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CASESTUDY / **DESIGNER LINENS OUTLET**

Webtrends Helps Designer Linens Outlet Uncover Greater Accuracy and Higher Profits

OVERVIEW

Designer Linens Outlet is the place online to purchase luxurious linens at non-designer prices. As a subsidiary of one of the largest bed and bath manufacturers in the United States, the web site offers popular brands, excellent customer service, and unbeatable value.

CHALLENGE

Web site visitors weren't getting cozy enough at Designers Linens Outlet's web site. With nearly 18 percent of visitors not accepting third-party cookies and conversion rates that kept the company up at night, Designer Linens Outlet turned to Webtrends web analytics to increase the effectiveness of online marketing, improve campaign tracking, identify unique users, and consequently increase ROI.

RESULTS RECAP

- Drastically reduced cookie rejection by 97.3 percent.
- First-party cookie implementation increased return visitor count by 10.2 percent
- Increased shopping cart conversion rate by 20.1 percent
- Reduce marketing costs by 23.7 percent while increasing revenues by 3.5 percent
- Increased online newsletter sign-ups by over 400 percent

METHODOLOGY

Webtrends, along with Stratigent LLC, a Webtrends Open Exchange partner and leading web analytics consultancy, maximized the results of the web site using best practices expertise and Webtrends Analytics On Demand.

First, the team identified the web site's Key Performance Indicators (KPIs), the valuable metrics that gauge the performance of a site's main processes and objectives. Stratigent worked with Designer Linens Outlet to determine that the most significant KPIs were:

- Overall site conversion rate
- Shopping cart conversion rate
- Newsletter sign-up conversion rate
- Percent of visits from return visitors
- Percent of orders from repeat purchasers
- Revenue dollar per marketing dollar spent

To gain an accurate view of the site's performance, Stratigent leveraged Webtrends Analytics to evaluate these and other metrics. They also considered other key information such as site changes, promotional offers, merchandising, marketing mix, and seasonality. Webtrends solutions provided Designer Linens Outlet with an overview of site performance that was easy to understand and immediately actionable.

Next, the team established baseline measures, which serve as the reference point for determining whether KPIs are being affected negatively or positively by changes made to the site or marketing campaigns. Stratigent conducted a site-wide historical analysis to determine the past performance of KPIs, and provided Designer Linens Outlet with the baseline measures.

What is a Query String Variable?

A query string is the part of a URL that contains data that's passed to CGI programs. For example, company abc.com would link the campaign creative to `www.abc.com?WT.mc_id=0001` for campaign 0001. The variable `WT.mc_id` is the Webtrends default variable for tracking marketing campaigns.

MARKETING CAMPAIGN TRACKING AND ANALYSIS

To help Designer Linens Outlet track the results of its marketing campaigns, the Stratigent team used a Webtrends query string variable on the incoming link from the campaign creative.

A unique landing page can also identify visits from a certain campaign, and this variable can be set within the page code or within the Webtrends interface. To simplify reporting and analysis, it is best to use the same naming scheme across all marketing campaigns.

For example, Designer Linens Outlet used the variable name "mcode" to track all pay-per-click, shopping search, newsletter emailings, and affiliate ads. They are able to

then see which mcodes are most recent for purchasers as well as the number of mcodes in the purchaser's lifetime.

Once they established which campaigns were working and which weren't, Webtrends solutions helped Designer Linens Outlet eliminate poorly performing campaigns, decreasing marketing costs by 23.7 percent and boosting overall sales by 3.5 percent.

With Webtrends, Designer Linens Outlet was able to view the results of their campaigns with easy-to-understand custom reports. For example, the marketing team wanted to know if customers interacted with more than one campaign. To learn the answer, they used a Webtrends Custom Report to find out that on average, customers interacted with 3.5 marketing campaigns per purchase.

Understanding how customers interact with marketing activities is vital to reducing campaign costs. Beverly Dantz, Marketing Specialist at Designer Linens Outlet, put it this way, "The details provided in the campaign analysis reports gave us specific revenue numbers generated per keyword, and that ultimately led to our dropping a contract with a major search partner. The data was key in our negotiations, as well as in our bid management efforts with other search engines. We were able to realize a 20 percent reduction in cost per order from these moves."

FIRST-PARTY COOKIES

Because about 18 percent of Designer Linens Outlet visitors were rejecting the site's third-party cookies, crucial metrics were inaccurate. Webtrends implemented its first-party cookie solution and within a month, Designer Linens Outlet saw a vast improvement. Their cookie rejection rate decreased to 0.5 percent, allowing for accurate tracking of visitors and revenue across marketing campaigns and over time.

