

The Analytics Assessment: Gary Angel Goes One-on-One with Web Analytics Guru Eric Peterson

By Gary Angel

Eric Peterson is one of — if not *the* - leading figure(s) in web analytics. He, along with Jim Sterne, has been instrumental in building a community around web analytics and establishing it as a discipline. Eric is one of those pretty rare people who functions well at every level of a discipline — from beginner to advanced, from practitioner to business stakeholder. His three books (and counting) show that same range — covering web analytics from a business perspective and for the beginner to advanced practitioner.

Eric has a webinar coming up with Aquent and the AMA on web analytics targeted to a very broad audience. He and I “sat down” via IM and had the following conversation about the webinar, his books, building web analytics into a company and web analytics as a discipline. If you’re in online marketing (and why else would you be reading ADOTAS?), then you need to have at least a baseline understanding of web analytics. And Eric is one of the very best people to gain that understanding from.

G. Angel: Eric, I take it that your upcoming AMA webinar is about getting people started in web analytics. You’ve probably had as much experience with that as anybody. What kind of things will the webinar cover and (by inference) what kind of things does it take to get people started in web analytics?

E. Peterson: Yep, when Aquent and the AMA approached me about this web event they said they wanted to provide a presentation that would level-set web analytics for a very broad audience. They felt that “Web Analytics Demystified” would be an excellent basis for this.

In my presentation I will cover “Ten Steps to Web Analytics Success” ranging from “Defining Your Business Objectives” to “Hiring the Right People” to “Adhering to the Process”

All ten strategies are, in my experience, critical to companies getting the type of return on investment from web analytics that is universally being sought.

G. Angel: You mention Web Analytics Demystified - but you’ve written several books - talk about the books you’ve written — how they fit together and who/how you think people should approach them. Is Web Analytics Demystified the best place to start?

E. Peterson: Well, I'm biased in this regard but yes, I think that *Web Analytics Demystified* is an excellent starting point for companies either just now considering an investment in web analytics or considering a re-investment in web analytics.

I recently re-read the book, something I'd written back in 2003 and 2004, and was pleasantly surprised to realize that almost all of what I said then remains true. *Web Analytics Demystified* is about the basics — what you need to know to get started and where to go when you're up and running.

My second book, *Web Site Measurement Hacks* (O'Reilly 2005) is a collaborative effort with many of the great thought leaders in our space — folks like John Marshall and Dr. Stephen Turner from ClickTracks, Jay McCarthy of WebSideStory, Bryan Eisenberg from FutureNow, and Jim Novo from the Drilling Down Project. WSMH is good for folks who are a little more advanced.

And my third book, *The Big Book of Key Performance Indicators* really drills down into the topic of reporting using KPIs — their definition, distribution, and use.

Your description of *Web Analytics Demystified* sounds like beginning from a company perspective - what about an analyst who's a new hire or someone trying to learn the business - same story?

E. Peterson: Well, if you're new to the space you should start with *Demystified* but most folks in the space tell me they've read the book and have moved on to *Hacks* and *TBBOKPIs* to deepen their understanding of their jobs.

I was lucky enough to get into writing about the subject early on ... for years it was just the great Jim Sterne and me.

I know you're in the process of re-writing *Web Analytics Demystified* — tell me about that. Web analytics has changed in all sorts of ways — what types of things felt most pressing to re-write and re-work?

E. Peterson: Ha! It's good to know you're reading my weblog Gary. Awhile back I posted this super-cute picture of my son Cooper and talked about updating the book.

Since then I have had two realizations:

- 1) Writing a book is hard, and re-writing a book is even harder!
- 2) With other books on the subject coming out this summer (three by my count) I'm interested to see what they will add to the body of available information

Short-story-long, the re-write project is on hold for now. That said, when I eventually do write a second edition it will cover many of the things I talk about

frequently in my blog — the need for process in web analytics, higher-order measurements like visitor engagement, and the omnipresent issue of staffing for analytics.

Funny - I was meaning to ask about that. I hate re-writing. The more I work on material the deader it feels. You've been away from it for a while - but is that how it felt?

