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# Measure What Matters

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DON'T TRACK WHAT'S EASY, TRACK WHAT'S IMPORTANT

 **KISSmetrics**

KISSMETRICS.COM



# Measure What Matters

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A lot of technologies seem to be one step behind what we really want. And the analytics industry is certainly no exception. For well over a decade, analytics products have provided data that has only been a small piece of what businesses needed.

Even today, analytics tools focus on pageviews and measuring traffic-based metrics on our websites and apps. Before that, they focused on the number of server requests. There's a big difference between increasing the activity on your server and increasing the revenue for your business.

And while pageviews and traffic-based metrics like time on site and bounce rate are better than server requests, do they truly help you understand what your customers need?



Most analytics tools track what's easy to measure, not what actually matters to the business.

Finally, technology is catching up with the needs of your business. **Instead of clicking through endless rows of data on pageviews, you now have access to data on individual people.** And when you have data on real customers, you'll be able to understand which essential steps you'll need to take in order to get your business to the next level.



# How Analytics Currently Works

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Let's say you're about to enter a website that has Google Analytics enabled. As soon as you enter in the URL, your browser requests the web page from the server that has the website. And that server sends your browser all sorts of stuff. Some of that stuff will include instructions for tasks that the browser needs to complete. For example, your browser might need to find photos from different places on the internet.

And Google Analytics has its own instructions for your browser that are in the Google Analytics Tracking Code. It's a snippet of JavaScript that tells your browser what needs to be done in order for your visit to be tracked.

When your browser sees the JavaScript tracking code, your browser completes 3 main tasks:

- Gets cookies so that Google Analytics can keep track of your browser over multiple visits
- Downloads the ga.js file (which has all the code that makes Google Analytics function)
- Sends pageview data off to the Google Analytics servers

You see, everything ties back to the JavaScript tracking code that runs with each pageview. If there's no pageview, there's no new data.



All of the data is built on individual pageviews and their characteristics like timestamps, URLs, the traffic source, and so on. The system relies on pageviews so heavily that it gets exceptionally difficult to stitch customer behavior together to see how actual people engage with your business.

When you go back to that same website with a different browser or device, you have to go through the whole process all over again and Google Analytics thinks you're a completely new visitor. You need new cookies and the ga.js file. There's no way to connect your visits from your new browser with the old one.

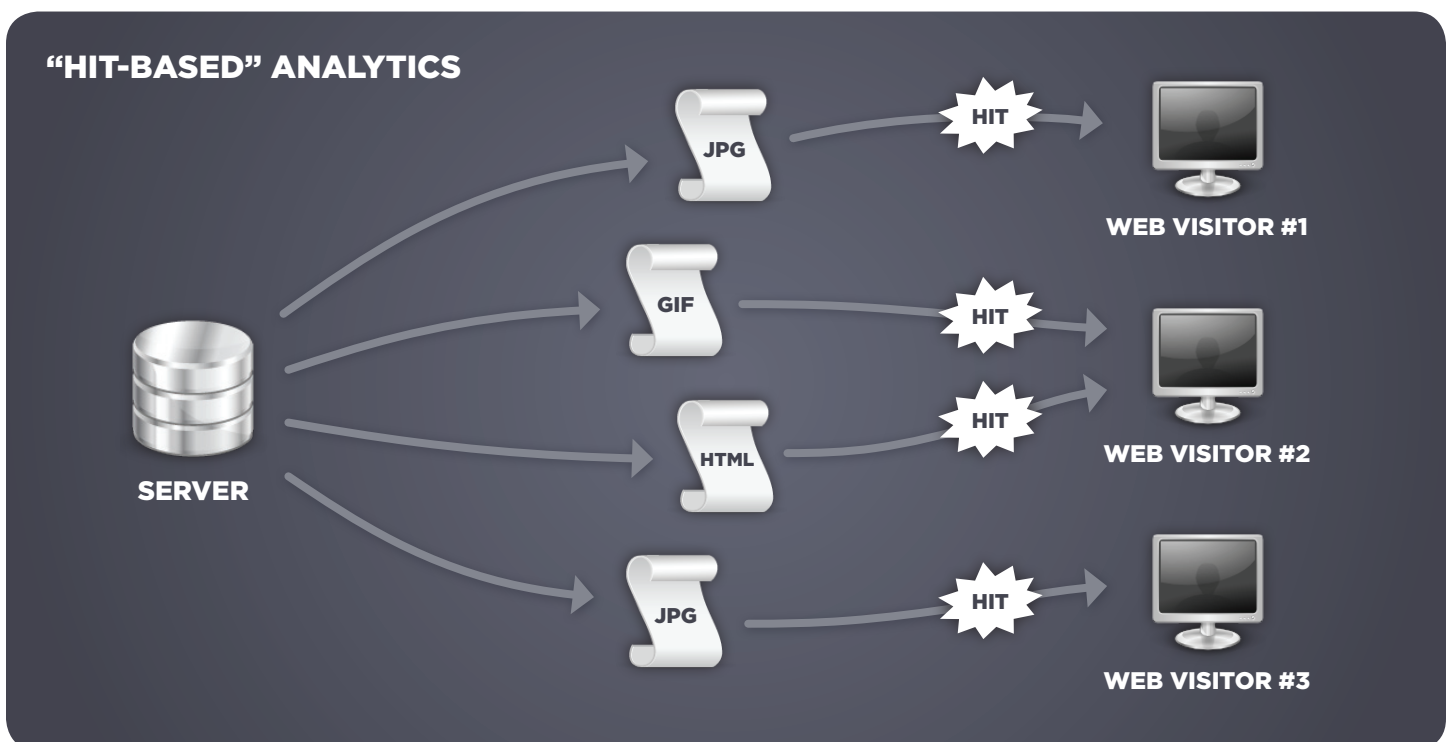
There's plenty of flaws with this system. But it's still a huge improvement over the previous batch of analytics tools.