“Designer Linens Outlet was one of our first customers to take advantage of Webtrends unique, no-cost approach to implementing first-party cookies in a hosted service and the results are impressive,” said Josh Manion, CEO of Stratigent. “By giving customers access to accurate and rich visitor history, Webtrends will dramatically improve their ability to evaluate the latent effects of their marketing campaigns and use this data for long-term optimization of their marketing investments.”

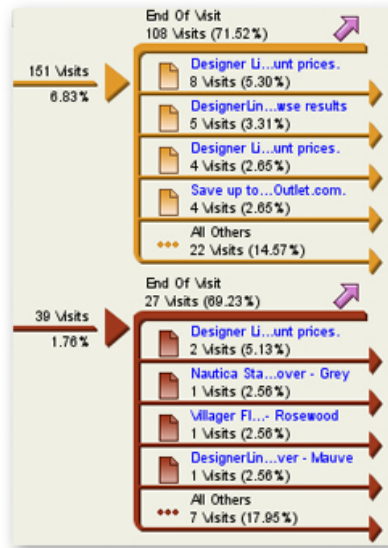
As a result of being able to more accurately target customers with optimized marketing tactics, Designer Linens Outlet’s marketing team saw a 45.6 percent increase in orders from returning visitors. Campaigns from returning visitors saw a 24.1 percent increase in revenue.

SCIENTIFIC TESTING AND MEASUREMENT

The systematic testing and measurement methods implemented by Stratigent using Webtrends Analytics have helped the Designer Linens Outlet team understand what drives customers to convert. Designer Linens Outlet has historically compared variables such as landing page performance, page layout changes, and navigational structure and options.

Invoice number	Query Parameter	Revenue	
1. 231056		\$8,757.76	7.62%
	cbanner	\$8,757.76	7.62%
	0327E	\$8,757.76	7.62%
	P_Google	\$8,757.76	7.62%
	cfeed	\$8,757.76	7.62%
2. 233047	0407E	\$2,003.67	1.74%
	cbanner	\$2,003.67	1.74%
	cfeed	\$2,003.67	1.74%
3. 232259		\$1,614.15	1.41%
	P_NT	\$1,614.15	1.41%
4. 232690		\$1,199.76	1.04%
	P_Google	\$1,199.76	1.04%
	P_PG	\$1,199.76	1.04%
	P_Shop	\$1,199.76	1.04%
	P_NT	\$1,199.76	1.04%
	cfeed	\$1,199.76	1.04%
Other		\$85,428.34	77.84%
Total		\$114,885.28	100.00%

WEBTRENDS CUSTOM REPORTS LET DESIGNER LINENS OUTLET SEE RESULTS IN THE WAY THAT MAKES THE MOST SENSE TO THEM.



WEBTREND'S 5-POINT SCENARIO ANALYSIS PROVIDES INSTANT INSIGHT INTO THE CONVERSION PROCESS.

With Webtrends' solutions in place to track conversion through the test cells, they were able to accurately evaluate performance and draw meaningful conclusions. Here are some examples:

- By testing different offers on the homepage, Designer Linens Outlet found a 79.2 percent difference in overall conversion rates between the best and worst performing marketing promotions. Designer Linens Outlet reallocated marketing dollars to the best performers and increased site-wide conversion rates by 30.4 percent.
- By offering a variety of different shipping options, Designer Linens Outlet increased their shopping cart conversion by 20.1 percent.

Designer Linens Outlet has implemented many best practices to improve their online business performance. With the expert guidance and customizable solutions provided by Webtrends and Stratigent, Designer Linens Outlet has the foundation of accurate online data that is crucial to their business. Now the marketing team has the insight they need to continue to optimize conversion rates and revenue—and to sleep more soundly at night, too.

About Stratigent

Stratigent offers a complete array of customized web analytics services including web analytics training, strategic consulting, data analysis, solution configuration and scientific testing. Stratigent's consultants pursue the highest levels of integrity and professionalism in providing superior technical and business recommendations. Working with enterprise clients in numerous industries with varying business initiatives has provided exposure to the toughest web analytics issues. Vast experience and 100% focus on web analytics has allowed Stratigent to become industry experts. Stratigent's team will optimize your web analytics application and provide recommendations to help you exceed business goals.

About Webtrends Inc.

Webtrends is a trusted analytics advisor in the business of collecting, analyzing, delivering and ultimately transforming data into understanding. Webtrends delivers the industry's most recognized search engine marketing, visitor intelligence, and analytics solutions to enable companies to understand their customers, drive engagement, and enhance marketing and brand awareness. Thousands of global organizations, including Microsoft, Reuters, General Mills and Ticketmaster have chosen Webtrends business solutions and client services expertise to optimize their customers' online experiences. Webtrends was the first web analytics company, founded over 15 years ago.

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