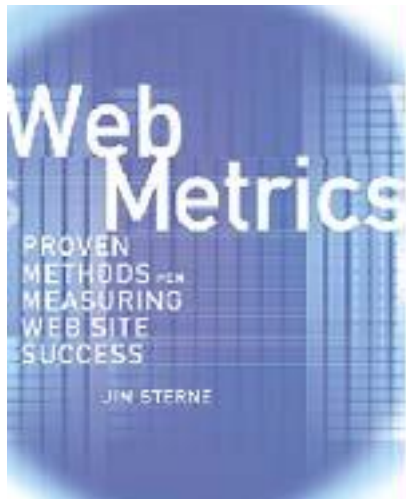


Web Metrics: Proven Methods for Measuring Web Site Success

By Jim Sterne
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In the last quarter of 2003, U.S. consumers purchased a record \$17.2 billion worth of retail goods via the Internet, jacking total Internet sales to \$54.9 billion for the year. Sure, the figure represents less than 2 percent of total annual retail sales in the U.S, but you know as well as anyone that e-commerce will continue to rise at a steady clip and become a significant sales, marketing, and commerce channel for your company.

So how do you ensure that you are getting the most out of your Web site, that it is optimized to attracting and retaining customers, and that it is a growing revenue stream? Understand the data. Sounds simple enough, but just perusing occasional broad-based web statistics, such as views, unique sessions, etc., just simply isn't enough. You have to get your arms around your Web data, which is a treasure chest of customer information and habits.

In *Web Metrics: Proven Methods for Measuring Web Site Success*, Jim Sterne provides proven methods that can help you better execute, measure, and analyze the success of your Internet initiatives. A 20-year marketing veteran, Sterne has focused on Web metrics since 1994, has written extensively on the topic, and holds two annual top-notch conferences.

Like Sterne himself, the 400-plus page book is friendly, engaging, and void of jargon. Chapters discuss how to measure return on investment; how to ensure that your Web site is aligned with corporate goals; implementing standards and benchmarking processes; and how to read and decipher the customer data that your Web site generates. "The book," he says, "looks at the Web as a business tool for communicating with your customers," adding that it is also for the "manager responsible for the success of one product line who is faced with a company Web site run by people who have five years of web experience but no business experience."

Chapters dive into such topics as "Measuring Measurement," which should be of special interest to marketers today because he discusses the three Rs: *return* on investment (ROI); *return* on assets (ROA); and *return* on equity (ROE).

He also provides sound advice on Web site advertising for both the beginner and seasoned marketing pro, going into detail about awareness and branding, reach, duration, and frequency. There are also a number of real-world examples explaining how to track and measure various Web advertising campaigns, as well as how to calculate the caliber of your content. And be assured, the semi-old adage is still true today: Content is *still* king.

Sterne also peppers many chapters with additional resources and provides Web site addresses to pursue more Web-related information.

There is also significant discussion of measuring the value of online customer service, one of the truly critical areas that separate successful e-commerce Web sites from also-rans.

Unlike the plethora of whiny why-the-dot.com-went-bust books and "insightful" memoirs by ex-dot.com executives that have flooded bookstores after the bubble burst, Sterne thankfully only pens about three paragraphs on the subject. He understood during, through, and after the Internet frenzy years that sound business processes, combined with focusing on the customer and solid measurement techniques, are the right steps to increase your chances of Web site success.



Jim Sterne is a 20-year veteran of marketing technical products. Since 1994, he has devoted his attention to the Internet as a marketing medium. He conducts two annual conferences on the subject of Web analytics, is a frequent speaker, and has authored five books on Web-related marketing issues. Jim can be reached at www.targeting.com.

Read Jim Sterne's article, ["Web Metrics ... Weather Vane for the CMO."](#)