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How to improve online customer acquisition by using key performance indicator (KPI) analysis?

Case: AJ-Johansson Photography

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Bachelor of Business

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<p>The purpose of this study is to determine the relevant key performance indicators in customer acquisition for AJ Photography Tmi. AJ Photography Tmi is an entrepreneur which sells photography related services to events, individuals and media publications. The entrepreneur believes that the usage of online analytics tools can deliver business insights and actionable outcomes for his business, however; the methodology of using these tools has been previously non-existent.</p> <p>The research is based on a quantitative study that derives from analytics tools as well as best practices provided by the leading authors, mainly Google and social media entities, for business practice. The outcome consists of data measurement between different digital channels and their weigh in on the quality of the traffic onto the business site. Wherein, the current online environment of the studied entrepreneur's business has been analysed, in order to understand the factors affecting the customer acquisition process. After which, the results of the study are used to present a way to improve the business from a technical as well as process perspective in using various online channels as the sources for:</p> <ul style="list-style-type: none"> • New site visitors • Returning site visitors • Quality metrics, such as bounce rate, number of visited sites and time spent on the site. <p>The results of the analysis reveal that the businesses marketing mix is clustered and not clearly defined for the offering. In addition, the studied site has a very low visibility in terms of organic discoverability and has various issues relating in the user experience of the site. The site metrics report that the majority of the businesses traffic is heavily dependent on social media sources and a considerably small amount of other alternative sources.</p> <p>The author recommends that the business should firstly position itself according to what the main traffic sources should be and establish their presence within those channels. After which, start formalizing a marketing strategy with the objective of obtaining a greater reach within the potential consumer target group. Through re-definition of the business brand the business is able to raise its awareness as well as attract new clientele. Various studies based on the business vertical best practices are used as evidence that such strategies are effective and should be implemented immediately.</p>	
Keywords	Customer acquisition, online marketing, analytics, key performance indicators, brand establishment

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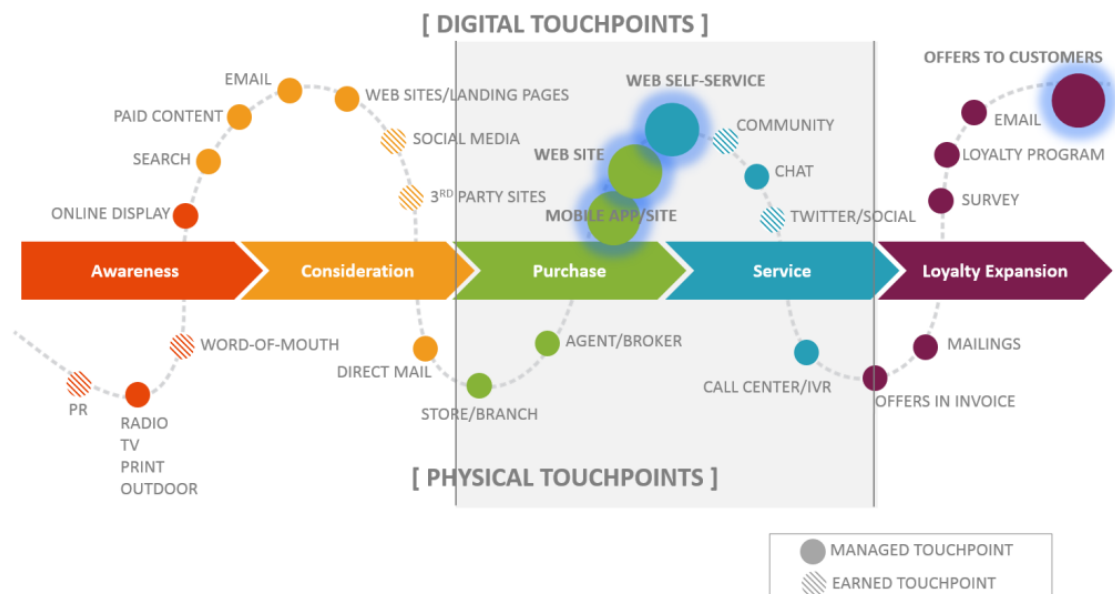
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1 Introduction

In an era of digitalization all businesses face a challenge of deviation in the customer journey. Wherein, consumers are increasingly more interested in various ways of purchasing services, products and other similarities with ease instead of visiting physical stores. The customer journey has transformed to a primarily research-and-purchase type of experience and businesses, which do not take the change in the behaviour as factor in their daily business operations, face various challenges in the acquisition of new clients or in the retention of old clients. The underlying issue is usually the lack of strategic vision and implementation when measuring online environment as a channel for productive business. Moreover, businesses do not know how to refine their touchpoints within the consumer's customer journey.

Figure 1: Customer Journey



Online shopping: customer journey (Source: eComCgrowth: Digitaalinen kauppa 2020 – "How to kick ass")

Companies alike have challenges in competition against major online-retail brands such as Amazon, Ebay and Zalando due to un-scalable and poorly built online environments. Aforementioned brands are able to engage with their customers on a wider scale and in exact moments when the consumers are in-market for specific services or items (Meeker, 2016). This results in an immense competitive advantage for any entities with well-built online channels, whether they are using Facebook, Instagram, affiliate sites or other sources which generate high volumes of traffic onto the site.

Digitalization has morphed the customer journey to be constituted in engagement, interaction and reiteration of the products and services that different brands offer. Moreover, SME's and entrepreneurs have tremendous opportunities in setting up their businesses to be digital first due to agile procedures. Whereas, larger businesses have to transform their ongoing business to be a part of the digitalization megatrends, which for established businesses might be challenging due to legacy of procedures left by the old business processes.

In essence the digitalization that is developing around the customer journey, dramatically dictates how companies should change their behaviour around the production of goods and services. Customer journey consists of many touchpoints in the different life phases of a product or a service. The journeys vary by the significance of the products touchpoints within the timeframe which it takes for the journey to be concluded by a consumer.

Attraction of new customers is a prime example of a complex customer journey. Whereas, other similar examples could be resolving technical aspects, enhancing a product or bringing in new visual aspects into an e-commerce environment for a better user experience. Moreover, companies that offer the customer with the best experience throughout the products lifeline and in different parts of the customer journey can expect to improve customer satisfaction, improve the flow of new prospects and sales and reduce costs. Keeping this in mind, the contemporary Omni channel, hypercompetitive consumer market is increasingly shifting to on e-commerce and the customer journey is affected by it dramatically.

Firstly, every entity with the need for driving better business results are bound to see the online environment as a focal part of bigger strategies and set separate key performance indicators (KPI's) for all online channels included. Secondly, the set KPI's should be actionable and insightful for improving customer acquisition strategies. Lastly, the emerging insights have to be divided in accordance with the customer journey phases:

1. Prospecting; these are the consumers who are not known by the brand.
2. Engagement; these are the consumers who have interacted with the brand and possibly purchased an item or a service.
3. Retention; these are the consumers who are known by the brand and should be re-engaged with the brand for additional purchases.

Opportunities to grow and develop the business expand further assuming that brands are able to identify their customers in different phases. Wherein, different customer journey phases open new opportunities for communication, personalization and interaction within different online channels. For instance; Facebook can work as the introduction for the offered services, Instagram for engagement and search engine marketing strategies for retention of the customers. However, all channel roles should be identified through careful study of site analytics and site data.

1.1 Case Company: AJ-Johansson Photography

Business chosen for this study is a photography site of a photographer called Antti-Juhani Johansson. He has been actively photographing for the past 15 years as an entrepreneur and has only recently started thinking of using online reporting tool metrics as possible ways of defining insights for future business development.

The entrepreneur has been highly active in day-to-day business using offline channels however, he has not developed a plan consisting of relevant online channels. His portfolio consists of a large variety different photoshoots with a quantifiable amount of 12 to 20 jobs on a monthly basis.

His work consists of producing video material and photographs from different events, occasions as well as people's profile shoot-outs.

1.2 Purpose of the study

The challenge in defining the relevant KPI's for the entrepreneur consists of 4 different areas:

1. What metrics to study in Google Analytics (GA)?
2. How to convert those metrics into relevant KPI's?
3. What actors can be identified based on data and what business questions are relevant according to the data?
4. Can we categorize users within this particular business into different stages of a conversion funnel?
5. What is a relevant conversion?

Through careful study of the metrics provided by Google Analytics, we are able define:

1. What KPI's to study and what strategies can derive from the KPI's
2. The roles of online channels in different customer journey phases
3. An estimate of budgets needed for prospecting new customers, engaging with existing customers as well as preserving customers who have purchased

In addition, the study will present recommendations on how to make use of the visual material produced by the entrepreneur for activating potential customers in online environments.

1.3 Research scope and tools

Usage of GA helps us to understand the different values of used channels by the entrepreneur. Significant amount of data has been collected from the past 3 years so the data is significant and applicable for different business strategies. In addition to the volume we are also able to define the exact reach sources which are the most relevant for the site.

The underlying research will eliminate irrelevant factors within this case in order to optimize the recognised technical on-site components for efficient accumulation of conversion. However, it is recognised that the business researched in the thesis is highly unusual and challenging to be categorised into different marketing phases known to marketing and as such, recognised by marketing theory. However, by navigating through the business concept and its practicalities the research should present the correct methods of conversion optimization and the contributing KPI's, backed up with data gathered from GA as well as marketing theories. In addition, the thesis will present several methods of developing the site in order to maximise the volume of visitors, returning visitors and conversions for business development.

The studied data time-period will start form January 1st 2016 to March 31st of 2017.

1.4 Outline of the report

The first part consists of literature review of the theoretical framework and definition of different online channel roles, wherein; what customer journey phase each of the channels cater to. Definitions will be based on empirical studies and cases by various authorities within the online industry and the study will model the identified practicalities to the research case. Furthermore, the model will conceptualize the solutions for the research case as well as evaluate the potential of unused channels which are critical in the entrepreneur's business vertical.

