



## Understanding Conversion Rate Optimization

### **What is Conversion Rate Optimization (CRO)?**

CRO is defined as a method of improving the performance of a website using analytics. To be more precise, it is about finding out why visitors are not converting and then fixing the problem. The objective can be anything such as signing up for an email newsletter, making a purchase, downloading your app or meeting some other goal. Conversion rate optimization is calculated by dividing the number of people taking an action by the number of people told to take an action. The higher the CRO, the better it is.

Why does it matter? No matter how well-designed your site is and no matter how good even your conversion rate optimization is, there is always a scope for improvement. Since paid ads are getting costlier, CRO is the way to go.

So, is CRO just about ecommerce conversion? No, its scope is much beyond that. Hubspot, a well-known inbound marketing website, says, "Most often, when people talk about CRO, they're talking about web page or landing page optimization because those are owned assets that typically contain plenty of conversion opportunities to continually optimize. But CRO can be applied to social media, and is also often related to SEO."

Conversion rate optimization is not easy. There is no formula for CRO; it is a long process of constant improvement based on data. There is no place for assumptions and guesses in this process; you would have to act only on the basis of the available data and keep improving.

### **How can you become a good optimizer?**

Everybody can become a good conversion rate optimization specialist if they understand the process and practice it diligently. It requires the mindset of an optimizer.

Yes, you heard it right. Having the right mindset can help you succeed as a CRO expert. And what is that?

There are 4 eternal assumptions pertaining to CRO that need to be accepted blindly:



### 1 Opinions are Irrelevant

Frankly, opinions don't matter at all. They won't help you make money since everybody has an opinion but not everyone makes money.

### 2 Nobody Can Predict the Outcome

The moment you start predicting, you will fail. You should not play the game of predictions and leave it to astrologers. After all, how can it be predicted what will work and what won't? If anybody knew this, they would become billionaires.

### 3 **There's No Magic Template or Formula**

Every problem is unique and there is no one solution fits all. There cannot be a fixed set of processes or templates. What worked for site X may not work for site Y. Every "successful" formula can fail in dozens of other scenarios.

### 4 **Believe in Data, Data, and Only Data**

Data is the only God in Conversion Rate Optimization. And you should only believe in what your data suggests after your tests are over.

### **Why It is Important**

Through CRO, you get to know the ideal user behavior. Which are the pages they visit the most and what products do they buy usually? It helps you shape your marketing strategy and get more qualified leads.

### Summing Up...

CRO helps determine the pain points of people visiting your web or landing page. With the help of analytics, you can test the variations and see whether the solution you come up with for your visitors works or not.



## Identifying Elements to Optimize

By now you must have understood about CRO and its basic requirements . However, unlike any other part of digital marketing, the scope of CRO is really vast as there are a lot of areas in a website that can be optimized, and the list can be pretty long. In fact , you can optimize almost every part of your website.

Does that mean revamping the whole website? I don't have a lot of money; so, Goodbye!

Don't worry. You don't always have to optimize an entire website. Often , fine-tuning a few areas can suffice . CRO is a process of incremental development. However, there are some parts of a website that need to be taken care of. Some of the pages of your website can be so voluminous that you can get bogged down by the sheer volume of work.

Here is a list of elements on a website that have the biggest impact on conversion rate optimization:

### Call-to-action (CTA) Buttons

It is the most important element in a CRO process. You can test things like the color of a CTA button, its position, wording etc. And if you get it right, the effect on conversions can be huge.

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### Landing Page Layout

There is no need to reinvent the wheel. You can just borrow a landing page layout from a reputed website and test its different variations.

### Home Page Design

It's where the traffic is maximum on a website. Even a slight improvement on the home page can bring about a huge difference in the conversion rate. For most websites, the home page is the most heavily



trafficked page on the site. Any incremental improvement to this page can make a big difference to your overall conversion numbers.

### **Figuring Out Where to Start**

Before we delve deeper, you should understand that landing pages are where you have to focus the most. This is because a landing page has just one goal unlike other pages, which may have more than one objective to achieve. A landing page is more like a conversion funnel. It's the culmination of your efforts on other pages.

For example, you can get your e-book downloaded, get more sign-ups etc. For an e-commerce website, the goal will be to direct users to the right category pages and then to the products page. In any case, the user decision process is similar. Every user goes through this process when they land on a page or a site.

### **Summing Up...**

Conversion rate optimization can go haywire if you don't carry it out in a structured and systematic manner. Your aim should be to start with the most important aspects and then gradually move to other complex parts of your page.

### **A Six-Step Approach to Conversion Rate Optimization**

Now we are coming closer to the core part of conversion rate optimization. By now, you must have had a clear idea about what conversion rate optimization is, how it's beneficial, and what the necessary requirements are to carry a CRO process out. Now you could be more interested to know the tips and tricks related to this process.



The sad news is that there is no such secret tip or hack to achieve overnight results; there are only well-defined processes. And executing these processes efficiently will get you the desired result.

### **Think Like a Doctor**

Suppose that you are going to a doctor or a surgeon after you experience pain in some part of your body. Can the doctor afford to make a wild guess about the problem in your body? Doing so can be hazardous to your health. Doctors rely on data related to blood pressure, sugar level, X-ray, ultrasound, and CT scan for their diagnosis. All these different diagnostic tools help them figure out the problem precisely.

A doctor can't treat a patient based on opinions or assumptions. Similarly, conversion specialists rely on data to suggest a specific remedy. Similarly, the entire CRO framework is just about one thing - that's right, quality data. Your success depends solely on this factor.