E. Peterson: Yeah. Like I said, so much of what I originally wrote still feels very true to me, but I'm a pretty critical writer so I found myself trying to edit perfectly fine sentences when I should have been adding new content. I have a target for 100 new pages, which is why for now I've opted to spend time really focusing on the work I do for Visual Sciences and my family.

One of the things you and I have talked about is that web analytics isn't as easy as a lot of people think. And I know you've been critical of the idea that the best way to do web analytics is to get started picking cherries. Was web analytics ever easy — and have the cherries been picked or do you think this always a myth?

E. Peterson: Ah, the “low hanging fruit” versus “process, process, process” debate ... an excellent question.

No, the low hanging fruit has not been picked yet, at least not all of it. While many companies have stepped up their game in terms of knowing where to look for problems, new problems always exist.

But web analytics is not easy, I'm not actually sure it is supposed to be. I think of web analytics as a science, one that benefits greatly from deep consideration of the questions and the ramifications of the answers before you “jump in and start measuring,” looking around for easy answers that will supposedly encourage the entire organization to stop what they're doing and embrace web analytics.

The thing that makes web analytics ** seem easy ** in my experience is rational processes that support measurement — processes that help the entire organization understand what is being measured, why it is being measured, and what will be done with the results when they're available. One of my worthy competitors scoffed at this notion, saying the time it takes to implement process is wasteful, but he seems to be a lone voice in the wilderness.

As you and I have discussed ** at length ** (at this point we can easily be accused of navel gazing in our respective blogs) web analytics is about incremental discovery and analysis. No one number has all the answers, no one report solves all the problems, no one person can do it alone. It is the gradual and repeatable building of context that brings value to an investment in web

analytics, and it is process that makes this context development repeatable in any organization.

I want very much to come back to the process discussion - but something you said really struck me - that web analytics is a science. I've always thought of it as a craft. And I think computer programming and web analytics are examples of what I would call modern craft jobs. Does that make sense to you?

E. Peterson: Sure. I think of web analytics as a science because that's my background, I hold a B.Sc. and M.Sc. in biological sciences, but calling what we do "modern craft jobs" is fine. Something that reflects that what folks like you and I do for a living is not something you get from books but rather requires a significant investment of both your time and your **** self **** to make you (and by inference your businesses or clients) successful.

We're the model train enthusiasts for the information age. Geeks, yes. But madly passionate geeks!

Exactly. Craftsmanship has always demanded passion. It also seems like an almost necessary part of being a craftsman is the desire to teach and pass on. Does that seem right? You seem to feel that way with things like the Blog and your books and this webinar...

E. Peterson: I'm an "all in" kinda guy, I bet you get that about me. Folks comment about my books and blog and the job board and all these things I do in the wee-hours of the evening as being somehow special but to me it just seems like the right thing to do.

Early on it was Matt Cutler and Jim Sterne's seminal "E-metrics" report that NetGenesis gave away that grabbed me and said emphatically "You can provide great value to organizations without always having to make money doing it." Yeah, NetGenesis and Jim used that as a lead generation piece, but man, what a lead generation piece it was!

So I try and do the same type of thing — standing on the shoulders of giants as it were — and trying to bring more people into the fold. So far, based on the email I get from folks all over the world who appreciate my books and blog, it seems to be working out okay.

Isn't that quote about "Giants" from Newton (who would have squashed just about anybody I'm thinking)? Education isn't all one-way "push", of course. What should people bring to a webinar like this — is there any work it makes sense to put in before hand. Or is this like a first piano lesson — you can't do much until you know a few basics? And you've heard the old

quote that you don't really understand something until you explain it...are there things we should be learning from newcomers?

E. Peterson: My gut feel for the type of folks who will attend this American Marketing Association/Aquent sponsored event is that they already have some experience with web analytics ... they're doing it, they've done it, they know they need to do it ... but they're not 100% satisfied with the results to date. My hope is that by clearly outlining these "Ten Steps to Success" that people will fill in the gaps between what they're doing and what they need to be doing.