The second part will focus on the strategic plan which has to be implemented, wherein; all of the identified existing and potential channels will be mapped out for further business development. This will be presented through methodology upon which the research is constructed by.

The last part concludes the use and effect of strategic KPI analysis and the possible scenarios for the business's future. The wish of the author was to base the conclusion on the ways that KPI analysis has to offer for long-term business development. The focal point of the concluding discussion will navigate through requirements, insights and actions for efficient customer acquisition.

2 Literature review

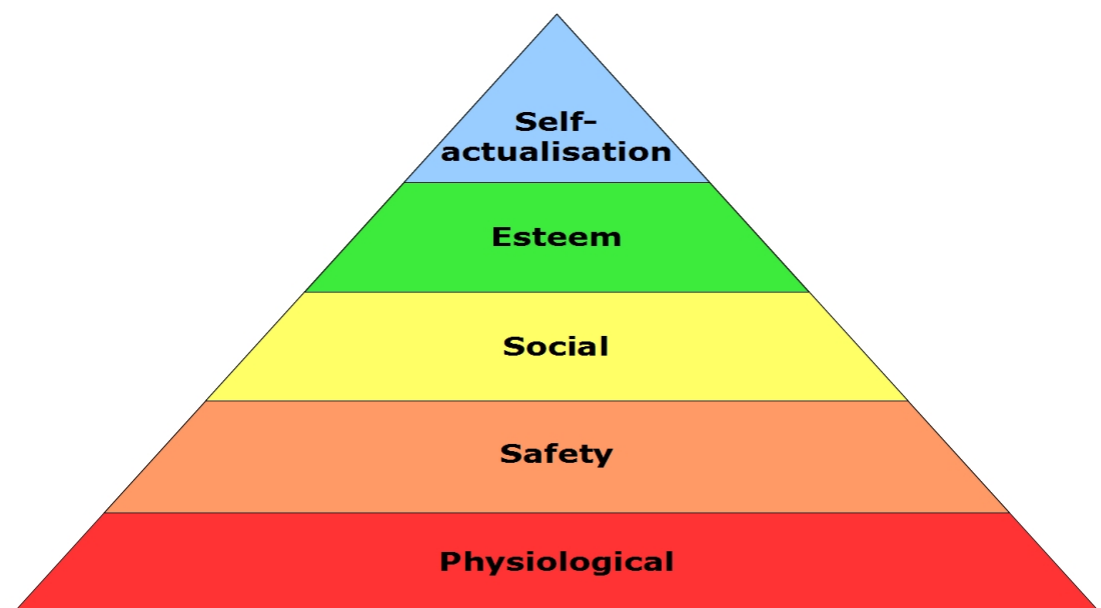
The impact that marketing has on consumer behaviour is undeniably one of the most powerful tools that a business can have. Wherein, the management of customer acquisition is the driving force for measuring the effect that customers have on the profitability of the business. That is to say, the customers set the parameters for the relationship that marketing has to be structured by. Furthermore, the demographic changes within societies has more to do with the change in the customer purchase behaviour which many businesses have trouble following. Wherein, consumers have very rapidly moved from offline retail to online retail environments to buy products and services. In order to understand the scope of the thesis research, it is important to define the theoretical framework which supports it.

2.1 Marketing

Marketing is defined as the process of planning and executing the pricing, promotion and distribution of products and services in order fulfil individual needs and maximising business goals. The core of marketing is in marketing management where the foundation lies in consumer comprehension, wherein; marketing management takes the role of segmentation, target market analysis, consumer behaviour analysis and the definition of the marketplace. However, in order to understand the needed practice, marketers are bound to understand the actual needs, wants and beliefs of the consumers.

Abraham Maslow introduced a concept which breaks down the needs into several sections:

Figure 2: Maslow Pyramid of needs



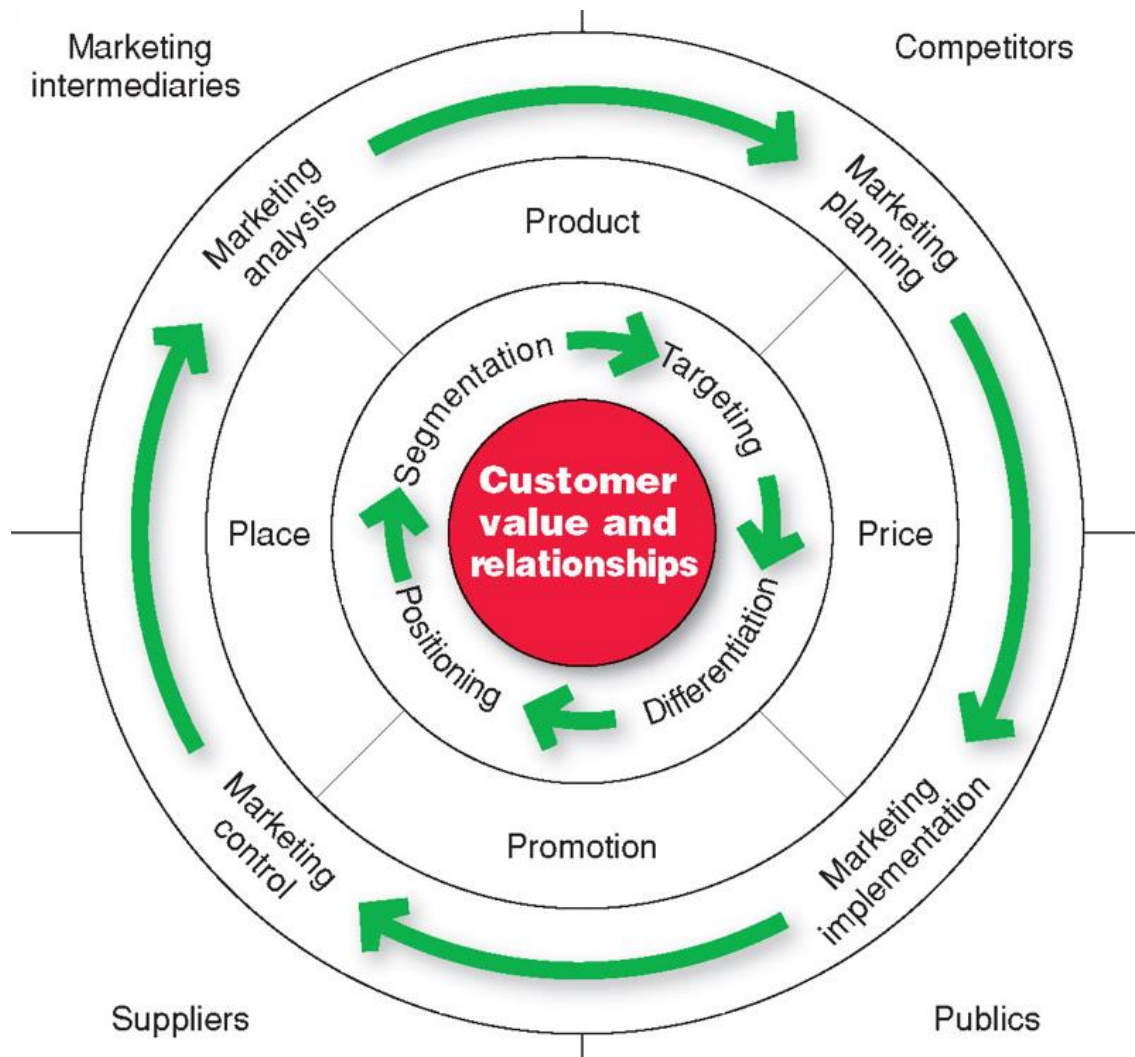
Maslow pyramid - Abraham Maslow – 1943

Every section represents the motivational factors that an individual obtains. The lower level, psychological factors, represent the needs that an individual cannot survive without. However, the top level, self-actualisation factors, represent the spontaneous, impulsive and problem solving elements that an individual attains.

Each of the sections can be met by several goods or services dependant on the circumstances and are not mutually exclusive. On the contrary, the constant challenges that marketers face revolve highly around the combination of the sections in order to pinpoint the personal factors that could boost up the sales of the goods or products offered by a company.

Another key point to remember is the criticism that Maslow's pyramid began to receive. Firstly, the concept over-simplified and undermined 1 key factor: social connections that cluster the hierarchical model initially described (Forbes, 2012). Wherein, the hierarchical model does not parse the relationship among the different layers.

Segmentation serves the purpose of consumer division, wherein different needs, wants and beliefs are divided to separated categories in order for a business to communicate their offering more efficiently. Coupled with personalization of advertisement, the segmentation of consumers delivers deeper insights to marketing management on how a certain trait that is highlighted within a segment can be used in advertising. With this in mind marketing management can map whether a segment possess an opportunity for the business and whether the business is able to deliver a benefit to the segment through their product offering (Kotler, 2000).



Target market is defined by the opportunities which the consumers set in relation to their consumer behaviour. Wherein, consumer behaviour varies depending on the market that they reside in. For instance, different countries have cultural and behavioural differences which are taken into account in marketing planning. Not all communicative ways can cater to all markets but instead, every market should be addressed according to their unique behaviour (Kotler, 2000).

Marketplace dictates the way how marketing is planned and executed in relation to the industry, consumers, competition and product offering. To give an illustration, e-commerce is not widely used by developing markets when comparing to high income OECD countries (WTO, 2013) so marketing management can safely assume that marketing has to rely on other marketing channels which cater to marketplace segments most efficiently (Kotler, 2000).

All of the aforementioned aspects which marketing management has to take into account for effective marketing are based in customer acquisition. Moreover, the core purpose is to define the way how customers can be acquired and the scope of the research concentrates in online retail aspects. However, it is important to define different customer acquisition models that the marketing industry abides.

2.2 Marketing Mix

In order to excel their competitors, a company has to plan their offering through various methods and tools, wherein; this aggregation lays the foundation for their marketing strategy.

