But How Am I Doing Compared to Other Companies?

Insights from the KISSmetrics customer base

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I don’t know if this is good.
Numbers are like the latest diet craze

“All you have to do is hit this number…”

“All Company X had to do was _____ and they were profitable!”
Not everyone gets the same results from 12,000 calories per day.
About the KISSmetrics data

Observations from 300+ web businesses

- Social/community sites
- Content businesses
- Consumer services
- SaaS / Subscription
- E-commerce
- Daily Deal
- Apps / Games
- Professional blogs

Data from **October 2009** - **February 2011**

Benchmark data from **February 2011**
A/B tests are like baseball

• ...your batting percentage won’t ever approach 100%
• Over half of KISSmetrics customers have A/B test reports

   Landing pages • # of steps in signup • Upgrade CTAs • Billing upfront vs. later • Design
General observations

Multiple signup sources

- Many customers have multiple signup flows (not just for testing)
- “Traditional” homepage signup vs. mobile signup
- Facebook Connect / Twitter
- Google App Marketplace / 3rd-party partner
You will lose people when you introduce friction

- One conversion % never tells the whole story
- Does it make sense to put the friction before or after signup?
- Target market and purpose matter
By business model

- Indirect Monetization
- Daily Deal
- E-commerce
- SaaS / Subscription
Indirect Monetization

Customer *does not pay*

**Site types:**
Content and review sites
Games and community sites
What are they measuring: **Signup**

**Homepage > Facebook Connect > Signed Up**

**Homepage > Viewed Signup > Submitted Signup Form**

**Social Share Landing Page > Social Connect > Signed Up**
What are they measuring: **Sharing**

**Signup > Shared / Liked / Commented**

**Signup > Started Configuration > Completed Configuration**

**Signup > Contributed Content**
Conversion = homepage -> signed up

9.6% median signup conversion

13.2% average signup conversion

lowest 2.1% - highest 34.5%

Indirect Monetization (21 sites, full month of Feb 2011)
Results may not be typical*

- Self-selected audiences (professional, niche sites) have higher conversion rates
- Aspirational services (finance, health) have higher conversion rates but lower retention rates
- Where you put signup and how many steps are involved affects conversions
Questions you should ask: **authentication**

- Am I losing customers *before* or *after* Facebook Connect?
- Does offering multiple sign-in options help or hurt conversion rate?
- Does asking for additional information post-Facebook Connect hurt conversion rates significantly?
Daily Deal

Customer “pays” with their email address; **might pay** later for a deal

**Site types:**
Limited-time deal
What are they measuring: Subscriptions

Homepage > Entered Email Address
Individual Deal Page > Entered Email Address
Social Share Landing Page > Social Connect
What are they measuring: Deals Bought

Email > Purchased Deal

Homepage > Purchased Deal

Individual Deal Page (via social) > Purchased Deal
Conversion = homepage > subscribed to list

7.6%

median subscription conversion

lowest 3.3% - highest 17.3%

Daily Deal (12 sites, full month of Feb 2011)
Conversion = viewed deal > deal bought

17.6%
median purchase conversion

18.4%
average purchase conversion

lowest 5.3% - highest 40.5%

Daily Deal (12 sites, full month of Feb 2011)
Results may not be typical

- Self-selected audiences (professional, niche sites) have higher conversion rates
- A single “killer deal” can skew an entire month of data
- Sites covering fewer metro areas have much lower conversion rates due to customer inability to follow through
Questions you should ask: order of events

- Is purchase completion rate affected by whether customers come in via homepage or individual deal page?
- Does showing previous deals increase subscription rate?
- Can we increase email subscriptions by putting company focus (i.e. niche) first vs. leading with the big deal?
- Does “Groupon clone” UX help or hurt conversions?
E-Commerce

Customer **pays**, highly variable **intent**

Site types:
Electronic and tangible goods
What are they measuring: **Findability**

- Homepage > Browsed > Viewed Single Product
- Homepage > Searched > Viewed Single Product
- Viewed Single Product > Viewed Recommended Product

![Diagram showing findability metrics](image-url)
What are they measuring: **Purchasing**

Viewed Single Product > Added to Cart > Purchased

Viewed Single Product > Added to Cart > Created Account > Purchased
Conversion = purchase completed

5.9%
median purchase conversion

9.3%
average purchase conversion

lowest 0.2% - highest 32.1%

E-commerce (23 sites, full month of Feb 2011)
Results may not be \textit{typical}*

- Don’t even try to compare general consumer commodity, professional, and niche sites. Just don’t.

- Sites who use PayPal or another off-site merchant solution have lower purchase completion rates

- Purchase price and purchase frequency have a huge impact on completion rates
Questions you should ask: **findability**

- Are customers who browse able to proceed and view an individual product?
- Are customers who search able to proceed and view an individual product?
- Are “browsers” or “searchers” more likely to complete purchase?
- Are customers who enter the site directly on an individual product page more likely to complete a purchase?
Questions you should ask: **checkout steps**

- How does requiring customers to create an account affect purchase completion?
- Does offering multiple payment methods help or hurt purchase completion?
- If account creation is moved to post-checkout, will customers complete that (now optional) step?
- Are customers who drop out of the checkout process returning to other pages on your site?
Customer **may or may not pay**
Usually enters under a **free plan or limited free trial**
Billing information may be required **upfront or later**

**Site types:**
Consumer services
Small business services
What are they measuring: Signup

- Homepage > Signed Up for Free
- Homepage > Started Free Trial
- Homepage > Viewed Pricing > Signed Up
What are they measuring: Upgrade

Signed In > Upgraded
Viewed Upgrade Prompt > Upgraded
Signed In > Viewed Pricing > Upgraded
Clicked Email Link > Upgraded
Conversion = homepage -> signed up

2.3%
median signup conversion

3.3%
average signup conversion

lowest 0.2% - highest 14.5%

SaaS (37 sites, full month of Feb 2011)
Conversion = upgraded

2.3%

median subscription conversion

lowest 0.3% - highest 8.9%

SaaS (37 sites, full month of Feb 2011)
Results may not be typical*

- B2C services have a higher signup rate than B2B services
- B2B services have a higher *upgrade* rate than B2C services
- Aspirational services (finance, health) have higher signup conversion rates
- No significant difference in signup rate between sites with or without a product tour
Questions you should ask: **free-ness**

- How does ‘sign up for free’, ‘free trial’, or ‘buy now - free for first X days’ affect initial conversion? Eventual upgrade?
- Will changing the length of my free trial increase upgrades?
- How does requiring billing information at signup affect initial conversion?
- How does showing multiple plans (vs. only showing ‘free’ initially) affect initial conversion? Upgrade rate?
Questions you should ask: **signup source**

- How do signups via a third-party partner differ from signups via your homepage?
- Does initial signup via a mobile device affect activation?
- Does initial signup via Facebook affect activation?
- Do customers acquired via a deal or coupon behave differently in terms of usage or upgrade rate?
Questions you should ask: **onboarding**

- Do customers who viewed a product tour complete initial onboarding/configuration more quickly?
- How many new customers complete the minimal required onboarding within a week?
- Does including a tour alongside the signup button affect initial signup? Eventual upgrade?
- How quickly are customers able to use the core features of your product?
Huge dropoffs during Facebook Connect process

More likely to buy a deal than sign up

Can’t compare niche vs. commodity

Least variable signup conversion %
Thank You!

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