How to build an efficient control centre for your digital business

By Sven Hammar   26 Oct 2015

How do you measure an e-commerce site? Which KPIs are good to have when running a digital business, and should control the daily e-commerce activities? How can e-commerce companies get a comprehensive view of KPIs from multiple systems?

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E-commerce is governed by a number of key performance indicators (KPIs) that should be measured on a daily basis. The most important and common ones are: total sales, number of unique visitors, number of placed orders, conversion rates (the percentage of visitors who place an order), return rates and delivery times.

Any successful digital businessman must consider the following three key aspects:

1. A slow website may lead to lower revenues: In order to optimise an e-commerce site, you should measure the site's response times, overall performance and interaction flow on a daily basis. You need definite answers to the following questions: How many steps must a potential customer go through before the purchase is 100% completed? Where in the flow do most potential customers falter and abort their intended purchases? What time of day do you lose a customer? Which response times does the website have and what is its interaction flow? A slow website may lead to lower revenues.

2. Increase the conversion rate by measuring relevant values: In order to improve the conversion rate of an e-commerce site, you need to find the correct values to measure in order to be able to optimise the site and increase the revenues.

   The first step is simple. You want visitors to stay on the site, not leave. This means that you as a digital merchant must create a page that generates commitment and value for the customer. It is also important to ensure that the customer feels safe and secure at your site.

   You must also ensure that the e-commerce site provides a good overview, that it is easy to navigate and that customers can quickly find the right product categories, i.e. have 'good signage'.

3. Products placed in the cart do not always equate to purchases: So the e-commerce site has given the customer all of the nice experiences above, the customer has found his products and put them in the shopping basket - but now we need to ensure that the customer actually does the purchase. A rule of thumb states that up to one-third of potential customers abort their purchases, in some industries even more! Placing products in the cart does not necessarily mean that the visitor will complete the purchase - although it is an important step on the path to a purchase.

   If the visitor's shopping cart is full of products, then you want to take him to the cashier as quickly and smoothly as possible. This may sound simple, but customers often have to search for too long to find out how to actually begin the checkout process. It is important to make the entire purchasing process as quick and smooth as possible, and without significant delays or long response times. Hence, it is important to measure the proportion of customers who begin checking out. Exactly where in the process are the customers abandoning their shopping carts? Is it done at a specific time?

Remedial solutions for optimising an e-commerce site and increasing the conversion rate

Specialised web and app optimisation companies provide services that can give e-commerce companies a comprehensive overview of KPIs from multiple systems.

Managing the performance of the e-commerce sites and applications of today requires access to detailed measuring data and reliable tools. The large number of services and tools that are needed to validate the functionality and performance of the site can create organisational problems and affect the internal efficiency. Choose a tool that will simplify access and overview of data and statistics, with everything is in one place - completely customised to suit a user's requirements.

A professional real-time analytics dashboard should be able to:

- Compare sales figures from e.g. Salesforce or Adobe Analytics with performance data like response times and interaction flow from the web optimisation tool;

- Display graphs that indicate whether the response times are influencing conversion rates and sales figures, i.e. does a slower site lead to lower revenues?; and

- Go in depth to see if there are certain times during the day, or certain days of the week, that perform worse than others, in order to easily prioritise performance issues and optimisation.

With the right services, you will be able to see how the performance of your e-commerce platform affect revenues and growth over time, in a user-friendly real-time display with measuring data from business analytical tools, web analytical tools, performance data and SLA data combined. Make the most of these tools to sharpen your digital business.

ABOUT SVEN HAMMAR

Sven Hammar is co-founder and CEO of Apica, a provider of powerful, best-in-class technology for testing, monitoring, and optimizing the performance of cloud and mobile applications. He has decade-long experience and expertise in web performance and web optimization, e-commerce, cloud services, IT entrepreneurship and the Internet. He is also a serial entrepreneur who has founded several successful IT companies over the years.

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