# How Analytics Used to Work

Just a few years ago, using javascript tags to track pageviews was a radical concept. Before, the only data we had access to was from our web servers. All we had to work with was “server hits.”

A server hit is not a pageview, it’s each file that a server sends out. Here’s the thing, web pages are made of dozens (even hundreds) of files. Your graphics, photos, content, CSS files, JavaScript, and all sorts of elements are found in separate files. It also gets worse. Some of those files will be spread out between different servers. So there’s absolutely no consistency anywhere.



Server hits are a terrible way to measure website traffic.

But it's all we had. So marketers we're forced to badger their IT departments to get server hit data. They didn't really know where the traffic was coming from and only had a vague idea of what the traffic was doing. In order to tell how effective online marketing campaigns were, people were forced to measure the how busy their servers were.

This created a number of problems:

- A busier server doesn't correlate with a growing business
- Marketers are discouraged from making their websites faster (which would probably increase sales but lower server hits)
- Lots of time and resources are wasted tracking data with little value

Luckily for all of us, a few companies began to pioneer the use of javascript tags. In 2005, Urchin was bought by Google which formed the foundation for Google Analytics. And Omniture was bought by Adobe in 2009. **But both platforms still depend on the pageview-centered JavaScript tags that were revolutionary for their time.**



# How Analytics Should Work

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Your most important asset is your customers. Without customers, there's no business. Building and maintaining relationships with them has a huge impact on your success.

So why are we spending so much time measuring our websites? The site is just a tool.

Is it easy to measure your site? Sure. But is it as important as your customers? Absolutely not.



Here's a radical idea: let's start organizing data around our customers.

If we tie every action, purchase, and sign up to a specific customer, we can start to understand how our business functions. In other words, the ideal analytics product will organize data around individual people.

## **Where Do We Find Analytics Like This?**

Good news! We already built an analytics product that does exactly this. KISSmetrics takes all of your data and connects it to actual people. This way, you'll see how people move through your business and gain insights on how to find more customers. You'll also learn how to keep customers with you longer (retention!).



# How KISSmetrics Tracks What's Essential to You

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KISSmetrics also uses JavaScript tracking codes and first party cookies, much like Google Analytics and other products do. But that's where the similarities end.