Marketing strategy can be divided into two variable sets:

- Dependent variables consist of methods to affect a consumer
- Independent variables consist of methods to affect and understand the environment of the industry

The collection of these variables are consolidated into a Marketing Mix.

Marketing mix at its core helps the company to device their strategy on how to promote their products and services in the most efficient way. The mix can be divided into 4 categories:

- Product, which includes the products:
 - Packaging
 - Presentation
 - Product lifetime
- Price, which includes the products:
 - How much is the consumer ready to pay for the purchase
 - Pricing strategy → Does the company want to achieve price leadership within the market?
- Place
 - Defining the location which most potentially converts clients. This can be an e-commerce site, a regular commerce environment or a mixture of both.
- Promotion
 - Broadcast
 - Direct Marketing
 - Personal Selling
 - Publicity

- Public Relationship

All of these cater to a specific function in offering a product to a market in order to attain potential customers. They help to understand:

1. What are potential customers looking in a specific good or service
2. What needs are met by the good or service
3. Where the customers look for those specific goods or services
4. Helps to understand a company's position in relation to their competitors
5. The customers perceived value of the good or service
6. A company's position in relation to client interaction

2.3 Branding and awareness

One key element in the Marketing Strategy is branding, which focuses on the promotional aspect of the offered goods and services. The core purpose of branding is to raise awareness within the consumer's mind in order for the good or service to be as memorable or iconic as possible. Wherein, branding dictates the elements of the goods or services to stand-out and be chosen instead of the competitors offering through differentiation.

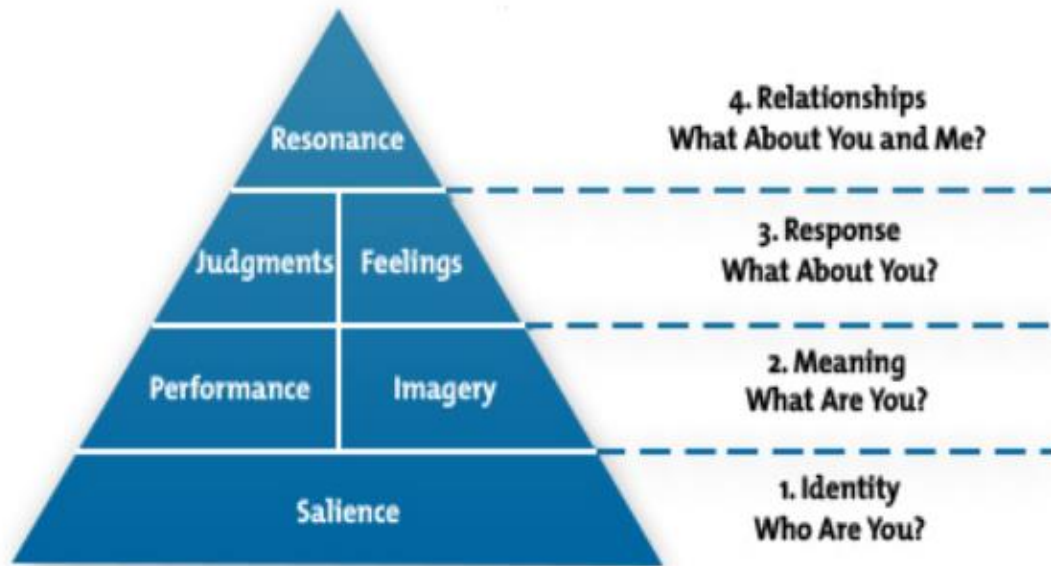
Branding strategies include factors which would make the consumer feel or perceive to be a part of that product brand, wherein;

- Consumer might feel as a part of an exclusive community
- Consumer is addressed according to their interests
- Consumer reflects their unique personality to be in close coherence with the brand

These are ways for a brand to position themselves against their competitors and meet the need, wants and beliefs of the customer.

Another key thing to remember is the creation of the brand itself. Wherein, the attractiveness of goods and services are defined through a branding strategy.

Figure 3: Brand Equity Pyramid



Many of branding strategies have their base in K.L. Kellers Customer-Based Brand Equity model, which describes the steps for creating brand equity for the consumers. The model is designed for understanding unconscious questions within the consumer pool, so that they are able to design an image of the good or service. Wherein, the sole purpose is to raise the awareness of a company's offering and identify the customer's relationship to the brand. These relationships can be built through various channels within the marketing mix in order to most effectively promote a company's offering for a target market and consumer pool.

2.4 What is digital branding?

In addition to the classical promotional channels, digital channels have been on the rise ever since the internet and technology have developed. Branding strategies change shape according to the behaviour of their consumers and thus; brand strategies have little power with only-offline channel selection.

The challenges rise when a company starts to inspect the behaviour of an individual customer through analytics tools, wherein; an individual consumer bases their perception of a brand more personally than what has been previously seen. This sets challenges to customer acquisition strategies within interconnected channels and enables space for more personalized communication towards individual consumer.

2.5 Customer acquisition

Customer acquisition is the process of turning in new customers for the business. Moreover, customer acquisition incorporates various strategical methods which take into account the types of consumer profiles to which a product in a personalised way is offered to (Galetto, 2017).

There are several factors which are taken into account in customer acquisition and those factors are based on customer needs. The needs are distinctly separated in different marketing methods that, according to Kutler (2000), are divided in 3 methods:

- Responsive marketing – Methodology to fulfil static need of the customer
- Anticipative marketing – Methodology to fulfil the anticipated need of the customer in the future
- Creative marketing – Methodology to fulfil needs which are yet unknown by the customers

Each of the methodologies add additional insights to the segments for the purpose of identifying the way how a customer may respond to advertising. Every response gives a deeper insight into what a consumer as an individual react strongly to. These insights map the factors for consumer activation that can vary from emotional triggers to social motifs (Nanavati, 2013).

2.6 Customer acquisition in e-commerce

Customer acquisition in e-commerce is the process of turning in new customers for the business in online environments. Wherein, customer acquisition in e-commerce relies on online channels to deliver internet users to the online retail site to buy products or services. Steve Jackson (2009) differentiates customer acquisition through internet into 3 core concepts, which have revolutionised the way how businesses should view customer acquisition strategies in online environments:

- Consumer empowerment – All consumers with the access to the internet have the ability to research and compare products or services quickly and efficiently. All pages from which information
- Communication – All information searched by consumers is available through the clock. In addition, every webpage, news article, publication or other element in

online environments modifies the way how consumers behave. They can be influenced through various methods with various formats. Moreover, the different device types expand the channels of communication for marketers to use.

- Data abundance – E-mails, sites, social medias and online video platforms drop cookies which gather information about the consumers. In addition, it is very easy to track the performance of a certain campaign through analytics tools for each phase of marketing management.

The data gathered through online environments can be easily harvested, constructed and segmented for measurement purposes. That said, the data then can be divided into metrical units which can be set as key performance indicators for the business to follow.

2.6.1 E-commerce

E-commerce is the act trading goods and services online. This act is commonly associated with mobile commerce, electronic currency and internet marketing.

2.7 Key performance indicators (KPI's)

Key performance indicators are metrics recorded by different business management tools to report the effectiveness of different business units in achieving their business goals (Klipfolio, 2017). KPI's are measured as counts or ratios of metrics that report a certain business function. The functions are constructed through different reporting standards defined by business units within a company, hence; providing a more comprehensive status on the interoperability between the units.

Organizations use KPI's on multiple tiers to assess their evolution in reaching business goals and KPI's can be divided into various levels depending on the stakeholders to who the KPI's are reported to. According to Jackson (2009) these stakeholders are:

- Business management
- Clients
- Business Owners
- Budget Owners
- Technicians

However, online and offline retail have different methodologies of measuring KPI's and

they gather massive amounts of data with various tools. In order to understand how to improve business goals through KPI's, stakeholders should define the different levels of KPI's which would cater to each of the stakeholder group.

The KPI levels are divided into two main categories:

- Visionary KPI's
- Tactical KPI's

Visionary KPI's are the top-level markers which help the company in achieving the larger objectives set within the industry that they reside in. That said, visionary KPI's are broken down to smaller parameters which are upheld by the different business units that a company withholds.

Tactical KPI's are planned in accordance with visionary KPI's to measure success by the different tools that a company uses. For instance; online marketer would use the proportion of new site traffic reported by an analytics tool as a tactical KPI in order to measure their success for that metric. In other words, visionary KPI's predefine the focus for tactical KPI measurement, wherein; all tactical KPI's are specifically measurable ratios and metrics within used tools.

2.8 Utilization of online channels

In order to understand the channels that are critical for business we have to firstly understand the motives and triggers that activate the site visitors from initial directing channel. In addition, different digital channels are subject to change in accordance with the larger trends in the market which are driven by consumer preference (Meeker, 2016). For instance, increasing usage of mobile devices in online is pushing businesses to transform their webpages to mobile friendly use for higher retention (Shopgate, 2017).

