenue. In ideal case the increase is estimated to be $12,650.

**RECOMMENDATIONS:**

- XYZ Company website visitors should get more engaged with website content. Based on the clickstream analysis, people who make purchases, stay average 30 minutes on the website. The survey also supported this hypothesis that many people like to do other activities. And since they mainly convert the first day, first impression with other engagement options is important. Website should keep visitors on the site, tell them more about the products, show video how to build Calico Critters, allow visitors to play, download coloring papers, sending e-cards, etc. These activities also may change the habit of people, attracting them coming back, and creating tighter orbit. So the website will produce micro conversions, acquire return and engaged visitors and increase company sales, specifically during and after peak season.

- People, who stay average 30 minutes, mostly consume the “Calico Critters” landing page. Visitors from paid search are directed to that page. It is imperative keep improving that page. Multivariate testing experiments should be continued, to decrease the bounce rate even lower than 20%, decrease costs of campaigns and improve revenue and conversion.

- Company marketing strategy for attracting visitors is sub-optimal. Referrer traffic has been ignored: almost no growth compared to 2009 10.05% to 10.18% in 2010. It should ideally be 30-40%. Company should implement link building strategy. In YouTube, in Flickr, in Facebook, writing articles, etc, improving websites’ position in the SERPs and also in the shopping results for “calico critters” and other generic terms.

- During seasonal peaks, the company should use the highest search volume terms for campaigns, even spending more on the most competitive and highest monthly searches terms, such as “Calico Critters”, “Calicocritters”, and dropping those of non-productive ones.

- Company should also optimize for some very interesting tail keywords, such as for example “jeopardy”. Product revenue is 25% of the total during the campaign in 2010-2011. Average price is 2 x higher than for all the other products and 3xs higher than average price for “calico critters” product family.