A cautionary tale of web numbers

When it comes to advertising and marketing, one the Internet's greatest selling points is its abili to give you numbers. Analytics can show you all sorts of wonderful stats, from basic page views Twitter followers and Facebook likes to click-through rates, location and visitor behaviour, and, now with Facebook Connect, a virtual treasure trove of other personal information.

By Matthew Stone 29 Mar 2011

When you sell online advertising or a campaign, you can provide this information and then retrospectively provide a detailed and in-depth analysis of how it worked. You can track it across the social web, proudly a confidently declaring where it went and how it came back to reward you.

Conversely, if things don't go well, the numbers can help you locate the problem. Did people simply not cl through? Or did they click through and then bounce? Because everything is digital, the numbers are alreac there.

Same warnings as all statistics

As incredibly powerful as all this is, it comes with the same warnings as all statistics. They require a certair amount of expertise at both ends of the spectrum. The creation of statistics is far more mysterious and no standard than people think.

Whether purposeful or not, there are all sorts of different ways to make statistics suit a certain point. Even rigorously scientific disciplines, there are ongoing arguments over how statistics should be done. In web analytics and statistics, where there is no peer review system, there is often no way of telling how a certain figure was calculated.

As simple a thing as the difference between using number of visits, number of visitors, number of page views, number of unique visitors or unique page views... all these lead to quite different results. Once you get to growth estimation, traffic variation over the time of year and a host of other variables affect your end figures. Most of the people who work with these stats online are not statisticians.

With the belief that the numbers don't lie, comes the assumption that they tell the truth. The truth, however, always more complicated than a few numbers and, unfortunately, people have a tendency to try conglomerate their analytics into as few numbers as possible. This inevitably has the effect of oversimplifying the analytics.

Not quite as useful

As an example: without Klout, and its sub scores, the number of Twitter followers is only half of a story. Without knowing clickthrough rates and, more importantly, if any of the traffic ends up doing what you want to (whether purchasing or subscribing etc), the number of eyeballs on your advertising is not quite as usefu

If you don't know the location and demographic of the traffic, you might end up advertising to people that have no possibility of becoming customers. Having a banner ad on a popular site is great, but if your ad is one in hundreds of others, then you probably are not getting your money's worth.

As important as the hard stats are, the explanations and sub-statistics can often tell you more. The numbe only make sense when they are looked at in their specific context.

There's an old tongue-and-cheek quip that 80% of statistics are made up on the spot. More than people expect, the numbers that are given can simply be inaccurate. A specific and very important example of this public-facing web analytics. If we look at scores such as Alexa, Compete and even Afrigator, they present rankings and traffic stats to the public. This is particularly useful for advertisers, considering that these stat are otherwise exclusively in the possession of the web-space owner.

Stats can be very misleading

The trouble is that these stats can be very misleading. Alexa, as an example, uses a very simple sample-based approach. Web-users can install an Alexa toolbar on their browser which feeds information about th browsing habits back to Alexa. This community has formed Alexa's sample for the Internet population, whi it uses to form its rankings and estimations.

The trouble, as any social scientist will tell you, is that such a sample is grossly misrepresentative of the re population. Those in the Alexa community are far more likely to be a specific kind of web-user than the average and thus will exhibit very different browsing habits. Similarly, on smaller (especially South African) sites, your Alexa ranking can be dramatically increased by convincing a few friends to install the toolbar an browse around your site.

Because of the relatively small sample it uses to make its rankings, what is in reality an insignificant amoun of traffic will register as an influx of new users. The bigger the site is, the more accurate Alexa is.

Unfortunately, only a few South African blogs get big enough for the Alexa ranking to be a good metric. To emphasise this, I ask a very simple question. Do you know anyone who uses the Alexa toolbar?

Whole host of other problems

There are a whole host of other problems, including the toolbar not being compatible with Google Chrome as well as it sometimes being recognised as spyware. This is not meant to condemn Alexa. Compete also runs off its own community (two million users).

Another method (that of Afrigator and Amatomu) puts third-party code into your website. Many people arer happy with including this in their code. Quite a few Afrigator users, as an example, that have the Afrigator badge and tracking code installed found they recently caused issues. It also takes your own analytics out o your hands, and puts them under the aggregator's thumb.

Technically, Google Analytics does the same thing, but people are already used to the idea of Google having a backdoor key to almost every aspect of their online lives.

If you are comfortable with being a part of Afrigator, it is open about how it ranks its sites and its backend access does mean that its rankings are mostly accurate. It does, however, suffer from a few technical issu and its lack of updating doesn't inspire confidence.

The unfortunate truth is that it is difficult to get stats from others' websites, and public-facing alternatives always suffer from inaccuracy. Understandably, projects such as Alexa aim to find an independent source

traffic stats, some way to verify claimed traffic. The problem is often that advertisers and sponsors reques these statistics, such as Alexa rankings, without a real understanding of what they actually mean.

Your lifeblood

For those who sell space on the web, advertising based on your traffic is your lifeblood. Especially for bloggers, who often get no remuneration for their efforts otherwise. If a high Alexa ranking is the key to hooking sponsorship and advertising, it is effectively incentivising the abuse of the system, a system whicl is not robust enough to handle even the simplest exploitation.

Of course, getting the stats from the person concerned suffers a similar risk. More easily than fudging thei Alexa ranking, they can simply lie to you. But there are ways to deal with this. You can show potential advertisers your analytics openly. There are WordPress plug-ins for this very reason.

But the greater answer is to be careful and smart, on both sides.

Use a multitude of sources. Look at comments on a blog, or page views, Tweet and Facebook shares. Us the Alexa rank in conjunction with other stats. Look at its mentions on other sites, and even Google Trends

To gauge a website's impact and popularity, you need more than a few numbers. The better you understa where you are advertising and its demographic, the more you can make sure that it will get the best results for your brand.

In the end, this is the power of online advertising. Rather than throwing the biggest net you can find into the ocean and dragging everything in, find that sweet fishing spot where you already know there's a catch you want.

ABOUT MATTHEW STONE

Matthew Stone works in research and copywriting at The Rubiks Room Digital (www.trrdigital.com; @trrdigital), a technology company specialising in better digital solutions for busines Matt is a psychology and English literature graduate, a writer with a passion for music and an ardent commentator on Internet culture, social media, technology and politics. Email him at matt@rubiksroom.com
View my profile and articles...

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