The sole purpose of defining the roles of online channels is to identify the actual benefits that those channels can potentially bring. Wherein, different digital sources cater for various purposes for the business. Recent trends show that:

- Audiences interact with video content especially in social media channels (Edelman, 2017)

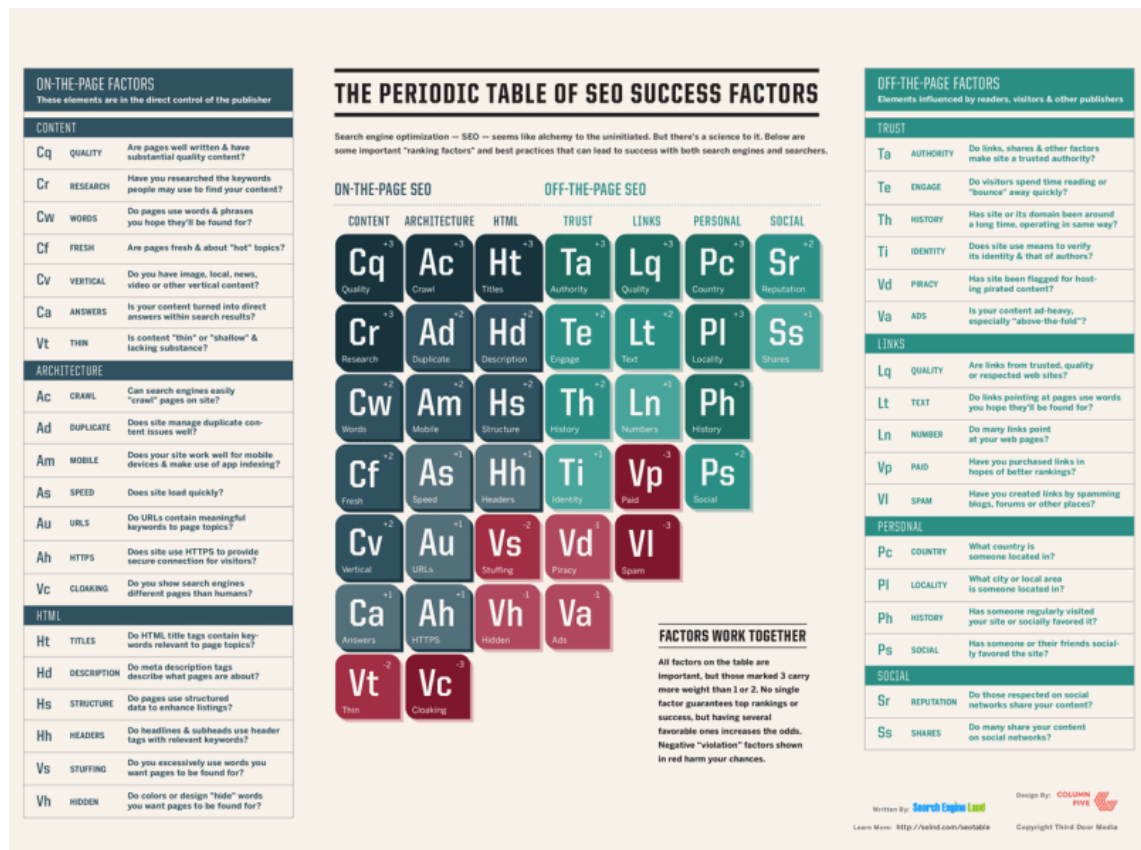
- Search engine optimization is critical and constantly evolving. Moreover, the need for identifying the web audiences is critical. The business has to know what potential customers are looking for and how their brand can be asserted into the customer’s research phase (Edelman, 2017)

The aforementioned trends are factors that can be realistically implemented as a part of a smaller businesses’ customer acquisition strategies. Moreover, the trends can help the business understand in-depth how customers engage with brand’s business and what are the relevant variables in defining KPI’s for customer acquisition strategies (Gartner, 2016) especially within the scope of the research and the authors business vertical.

2.9 Search engine optimization

Search engine optimization (SEO) consist of series of processes where an entity can maximize the number of visitors on a website. This is done by building the website so that it appears high on the search results in all of the search engines.

Figure 4: Periodic table of SEO success factors



2.10 Traffic sources in web analytics

Traffic sources in web analytics means the medium from which a browser has landed on the site. Moreover, the channels reported by the sources show the traffic which has been redirected onto the site. These sources in Google Analytics are divided into the following categories:

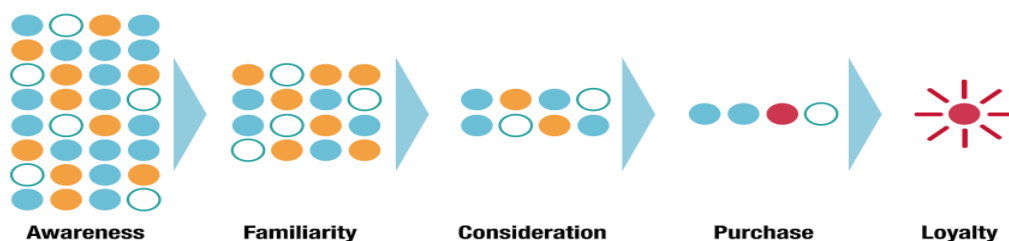
- Direct → Matches exactly the traffic source i.e. browser typing in the URL of the page
- Organic Search → Matches exactly a query done in an search engine without paid mediums
- Social → Matches exactly that a browser has been redirected from social media sites
- Email → Matches exactly that a browser has been redirected from an email
- Affiliate → Matches exactly browsers redirected from an affiliate site
- Referral → Matches exactly browsers redirected from referral site
- Paid search → Matches exactly browsers redirected from paid campaigns in search engines
- Other advertising → Matches other sources for redirected browsers i.e. unknown sources
- Display → Matches sources that are redirected from display campaigns i.e. banners

2.11 Customer Journey

Customers form perceptions of brands in various touch points in different environments. These touch points usually include;

- Advertisements
- Publications
- Word-to-mouth
- Product & service experiences

Wherein, all of the consumers fall into a funnel of different purchase consideration phases.



The funnel model indicates the systematic exclusion of consumers through different consideration phases, wherein; the first triggers are set as they compare options, make decisions, and buy products. Marketers have the tendency to push marketing toward consumers at each phase of the funnel process to influence their purchase behaviour.

Even though digital channels are increasingly revealing more about the type, they are also the focal point for mining valuable data about their customer & potential-customer behaviour. That is the only moment when companies are able to mine the necessary information for product & service innovations. What every digitally driven organization requires is a clearly defined mission and a consistent vision around the customer journey. This can be continuously used as a tool in communicating with the stakeholders and partners for analysis and insight development, and eventually retain many of the first buyer consumers as loyalists.

Moreover, a powerful intelligence department can automate the manual processes and provide only the required deliverables (Such as insights about their target audience). In order to be more effective in analysing there has to be a transition to more automated processes. This gives more room for in-depth analyses and decreases the need for market research.

Before product value, consider the innovation potential within the market. For example: if high spenders are mainly in the loyalty phase, it is vital to consider that part of the funnel for new product testing. From thereon, one should expand the market and penetrate new markets with the newly developed product (McKinsey, 2017)

3 Methodology

The research will be problem centred and based on exploratory research because there are a few publications or similar researches made on the topic. The variation in data, contributing factors in different phases of the conversion funnel as well as the challenges present that there is no possibility for a single sourced solution. Moreover, different findings and trends will be tested in several channels several times and the thesis will concentrate in aggregating data from several locations which can either correlate with findings without causation, or the exact contrary can happen.

The technical on-site elements will be used through an on-site checklist which we expect to have a high correlation with the KPI's are as follows:

3.1 Technical efficiency of the site

The technical efficiency of the site directly translates to user experience. In other words, a poor user experience brings down the quality metrics of the site which then would affect tactical KPI's. The technical factors should be studied through the following questions:

- Does the page support the most common browsers?
- How fast does the page load?
- Is the page responsive?
- Is the page mobile-friendly?

In order to identify the relevant technical factors Woorank add-on tool for browser will be used. This will help the research to find the relevant indicators that the aforementioned questions centralize on.

3.2 Visual aspects

Visual aspects affect the navigation of the site as well as the top-of-mind comprehension left by the brand of the site. Assuming that the visual aspects are out of position or dull, a user might visit the site once and never return due to lack of visual stimuli which would retain the user for a longer period of time. The visual factors should be studied through the following questions:

- Are brand colours clear or dispersed?
- How are the photographs positioned on the page?
- Are the pictures clear?
- Are the pictures clickable?
- How well do the pictures help visitors navigate on the site?
- Do the visual elements affect usability?
- Do they “re-direct” the eye of the visitor?

In order to identify the relevant visual factors “Users Flow” report tool in Google Analytics will be used. This will help the research to find the relevant visual factors that the aforementioned questions centralize on.

3.3 Google analytics metrics

The thesis will revolve highly around problem solving wherein the gathered data by the site analytics tool (Google Analytics) provides data and behavioural evidence about the

visitors. The presented data will support the case for KPI planning and from thereon; support the recommendations of technical changes on the site. In addition, the planned KPI's will hypothetically affect the business of the entrepreneur outside of online metrics.

3.4 SEO best practices

Search engine optimization best practices divides the experts into two main fields:

- **Technical SEO:** This field holds the best practices around the technical structure of the website. The technical structure tackles a variety of issues regarding search engine spiders crawling the website, wherein; how well does the website index when a certain keyword is searched
- **On-Page SEO:** This field holds the best practices for content creation and optimization of keywords on the site, wherein; how well is the user experience of the web site designed and executed

3.5 Limits

Analytics tool used has all the relevant information for the study to conceive its conclusion, however; the amount of site visitors is relevantly little. The core idea is to have a holistic view of all digital channels recorded by Google Analytics and produce the best possible solution for the entrepreneur within his limits. These include:

- Technical know-how of how to modify the site
- Marketing budgets
- Discrepancy in the data

It is important to know that Google Analytics reports has its advantages and disadvantages when determining business use-cases.

The advantages:

- Google Analytics basic is free
- Easy to implement
- Records data in website and mobile ecosystems
- Allows creating custom data reports
- Allows goal tracking

The tool provides metrics that are not only e-commerce based but also helps to understand the traffic sources, mediums of that traffic and trends when all of the aforementioned happens as well as how they relate to each other. Using these methods will help the entrepreneur to understand the actions that should be taken in order to achieve effective customer acquisition strategies. In addition, Google developed a large help-centre for free, which would cater the need of the entrepreneur for future references.

The disadvantages are:

- Limited number of goals which can be set as KPI's
- Custom report creation is limited
- Updates regularly which requires ongoing training

Keeping these disadvantages in mind, a single entrepreneur might have time restrictions in keeping up with their KPI's due to the nature of their job.

