

Introduction to Digital Analytics



Why We Rely on Digital Analytics

Key data points and performance metrics often provide an advertiser with valuable insight when breaking down whether a digital advertising campaign is successful in creating brand awareness and/or converting people into customers.

Is a digital advertising campaign succeeding where it needs to? Most of the time the answer can be found in the numbers.

Let's take a look at the metrics you're going to hear people talking about and that you should focus on.

Common Metrics and Terms

Analytics

Performance metrics associated with a digital advertising campaign



Budget

The amount of money that an advertiser is committing to an ad campaign

The budget includes all money that is put toward running a campaign



Recorded when a user interacts with an ad by clicking on it

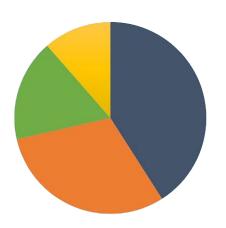


CPM (Cost Per Thousand)

The amount an advertiser pays per one thousand impressions served

Tip: To calculate CPM, divide total cost of impressions by total impressions, then multiply by 1,000 *Example*: The budget is \$10,000 and the campaign receives 500,000 impressions, the CPM is \$20







CTR (Click-Through Rate)

The ratio of users who click on an advertisement to the total number of users who are served the ad



Tip: To figure out the CTR, divide the number of clicks an ad receives by the total impressions **Example:** If a campaign receives 5 clicks on 10,000 impressions, the CTR is .05%



Flight

Refers to the start and end dates of a digital advertising campaign



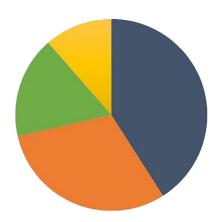
The flight can be adjusted before the campaign launches or while it is running

Impression

Recorded each time a digital advertisement is served to a website or application



Impressions are an important indication of whether a campaign is reaching the desired amount of people online



KPI (Key Performance Indicator)

A KPI describes an analytic that is important to a campaign's success



A metric that demonstrates the effectiveness of a digital advertising campaign and whether it is meeting certain goals

ROI (Return on Investment)

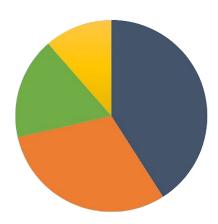
While this is the ratio between net profit and the amount of money spent on a campaign, this term is also used to discuss gain vs. amount of resources put forth

Example: A local hardware store spends \$2,000, and a lot of time, producing a video for a campaign aimed at letting people know about its annual sale on power tools.



The store owner, Ned, takes a risk by committing this much money toward creating a video ad, but the store ends up pulling in twice as many customers as the previous year and sells \$25,000 worth of merchandise. Ned is glad that he invested the time and money in the ad campaign. In this case, Ned's ROI is very high.







Display, Geofencing and Video

Baseline Rate

Ratio of users who visited websites where a campaign's ad was served, these users were **not** served an ad, but they visited the advertiser's website within 30 days



Like exposed rate, this metric is available with display and video analytics

Exposed Rate

Ratio of users who visited websites where a campaign's ad was served, were served an ad and then they visited the advertiser's website within 30 days



This metric is available with display and video analytics

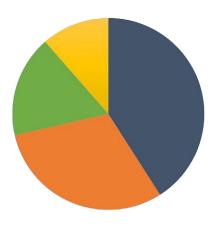
Lift Trend

A monthly breakdown of display lift, baseline rate and exposed rate



Looking at the lift trend graph can reveal whether a display or video advertisement is relaying the campaign message to people in an impactful way







Completion

Occurs when a user watches a video advertisement from start to finish



This metric is associated with video advertising campaigns and shows whether the ad is holding a viewer's attention



Percentage of users who are watching a video advertisement from start to finish



As an extension of completion, completion rate looks at the percentage of people who are served a video ad and are interested enough in the content to watch the entire video

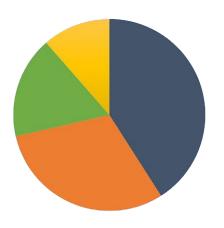
Digital Lift

How many times more likely a user who sees an ad is to visit the advertiser's website than a user who does not see the ad



Available with display and video analytics, digital lift can be a defining metric as it shows how impactful an advertisement is with users who see the campaign







Engagements

The number of visits an ad produces plus total ad interactions



This metric provides insight into how often users are interacting with an advertisement

Frequency

The amount of times a single user is served an advertisement



This analytic looks at the amount of times an ad is served to a targeted user

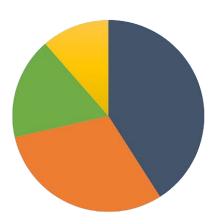
Hover

When a user moves their cursor or mouse over a digital advertisement



Available as a display analytic, a hover indicates that a user is showing interest in an advertisement by briefly interacting with it







Radius

Area around a geofenced location where users are targeted on devices with location services enabled



