

Converting prospects to customers one visit at a time

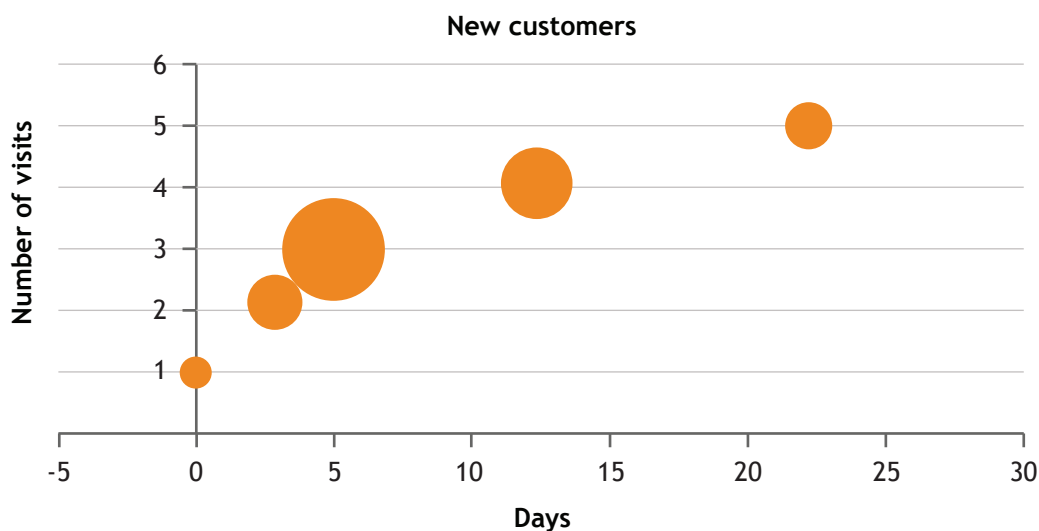


Converting non-customers into customers lies at the heart of every business. Without new customers there is no growth, and yet the whole area of converting prospects (non-customers) into customers is not treated as a focussed discipline.

We talk about "Customer Journeys" for example; a term which is frequently used to cover all visitors to a site. This type of generalisation is then exacerbated by using metrics, such as conversion rate, which are not appropriate for the business issue we are tackling; the conversion of non-customers to customers.

How many times does a typical prospect have to visit your website before they decide to become a customer? One, two, four or eight? And over what period do those visits take place? One week, one month or longer? Do you really know?

The chart below shows the number of days a prospect is involved in using a web site to make a decision, the number of visits involved and the importance of each group is represented by the size of the bubble.



The data in this case shows that the typical consideration process takes 3 - 4 visits over a period of 5 - 10 days. This behaviour is exhibited by about two thirds of all new customers during their conversion journey.

continued over...

In recent engagements for major UK retailers, travel and finance companies Logan Tod & Co have seen this same pattern, extended research over time, repeating itself time and again. Logan Tod & Co now believe that all businesses need to understand much more clearly the prospect journey over multiple visits to a web site and even across channel if converting non-customers to customers is a key business goal.

What does this extended research mean to your business and what should you do about it?

Broadly there are three behaviour groups that tend to occur, and every business should know which group their prospects fall in to, and then factor this into their online optimisation strategy.

1. Rapid Conversion - a few visits over a few days

Focus on the basic principles of website optimisation: creating a great customer experience, focusing on the critical moving parts like checkout, forms, and booking process. Supplement this with attention paid to lateral techniques like the creation and/or optimisation of landing pages.

2. Weekly conversion - several visits over a week

As the number of visits spreads over a week, shift your focus away from pure conversion. Instead site owners should be looking at how many of those same prospects return within a typical consideration period. For example, in the context of a visitor who is likely to return several times to complete their overarching goals, an abandoned form becomes a less serious issue - instead it could even be part of the research process.

3. Slow conversion - four or more visits over several weeks

Prospects considering larger online purchases - like mobile phone contracts or holidays - can visit a web site four or more times before taking the leap. In this case, the goal of the site owner must be to somehow intervene in the consideration process to try to persuade the prospect to commit and make the purchase. One fruitful method is to use captured personal data to drive relevant communications to the prospect, be it in the online or offline channel. For example, an email or outbound call centre contact can be triggered from a website visit.

What should you do now?

Insight is the starting point; you need to have your analysts work out where your prospects sit in this framework. Ensure your data collection methods and analysis are up to standard and then get your analysts to research this topic in depth.

Drive change through revised KPIs. Targets and reports have to be changed to reflect the new understanding of how consumers behave. Without changing the reporting and metrics to reflect the reality of the prospect research activity, changes may be misguided and harmful.

Action then has to be taken to optimise the process from the prospect perspective; many small changes will be required to ensure that the initial visits in the consideration process engage and that the research can be bought to a successful conclusion - the creation of a new customer.

About Logan Tod

Logan Tod & Co is Europe's leading online performance optimisation consultancy. We improve online business results by analysing customer behavioural data, revealing their purchase consideration process and developing customer centric programmes to increase the effectiveness of online activity.