3.6 Secondary research

In order completely consolidate the outcome of the research question, it is important to define the scope of the used industry information. The information includes several best practices and trends surrounding the following supporting material:

- Usage of analytics tools
- Metrics that are most relevant for the entrepreneur's business
- Technical search engine optimization methods
- On-site search engine optimization methods
- Several publications on the usage of different digital channels
- Empiric methods of channel utilization by industry knowledge leaders

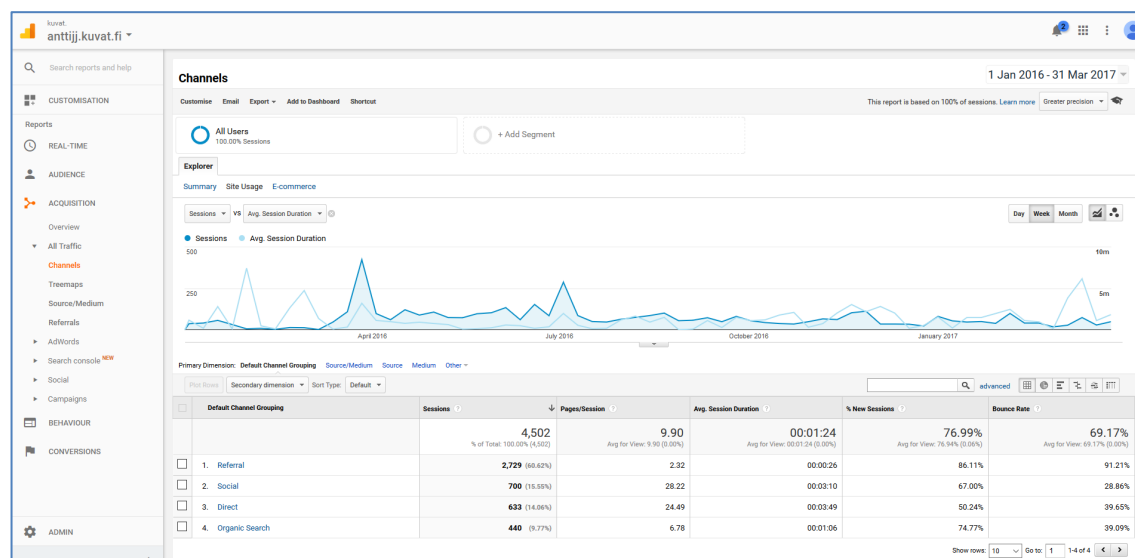
KPI mapping can be done mainly based on the goals defined within the analytics tool, however; delivering business actions are based on what others in the industry have seen as the most efficient customer acquisition practices.

4 Research results and analysis

4.1 How to define the relevant digital channels?

Firstly, the Google Analytics data has to include all traffic sources and as the initial step we identify the dominant trends from that data.

Figure 4: All traffic



Google Analytics: All sources (See appendix for larger image)

The data shows the following:

1. Referral sites (REF) have directed the largest amount of visitors (Counting for 86,11% of new visitors) but attained a high bounce rate percentage
2. Social channels (SOC) have directed less traffic yet the quality is significantly better (Pages/session and avg. session duration when comparing REF to SOC)
3. Direct links have a significant role in bringing high quality traffic but lose to other channels when inspecting the portion of new visitors
4. Organic search has the lowest amount of overall sessions but exceeds the referral sites when inspecting quality metrics and bounce rate percentage

In order to define relevant strategies and their KPI's, we have to explore in detail each of the channels and see the variables which affect the metrics. In order to have a clear business objective deliverable per channel, the scope of the channel research will be based on:

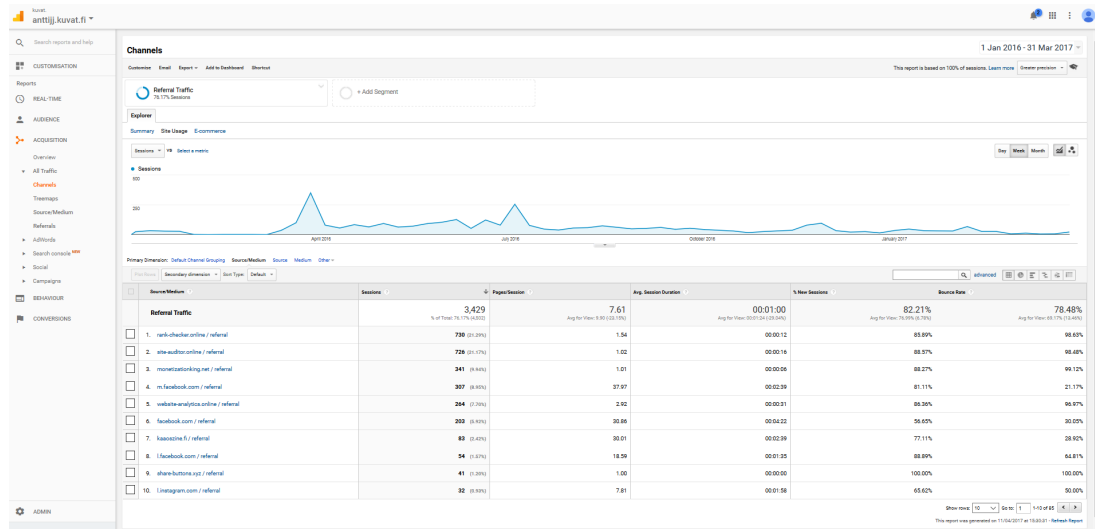
- Source of the traffic
- Medium of the traffic
- Amount of new visitors
- Amount of returning visitors

- Time period, wherein; singular dates will be more closely inspected for identifying additional variables in traffic generation on the site
- Statistical significance of the site visitor volume

4.1.1 Referral

The referral sourced data shows the following:

Figure 5: Referral traffic



Google Analytics: Referral sources (See appendix for larger image)

1. 61,3% of the sessions consist of sites which have no relevant significance improving site usage, number of new visitors and their bounce rates are higher than the benchmark for the site (69,17%)
2. Part of social media traffic is registered under referral, which indicates partial tracking of channels (Google, 2017)
3. Facebook, Instagram and kaaozine.fi are directing visitors on site with high quality metrics (When inspecting pages/session and avg. session duration)

Referral sources indicate that only one domain, kaaozine.fi, and a few social media posts have directed traffic directly to the site content. The referral source mainly consists of spam referrals that direct a high volume of traffic onto the site, yet, lowering the average of the quality of the traffic.

Deliverable for technical aspects

Traffic filters should be implemented to exclude all un-necessary sources from the report. In addition, the webmaster should implement precise tracking parameter to all redirects onto the site for a deeper mapping of referral sources. Overall tracking can be improved by using UTM-tracking parameters for deeper understanding and customization of campaigns (Kissmetrics, 2017)

Deliverable for business

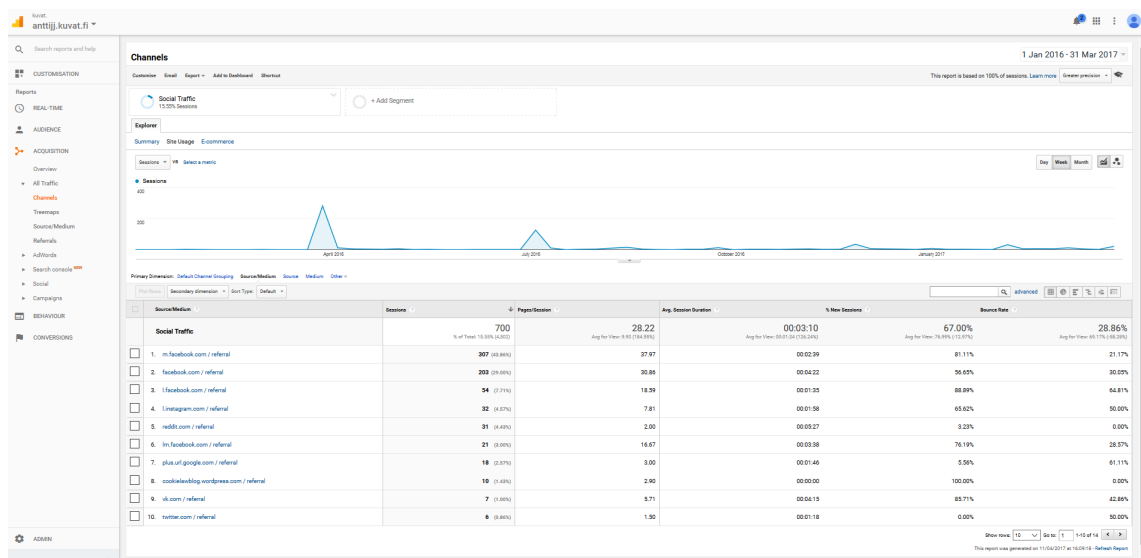
The referral traffic indicates that direct publications as well as well-though social media posts, with a direct link to the content produced by the entrepreneur, generate high volume traffic onto the site. From a brand perspective it is suggested that the content should be partnered with publications which cater to the niche segment of that particular publication and link the content to their Facebook page and have a direct link on the publications domain. This would serve the following factors:

- Boosting the share of new visitors on the site
- Lowering bounce rates by excluding spam referrals
- Strengthening brands presence in relevant medias in accordance with the produced video and picture material

4.1.2 Social

The social sourced data shows the following:

Figure 6: Social traffic



Google Analytics: Social Traffic (See appendix for larger image)

1. 43,8% of sessions consist of users which have used mobile and directed through Facebook posts
2. 29 % of sessions consist of users who have used desktop as the device type to land on the page, with a slightly higher bounce rate than mobile
3. Other social traffic sources; Instagram, Google +, reddit, twitter etc. account for 16,44% of the site visitors

Social traffic sources indicate that Facebook directs the highest volume onto the site. Other social medias are low in volume but do indicate that quality metrics are good when comparing to the average of the traffic source (Pages / session 9,9 and avg. duration 1:24 min)

Deliverable for technical aspects

Retaining the brands presence in Facebook has been a core driver for the sheer volume of users. However, it could be boosted by using paid posts to compete against other similar pages in addition to organic posts. The sheer amount of other pages against which a single brand has to compete against is voluminous (Zarella et al, 2011) and a content partnership strategy should be considered.

