



How to Monitor the Effectiveness of Online Advertising

One common concern facing many small businesses is the ability to track how well their Internet advertising campaigns are performing. In the past, many sites did not offer suitable methods of tracking clicks, views, and conversions, leaving many sites in the dark on the effectiveness of their ads.

Clients are employing tracking programs that can produce reports on virtually every aspect of your online campaigns. Now the vast majority of sites will at least offer you the ability to view how many impressions your ad has received, as well as how many clicks your ad has earned.

If you want to check on the legitimacy of the conversion ratio reports you get from your advertising company, you can implement a simple tracking method. By using redirects or a link program, you can assign specific links to the different sites where your ads are appearing.

When a customer clicks on your ad, they will then be taken directly to your site, but you will be able to see how they reached you. You can find this information either in your Web site's log files, if you are creating redirects, or through reports generated by a link program.

A low-tech option to track effectiveness is to place a simple referral box in your site's shopping cart. You can ask your customers to type in how they found your site before they finish placing an order. You can use a drop-down list to allow your customers to select one of the sites where your advertising is featured, or use a simple text-entry box where they can type in their response.

This is a good way to find out which sites are not only providing you with the best impression to click ratio, but the best click to buy ratio as well. This particular ratio can be very difficult to track and the addition of a referral box can be quite helpful.

If you're finding that the ratio of impressions to clicks is very low, it may be time to retool your advertising. Whether you are using a graphical ad or a text ad, a low ratio is a sign that your ads are not connecting with potential customers.

There is nothing worse than beginning an ad campaign and waiting expectantly for big results, only to be met with an overwhelming silence. Before you begin any new campaign, it is a good idea to test the waters first by starting small. Tracking which of your ads convert browsers to buyers will tell you which approaches work best.

You can begin by placing two or more different ads and monitoring which one has a better conversion ratio. This will allow you to fine-tune your campaign before expending all of your advertising budget for that campaign.

Advertising on the major search engines and in reputable directories like Business.com generally gives you access to relatively sophisticated tracking systems. Something as simple as a tracking code on the URL submitted to each unique campaign can provide gross level information by looking at your the traffic data in your ISP log files.

For more sophisticated solutions, you might want to try traffic monitoring (aka "Web analytics") tools like [Clicktracks](#) or [OneStat](#). Tools like this will give you more data than you will initially know what to with; however, as your business grows, so will your need for information.

Try to take a proactive approach to your online advertising and stay on top of your statistics. The extra time you spend will be priceless, as you learn how to create effective advertising for your company and increase your sales potential.

Source: AllBusiness.com