### **Understanding the CRO Framework**

Another thing to understand is - there is no right or wrong way to do Conversion Rate Optimization. A good model for your website will depend on a plethora of factors - from your business goals to the sector or niche you belong to and a few other things. However, there are some cardinal rules that are universally applicable.

Understanding the CRO framework can take time. And if you're working with clients, you need to set your expectations around this. The fact is that this is a very important stage and if done correctly, it will save you from heartaches later. We can divide the CRO process into six steps:

### **Data Gathering**

The success of your campaign will depend on how you collect data and ensure its quality. Therefore, it should be your topmost priority. You should ask some vital questions about the company, its audience, and its website.



Here is a short list of such questions:

### **About Company**

What's the core business of the company? What are your Unique Selling Points?

What's the goal of the company?

What's the shared objective?

What You Should Do: Find out what makes the company different in comparison to its competitors that sell the same or similar products.

### **About Customers**

Who are your target customers?

What are the biggest objections that customers have?

Explore different customer segments and create a buyer persona for each segment. What are the biggest pain points your products are trying to solve?

What You Should Do: Try to find out what is stopping your customers from buying your thing. It will require you to delve deeper into this process.

### **About Website**

What's the traffic breakdown of the website? Identify the sources of traffic.

How does the sales process look like?

Have analytics and tracking system been put in place?

What You Should Do: Sit down with the client and map out the sales process from start to finish. From here, you can find out where problems can occur.

### **Make a List of Your Hypothesis**



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### **What Should You Test?**

after gathering information about things like website, company, and audience, try to find out the most common pain points of the customers. These are also the lowest hanging fruits. For example, if a common complaint of customers is about the security of the payment system, you can think of testing some trust signals.

### **Who Are You Targeting?**

This is a pretty straightforward one. You just need to specify which page or set of pages you're testing. You may choose to test just one product page or a set of similar products at once. one thing worth mentioning here is that if you're testing multiple pages at once, you should be aware of how the buying cycles for those products may differ.

### **Goals of the Discovery Phase:**

Gather data about your company, your customers and your website. Use this data to form a series of hypotheses that you would like to test. Identify who you're targeting with a specific test.

See which pages the test will be applicable to.

Ensure that you are effectively tracking the metrics on these pages.

### **Experiment Phase**

This step depends on various circumstances. Some people prefer doing wire-framing, but it may not be necessary for you. In case you are not a seasoned A/B tester, it would be better for you to design your hypothesis. You should also plan your changes that you are going to make during the process. Here are a few questions for you so that you are doubly sure of what you are going to do. When you create tests, be sure about how long you want to run them and see after how many conversions, you feel confident about the result.



### **Are These Changes Consistent With the Design?**

This can be a problem if you are working with a large website and you require inputs from multiple stakeholders in the website such as UX team, development team, design team, and marketing team. Such things can cause problems later on. If you suggest a design that may cause a fundamental change, chances are that it will be difficult to implement if other stakeholders don't trust it. Another thing is that some of these changes are actually tricky to implement in a short period.

### **Implement Tests**

If you are testing the whole design, the selection of tools becomes an important aspect of this process. Optimizely and Visual Website Optimizer are good alternatives for this purpose. The more complex the design is, the more difficult it will be for you to test it. Make sure that you test these design is on different browsers, is will not be there before making them go live. Once you zero in on a test variable, create the necessary experimental pages before running the CRO split tests.

### **Segmentation**

So you are going to test pages. You will need a certain amount of segmented traffic to carry out the tests. There will always be a risk of lower conversion rate during the tests and you will need to define the traffic you can send to the pages. Using software tools will allow you to direct the traffic based on the criteria set by you.

You should also decide what proportion of traffic should be sent to the testing pages. If the traffic is already high, your job becomes easier. Even if you lose out on conversion, it can be compensated by normal traffic.

### **2 Goals of the Experiments Phase**

Start getting traffic and making the test variations go live. Doing cross - browser testing.

Seeking approval for the design.

Doing customer segmentation.



## **Testing the Hypothesis**

Now it's time to test whether your original hypothesis was correct. This is a trickier part where most marketers make mistakes. You need to make sure the tests reach a particular significance level. Stopping the test before it reaches a pre-defined significance level would be a big mistake. Many split testing tools can tell you whether your experiment has reached the desired significance level or not. However, the problem lies in predicting the right timeframe when the test will reach the desired significance level. There are a few tools that can help you in this, but they are not very accurate.

### **Did You Find the Hypothesis Correct?**

So, you're done with the test. It was a pure success and the conversion rate has increased. But what should you do next? Now it's time to roll out a winning design for the website, talk to developers and start deploying the relevant design changes directly.

### **What If the Test Result Belies Your Hypothesis?**

This is also a possibility, but most conversion rate optimization experts are silent on this. The trick lies in keeping doing another test and repeating the process until you're successful. This is going to happen; most conversion rate experts don't talk about their failed tests, but they do happen. Apart from this, you also learn a lot from failed experiments. And you can iterate them and put the learnings to use in future tests.

After completing the test, you will be able to launch split test and start generating sufficient amount of data. You should, however, wait till it reaches the desired significance level. Once you are done with the test, start another test right away. There are a lot of variables on a website that can be tested. If you seriously want to avoid leakages from the bottom line, don't miss out an important combination.

Testing is the core of CRO, and without it, you are likely to leave money on the table. For effective CRO, you should conduct a test before and after every change you make. This will help you know what is working and what needs improvement. Since it is so important, we have a section below on the testing and measurement of results.



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