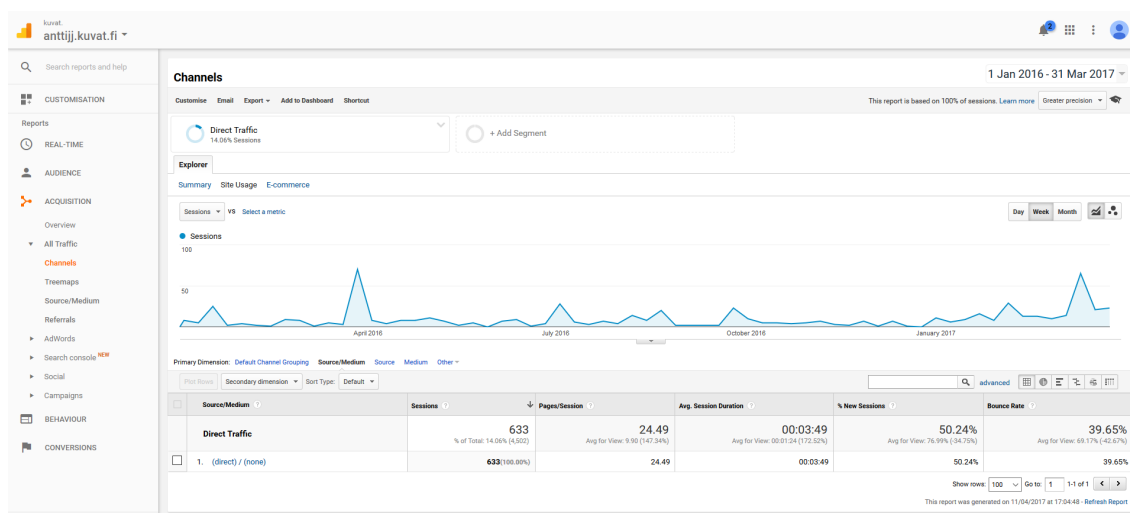
Deliverable for business

The entrepreneur should consider sharing the produced material in all of the social medias according to their core roles. Facebook is efficient in rapid and fast visibility in addition to post engagement (Zarella et al, 2011) however, the organic reach of Facebook without paid advertisement is very inefficient for smaller brands (Seymour, 2015). Hence, the entrepreneur's brand should be established according to the type of each social media. All of the reported channels account for a total 15,55% of all site visitors and out of that figure, Facebook stands for 13,02%. Social media traffic brings in on average a 67% of new users with Facebook weighing highly on the figure.

4.1.3 Direct

The direct sourced data shows the following:

Figure 7: Direct traffic



Google Analytics: Direct Traffic (See appendix for larger image)

1. 50,24% of sessions consist of new users
2. Direct traffic consists of sessions that have an average time on site of over 2 minutes compared to the average for the entire site (1,24min vs 3,49min)

Direct traffic sources indicate that straight links onto the site direct traffic quality which is higher than all of the other sources.

Deliverable for technical aspects

Direct links onto the site have the highest impact on the traffic quality as well as the usage of the site. However, the site experiences a cut-off when inspecting the sources of the direct visitors. For this, the entrepreneur should form an analysis of the device types which are more used as well as the response rate of the site. Assuming that the website loads slowly, the visitors might see this as a nuisance in terms of user experience and leave the site immediately.

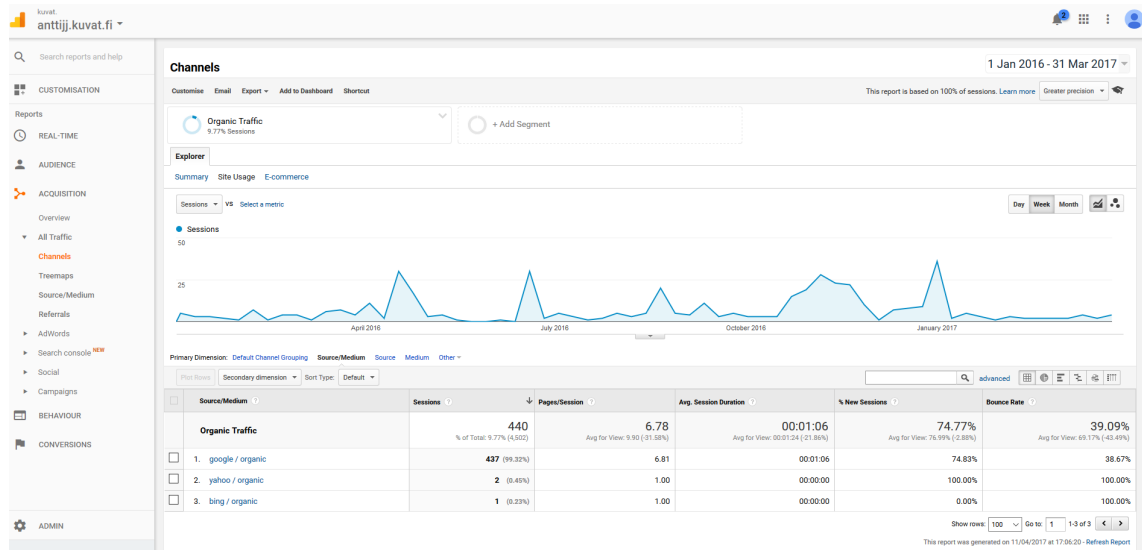
Deliverable for business

The entrepreneur should invest time in building relations to similar sites or brand sites, which would assert his work directly onto their sites. This would require link building with affiliate sites as well as blogger sites in order to increase the traffic amount while keeping the traffic quality similar.

4.1.4 Organic Search

The organic sourced data shows the following:

Figure 6: Organic search traffic



Google Analytics: Organic Traffic (See appendix for larger image)

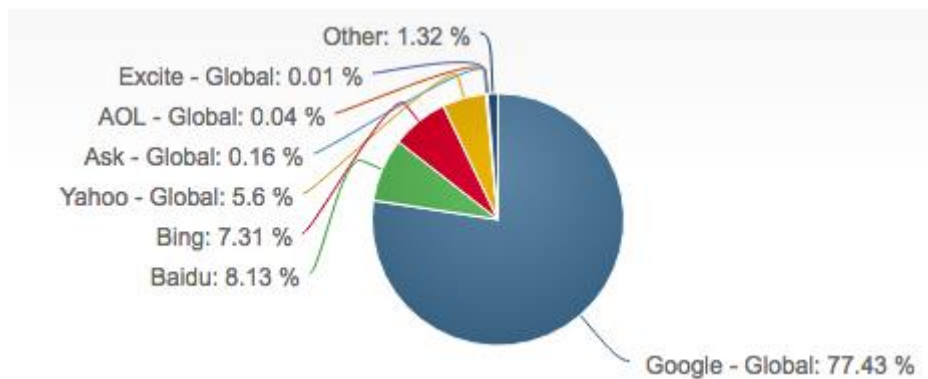
1. 74,83% of sessions consist of new users are directed mainly through Google

Organic traffic sources indicate that Google directs the highest volume onto the site. Other search engines are low in volume and do not have a statistical significance to affect the site usage.

Deliverable for business (What to improve?)

The entrepreneur should devise a strategy which would take other search engines into consideration. Google, as the largest author within the search engine market, has an overwhelming competitive edge against other players in the market. However, the site loses potential users from other search engines.

Figure 8: Who has the biggest search engine market share worldwide?



Deliverable for business (Business aspect)

Organic search can be increased through the awareness of the brand. This includes a combination of online and offline channel marketing, where the entrepreneur should:

- Define his core audience
- Define his target markets
- Re-establish the technical factors on the site
- Take into account the variation in the audiences using different search engines

5 Conclusion

In conclusion it is evident that marketing communication in customer acquisition plays a key role. Inspecting the business from a marketing mix perspective, AJ Photography effectuate the following:

- Re-assemble the product concept of the business
 - One of the most essential things missing are actual services that the business offers. The site has no service-design information and content for the visitor to get familiar with. Instead, the site only presents collages of past events which are visually entertaining, yet give no methods on how to actualize similar services.
- Have a price on the service that the business provides:
 - Site visitors have no content or information on how the services are bundled or priced. The most essential SEO factor for discoverability is to provide the offered service-design together with prices, because these are the first information pieces that consumers look for when searching information about photographers.
- The business has to position the operating place of their business clearly:

- The offering is highly visual and the site contains a voluminous amount of example pieces of what the business can produce. However, the business presence is almost non-existent and discoverability is very social media centred.
- The business has to start promoting the services progressively by using an optimal mix of different digital channels:
 - Paid campaigns in social media, search engine marketing as well as co-operative publications in blog environments would boost up the site visibility. Organic traffic correlates highly with paid campaigns and would be beneficial in the long run. Wherein, the business is able to foster their awareness within potential customer segments.

Keeping the above mentioned mix in mind, the business should use a combination of responsive and creative marketing. The research results clearly show that medias who have published the work on niche sites have actually brought in the highest volumes of visitors onto the site. Whereas, the social media posts brought in large volumes of visitors but the quality of the visitors were significantly lower than for referral channels. Social media channels are environments where highly visual and emotional material attract the most attention, as well as traffic. Hence, by combining creative marketing campaigns for social media and responsive marketing for referrals the business should boost up their visitor volumes.