Setting up a radius that includes enough qualified customers in the targeted area is critical to creating impressions and encouraging user interactions with a location-based advertisement



The number of individual users who are served an advertisement



Reach is an indication of how many unique users are served an ad

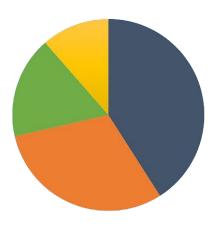
Retargeting Clicks

Number of clicks generated by retargeting users who were previously shown the same ad



Retargeting clicks lets an advertiser know if the retargeting portion of a campaign is generating user engagement







Retargeting Click Rate

Rate of clicks on an ad that has been re-served to users who were previously shown the same ad



Retargeting click rate shows the percentage of retargeted users who are interacting with the campaign and provides information relating to the effectiveness of retargeting efforts

Retargeting Impressions

Number of impressions served through retargeting an ad to users who were previously shown the same ad



Retargeting impressions is a valuable metric when looking at whether a campaign is creating brand awareness

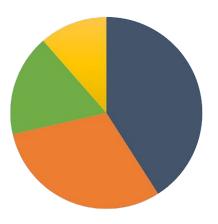
View-Through

Recorded when a user is served an advertisement, does not click on the ad, but does visit the advertiser's website



The number of view-throughs indicates whether the campaign is enticing people to visit an advertiser's website







View-Through Rate

The ratio of post-impression visits by users on the advertiser's website to the total number of impressions



As an extension of a view-through, the view-through rate displays the ratio of people who are intrigued by the campaign and choose to go to the advertiser's website at a later time after viewing an ad

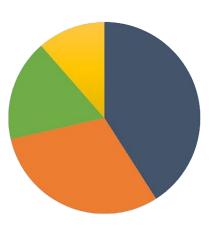
Visits

This metric is calculated by adding clicks and view-throughs



Visits provides a clear look at how many users are ending up on the advertiser's website after seeing an ad







SEM/Pay-Per-Click

Absolute Top Impression

Percentage of ad impressions that are shown as the very first ad above organic search results



This analytic is available with SEM campaigns and indicates how often users see an ad as the absolute top result when entering keywords or search terms into an online search engine

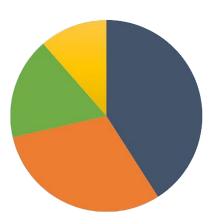
Top Impression

Percentage of ad impressions that are shown anywhere above organic search results



This analytic is available with SEM campaigns and indicates how often users see an ad as one of the top results when entering keywords or search terms into an online search engine







Call

A call is a performance metric that is included with SEM. This is a voice call made by user when clicking on the advertisement's call extension button



The call extension button is usually located next to the advertiser's contact information when it appears in Google search results. A call is a performance metric that is included with SEM

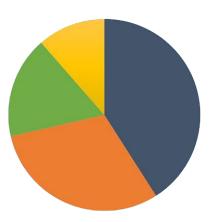


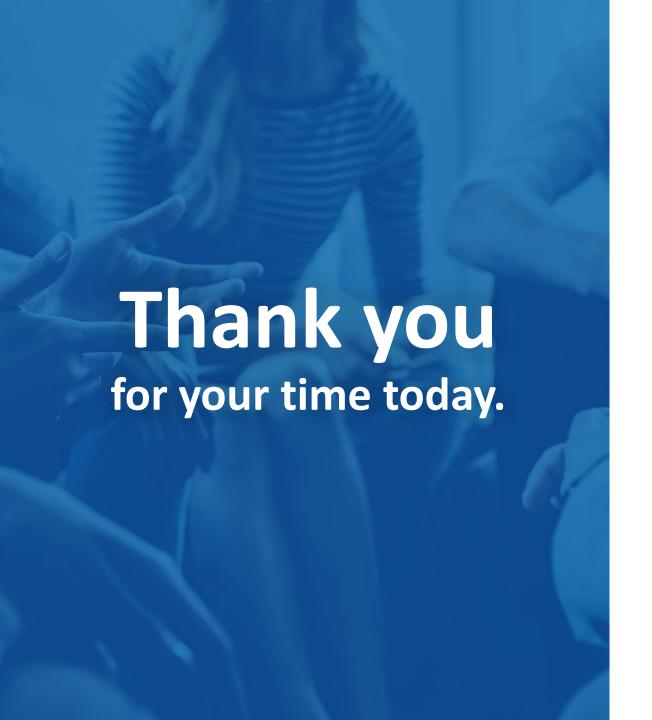
Cost

Breakdown of the different devices that an ad was served on and how that affects the campaign budget



This metric is available with search engine marketing (SEM) campaigns **Example:** A campaign delivered 10,000 impressions, 5,000 of those were served on mobile. In this case, 50% of the money allocated for impressions was spent on mobile.





If you have any questions, please don't hesitate to email us at:

help@marketron.com