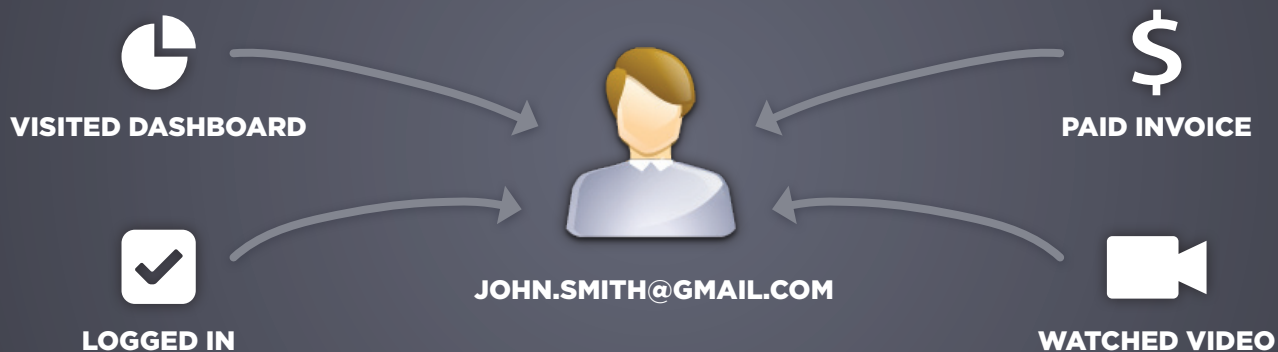
As each new visitor comes to your site, they get assigned a completely anonymous ID. This ID is unique to them but completely random. No personal information is grabbed from the user without their permission.

Then let's say that the user creates a new account on your site and gives you their email. Well, this email will take the place of that random ID. Now you know who the user is from information that they freely gave you. Even better, the new email ID is paired with all the historical data that you have on that visitor. This provides you with a complete record of your customer.

Data always get connected to the same customer profile when someone logs in. So whenever they log in, the current data gets tied to all the previous data. **This makes it easy to keep track of customers as they move between devices and browsers.**



## KISSMETRICS ORGANIZES DATA AROUND YOUR CUSTOMERS



When you can connect data from multiple devices and see how customers behave over the long term, you'll finally know what your customer lifecycle looks like. Here are a few of the questions that you'll be able to answer now:

- How long does it take for someone to become a customer?
- Where do they come from?
- What parts of your site or app do they use?
- What is the lifetime value that I can expect from different groups of customers?
- How is customer behavior changing over time?
- How do individual people behave?

### What If My Site Doesn't Have Accounts for My Users?

This process works just as well with other methods that collect emails from your visitors like email lists, lead generation forms, and sign ups of any kind.

But let's say that your visitors never give you any information. What then?

KISSmetrics will still track individual people with their anonymous ID. You won't have an email to contact them directly but you will still get an accurate view of how individual visitors behave. This gives you data you can actually act on instead of just analyzing pageviews.

### **What about data from other sources?**

For most businesses, data is spread out all over the place. You have your email list, your analytics, your customer database, and countless other locations that hold pieces of what your customers are doing. Since deeply understanding how your customers engage with your business is critical to figuring out how to keep growing, we've made it easy for you to import the rest of this data into KISSmetrics.

Any MySQL database can be set up to sync with KISSmetrics automatically. And any CSV file that's organized by customer emails can easily be imported into KISSmetrics. We've even built integrations for Recurly and MailChimp to help you get all of your data in one place. Only when we have a complete picture of our customer will we know how to build a business that our customers love.



## Want to move beyond pageviews and get real analytics on your customers?

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We'd love to show you how KISSmetrics helps you understand your customers so you can grow your business even faster.

**TRY KISSMETRICS FOR FREE**



# PEOPLE PAY YOU, NOT PAGEVIEWS.

Unlike other analytics packages, KISSmetrics measures people, not pageviews. We don't rely on cookies alone, we consolidate all of a customer's behaviors whether they're browsing on their home laptop, their work desktop, or even their mobile device.

KISSmetrics gets you answers to questions that will help you make better decisions:



Where are your highest-converting, highest-revenue customers coming from?



Are your visitors progressing towards revenue-generating activity?



Where should you focus your development attention next?



Are your visitors able to use and benefit from your offering?

We've helped a variety of businesses optimize their funnel and increase revenues - from those who are just starting out to those who are bringing in millions in revenue each month.



Learn more at  **KISSmetrics**