Moreover, this is an opportunity for the business to use their visual assets for highly personalised advertisement as discussed in the literature review. In order to successfully create a campaign and site content which would address potential customers, the business should research symbolic aspects that would appeal to the larger audience online especially from a Finnish cultural perspective. Hence, they could serve the client basis in all of the customer life-cycle phases:

- Attract
- Raise awareness
- Commit the site visitors to the brand
- Nurture
- Expand loyalty

Furthermore, this would help the business to affect the customer perception of their service-design, increase their trust into their offering and eventually increase the willingness to buy. Based on the reviewed theory, best practice e-commerce methodologies and

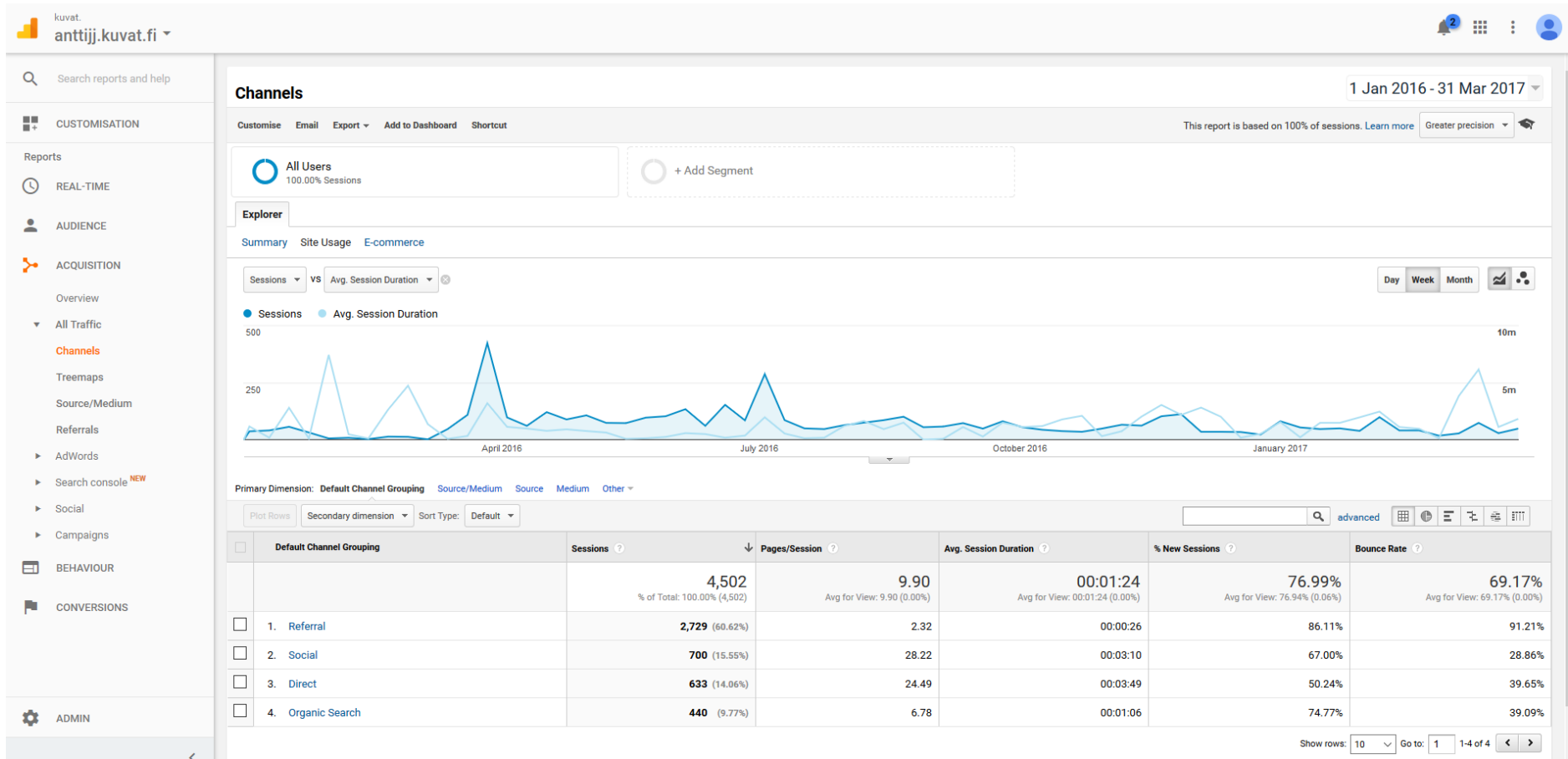
research results it can be concluded that framework above is effective in customer acquisition.

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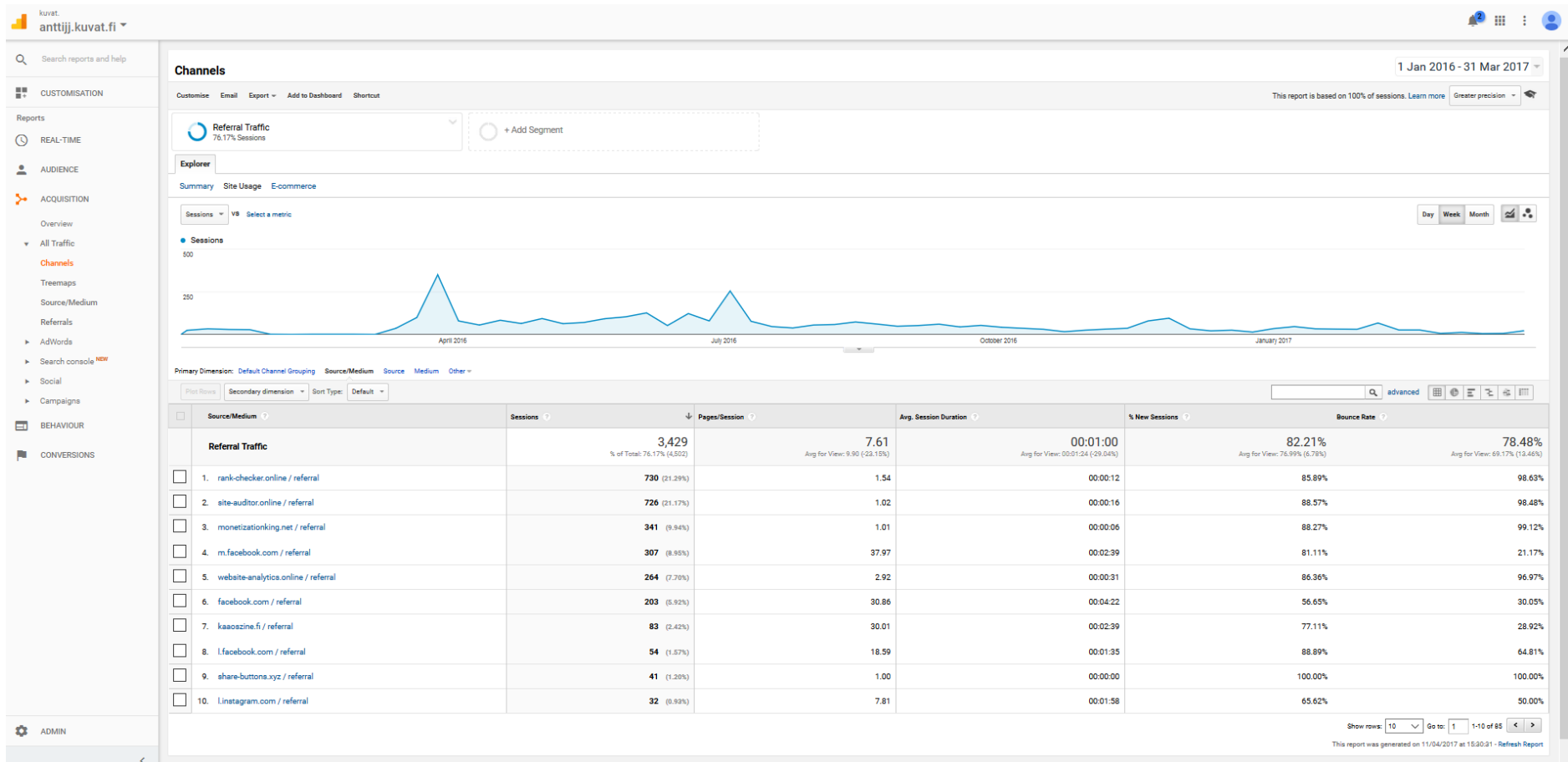
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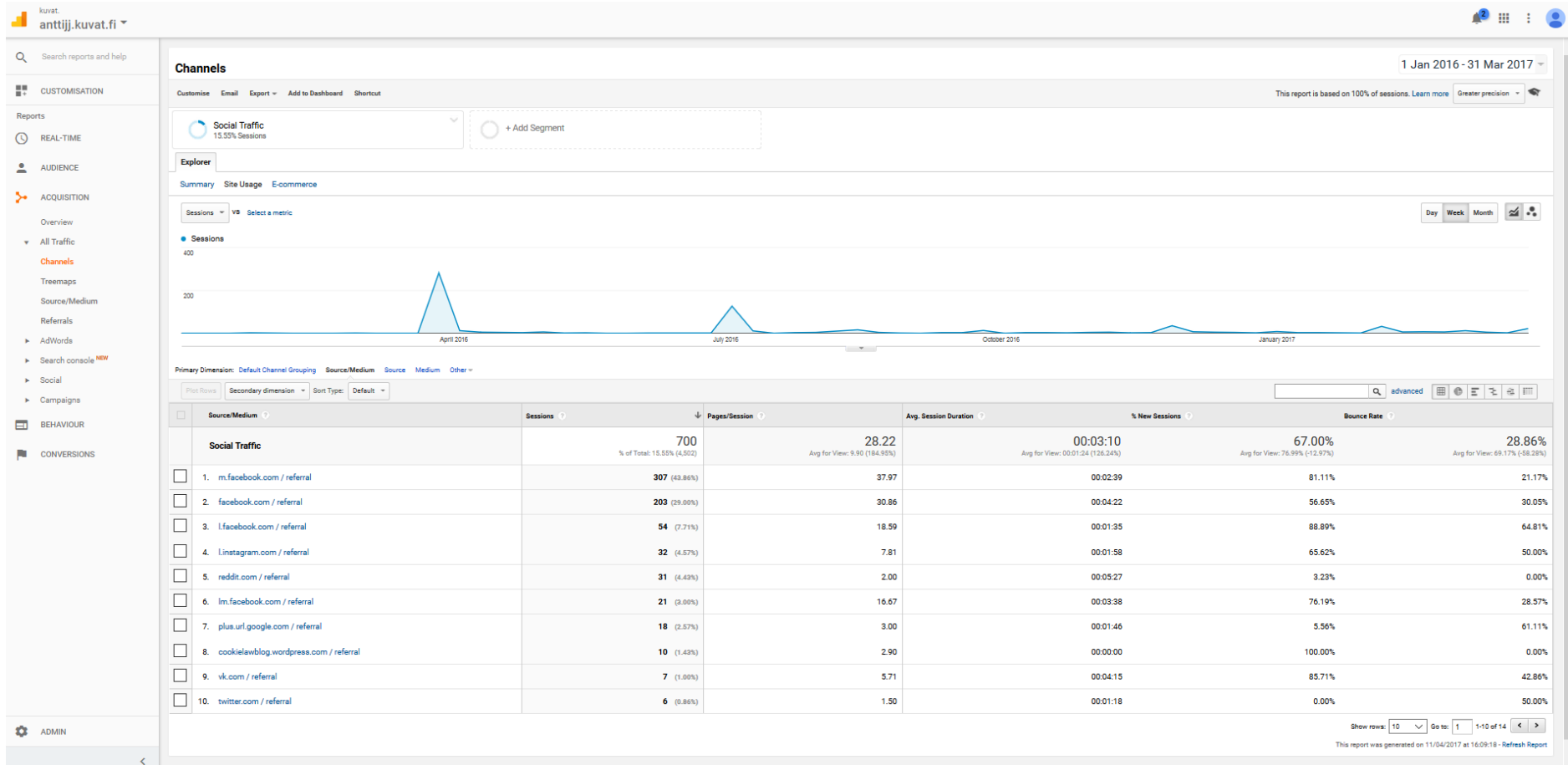
Google Analytics: All sources