So some attendees will be doing two of the ten things I suggest, and others will be doing eight. Everyone should learn something, regardless of their experience with web analytics to date (okay, except maybe you Gary. You specifically might not benefit from the presentation)

I want to go back to process before we wrap up, but I had one last question about getting started in web analytics. In programming, there are languages that seem to be more appropriate for beginners (like Basic) and languages that are better for experts (like C++) — but as programming languages have matured those differences have seemed to matter less and less. The languages became easier to use and — in many ways — gained in power too. In your view, where's web analytics in that scale. Are the best and most powerful tools also the best tools for beginners? Or does it make sense to start with a certain kind of tool?

E. Peterson: I think it's more complex than just a line between "beginner" and "expert user" when you're choosing a tool. Because nobody goes to college to study web analytics, every "beginner" brings a wealth of experience and understanding to the table when they get into web analytics. So I've seen some people come into web analytics and immediately push the limits of their application. Conversely, I've seen some "expert users" massively underutilize even the most basic tools.

It's too easy to say, "Oh, you're a beginner so you should use application X but avoid application Y" or "You're an expert, you need application Z" because, in my experience (and this is cliché) it's not the tool, it's how you use it.

I think that makes a lot of sense. Sometimes these clichés are just true. I want to back to that process discussion before we wrap up. You've been a big exponent of the idea of building a process around web analytics. That seems to me obviously right and necessary. How much of that is organizational and how much is for an individual practitioner — in other words, is process the concern for a WA manager or an Analyst — or do they both have to be process aware?

E. Peterson: Megan Burns at Forrester Research says it best when she astutely points out that you're not really building a process around web analytics, you're integrating web analytics into existing processes. If you think about it this way, the Web Analytics Business Process is an organizational concern that touches different people in different ways.

The analyst has a specific and special interest in the processes because he or she is on the hook to produce high-quality analysis of the data. But the data collection is often owned by IT, who has a different interest in web analytics. And, ideally, even the CEO has an interest in web analytics.

In my humble opinion, everyone in an organization trying to be successful with web analytics has to be process aware. This awareness cuts down on the "oh, we forgot to tag that campaign" and "I thought we'd already validated this data" conversations that severely undermine the organization's ability to use web analytics to drive business success.

I've always been a little distrustful of very formal process methods like Six Sigma — that seem to be rooted in the culture and success of one very influential company and often feel faintly ludicrous when transported elsewhere. In data analysis, I saw whole Business Intelligence companies built around systems that were really only appropriate for P&G. How much of a process is necessarily going to be industry (even company) specific and how much can we hope to generalize?

E. Peterson: I personally believe that there are a handful of generalized "Web Analytics Business Processes" that are easily described that are applicable across many (if not all) businesses. These are the core things like "Assign Ownership of Web Analytics" and "Plan for Experimentation" that are business-independent but critical to success with web analytics.

That said, the specific instantiation of each process is unique to every business. I've worked with a lot of companies in my nearly 10 years in this industry (geez, now I feel old!) and the one thing I've learned is that every company is different. So trying to force every company to approach these processes in the same way would be a mistake.

The idea is to get companies to slow down and recognize that these processes exist and need to be carefully considered. Again, in my humble opinion, one of the things that has repeatedly hurt our industry is the ad hoc, one-off, last minute attention that web analytics often gets. Measurement falls out of project plans and companies lose their ability to execute vis-a-vis web analytics when a single person leaves the company.

Process prevents that, or at least it is designed to.

G. Angel: Great answer. And, obviously, web analytics process is nothing like as formal as Six Sigma. We don't seem to have belts to hold our pants up, much less "black belts." I've used up a goodly chunk of your time - thanks so much! Any last words or thoughts?

E. Peterson: Last thoughts? Gary this has been a great interview! Some people have commented that our tête á tête over visitor engagement and "the myth of actionability" has been a tad removed from the day to day concerns of most practitioners but I disagree. I think it's tremendously important to talk about where we are today and where we want to be. You're leading the way in that regard and I appreciate it.

Thanks again for having me over (as it were) ...

Thanks. I feel the same way. Not that what we've been talking about in those posts IS a day-to-day concern because it isn't. But because sometimes you lose sight of what matters when all you think about is the day to day stuff. Anyway - good luck with the webinar and have a great weekend!