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BtoB

This counts: Web traffic products evolve

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Once upon a time, Web traffic measurement was all about buying a software program that crunched the numbers collected by corporate Web servers. But a new chapter to the story is being written. Recognizing that corporate Web traffic is the gateway to real-time customer relationship management, a host of vendors are adding marketing analytics, consumer polls and other techniques to the traffic equation.

Adding analytics

The spate of new services reflects a need by marketers to understand their customers from a marketing, sales and service perspective, said Kimberly Collins, senior research analyst at Gartner Group Inc. Tried-and-true marketing analytics are the only way to pinpoint opportunities, but they were missing from early Web site measurement software, she said.

Traffic measurement has long been the province of business-to-consumer marketers, but the new generation of tools target b-to-b marketers as well. In reaching beyond hits and users, the new software and services match the return-on-investment requirements of a b-to-b marketer.

Moreover, CRM systems are arguably more useful in b-to-b, where the value of relationships are an order of magnitude greater than in business-to-consumer, and far less fluid. By pinpointing individual interactions, a company can cultivate a high-dollar relationship and identify when a big piece of business is dangerously close to going to a competitor.

``The whole concept of CRM is satisfying a customer and ensuring they come back," said Martha Young, research director at the consultancy Enterprise Management Associates Inc. "Data mining and business intelligence linked to traffic measurement is the ultimate CRM solution.''

Vendors have made a variety of moves in recent weeks to make Web site traffic analysis more sophisticated. NetGenesis Corp., Cambridge, Mass., one of the original Web log server software vendors, late last month released the fifth version of its Web-server analysts software. For the first time, NetGenesis included traditional marketing analytics algorithms to crunch such factors as

the lifetime value of a customer. Price starts at $125,000.

Bridging the gap

The challenge Web-centric tracking software developers face is bridging the gap between the Web site and bricks-and-mortar locations, said Tom Ralston, product manager for NetGenesis 5.0. The addition of advanced analytics is the way a Web site reporting platform can begin to move into predictive analysis, he said.

E-CRM leader E.piphany Inc., San Mateo, Calif., last month introduced a system aimed at exchange operators that uses Web log files and marketing analytics to drive relationships between buyers and sellers. Though only 3% of all exchanges use CRM systems today, about 50% will use them by 2004, according to Keenan Vision Inc. E.piphany's move signals that traditional CRM vendors won't stand idly by as Web tracking specialists move onto their turf. Price starts at $250,000.

Xchange Inc., Boston, meanwhile, said it will tailor its new CRM software to specific industries, and add Web site analysis and e-mail messaging capabilities. Initially available for the telecommunications, financial services and retail industries, Xchange plans to make additional versions for automotive, travel and high-tech available in early 2001. In all offerings, marketing analytics software allows marketers to create custom reports from Web site data. Price is undisclosed.

Andy Frawley, CEO-chairman of Xchange, said the new spate of Web site analysis tools work at a higher level than most companies are accustomed. The

typical Web site manager is familiar with raw measurements of traffic, individual users and drop-off points, but attrition analysis and profiling of customers are much more powerful, he said.

Product parade

That only represents the very tip of new traffic-CRM products.

DigiMine Inc., Seattle, a company founded by former Microsoft Corp. data-mining experts, has launched an Internet service that builds corporate data warehouses across multiple Web sites, call centers and other points of contact. The idea is to create a comprehensive view of customer behavior across the enterprise. Price is $5,000 per month.

Elsewhere, comScore Networks Inc., Reston, Va., has launched a service that uses Web site traffic analysis and buyer's panels to measure transactions. Contrasting with traffic-centric approaches, the service allows companies to track actual purchases and build potentially profitable long-term customer relationships. Price begins at $5,000 per month.

Meanwhile, a new service from Word of Net Inc., Sherman Oaks, Calif., looks for areas where a company is linked and attempts to define the most powerful entry points. It looks across advertising to include press references and keywords. Moreover, it tracks four corporate sites in a similar fashion and alerts marketers when changes are made by the competition.

Also attacking this new opportunity are traffic measurement service companies.

For instance, Jupiter Media Metrix, New York, announced on Oct. 2 that its AdRelevence 2.0 traffic analysis service will include three key components: server-side traffic measurement, spiders that automatically measure site performance and consumer panels. Primarily aimed at measuring the efficacy of online advertisements, the system includes a sales prospecting system and competitive intelligence about rivals' marketing expenditures.

Finally, PC Data Inc., Reston, Va., said in early 2001 it plans to launch a panel of corporate Web surfers to provide b-to-b marketers with purchase reports on business executives' surfing patterns and buying behavior. The information has been hard to come by because business executives are squeamish about tracking inside the company firewall.

Driving real business

There is no going back to older methods of Web measurement, said Chris Deyo, president of Pets.com.

``The older measurement tools measured audience, but that's not what drives business,'' Deyo said. ``The data we were getting was like Wal-Mart releasing their quarterly earnings but not saying how much their registers rang. Instead, they just told you how many people came into their stores. It wasn't meaningful.''

Rosetta Marketing Strategies Group has begun to steer clients toward measurement techniques that leverage CRM, said Kurt Holstein, Rosetta's exec VP-managing director.

``Right now, we have too many tools and not enough solutions,'' Holstein said. ``Most vendors are trying to sell their tools as the be-all and end-all, when it is really about combining back-end tracking and analysis, data capture and mining, market segmentation, and personalization into a holistic solution that integrates them all. Eventually, someone is going to come up with a combination that can meet the high-end corporate buyer's needs.''

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