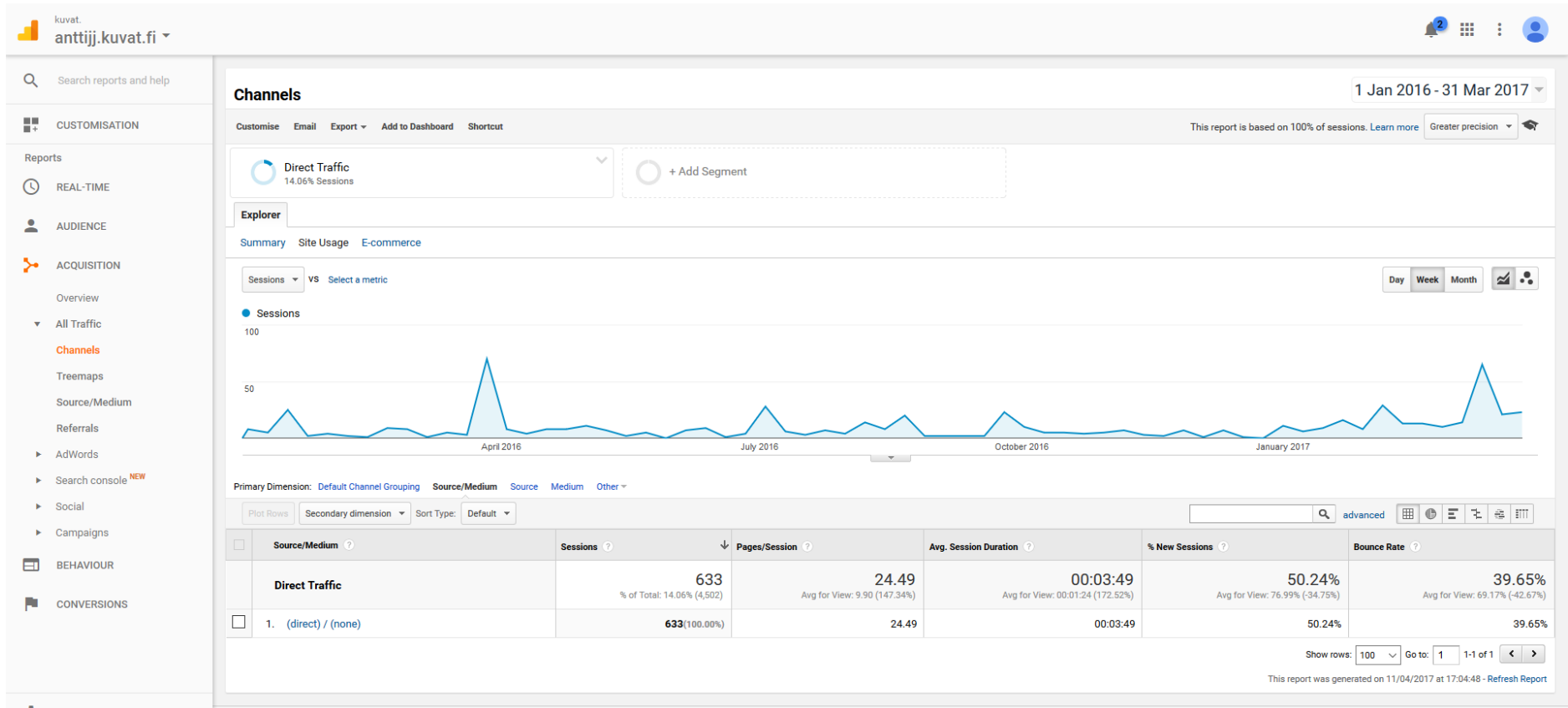
Google Analytics: Referral Sources



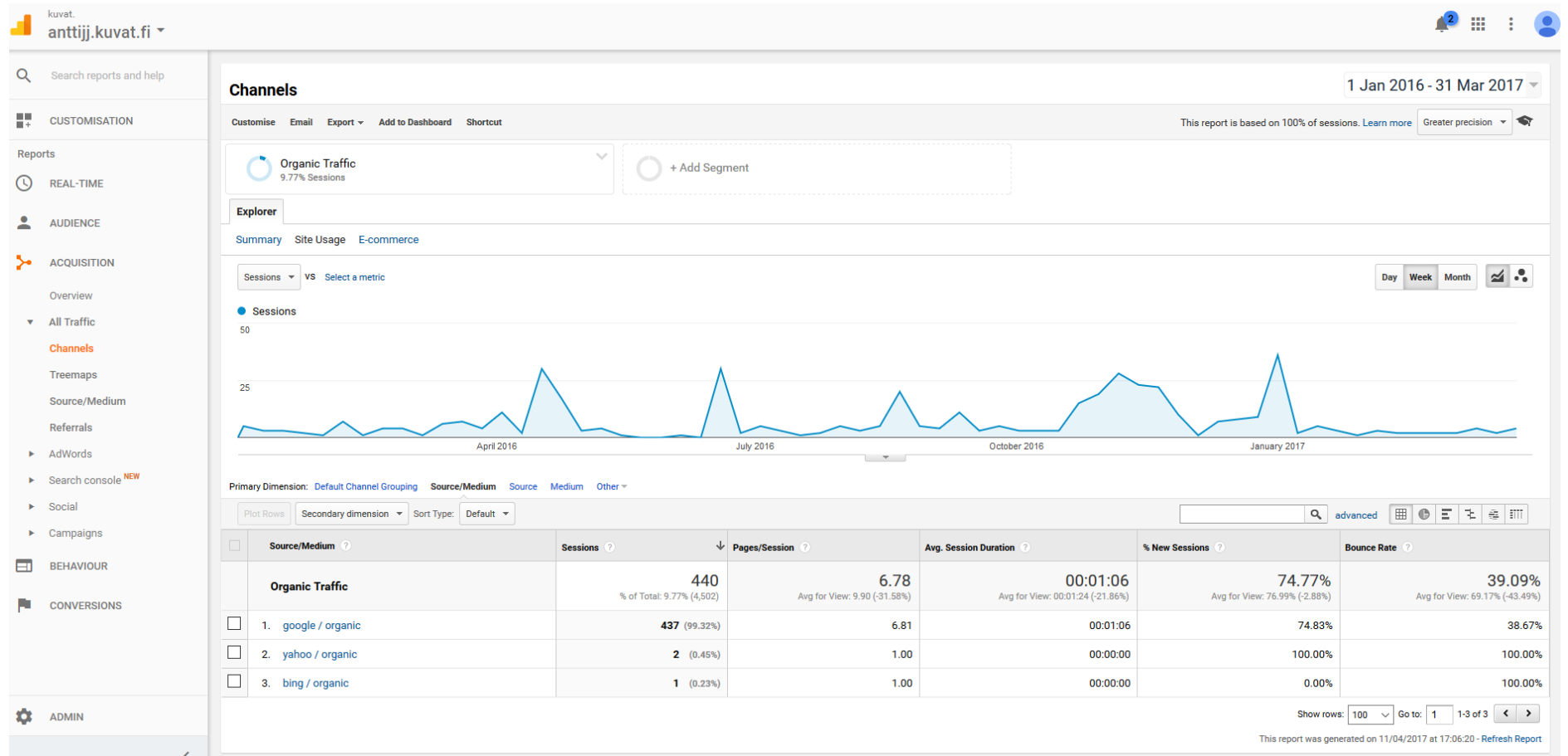
Google Analytics: Social Traffic



Google Analytics: Direct Traffic



Google Analytics: Organic Traffic



Title of the Appendix

Content of the appendix is placed here.