

What Executives Need to Know for a Successful Web Project— Part One

By Robert Blakeley, Director of Internet Development
The Direct Marketing Association

Too often, Web projects are decided on instinct, with neither sufficient planning or Web experience, or knowledge of the larger corporate picture.

In part one of this paper, I will discuss two things critical to a successful Web site: setting business objectives and measuring whether those objectives have been achieved. Part two will discuss the necessary staff and skill sets for a Web project and its typical organization. A successful Web project requires an understanding of all these things at the executive level.

All too often, sites are developed on instinct, with neither sufficient planning or Web experience, or knowledge of the larger corporate picture. No one examines how the project will support the larger corporate goals. No one considers how to track and measure its business success. Perhaps, they don't consider that necessary because they "know" the project is important. No one takes the time to learn the environment and nuances of the medium. The result: These businesses will have no understanding of what they want to or can achieve, much less whether they have succeeded.

Executives can help to insure a successful Web project by first defining its business objectives and then by making sure there is a plan to track and measure the results.

Set Business Objectives

Responsible executives should never allow a project to start unless they are sure their staff understands its business objective. We all know that well-defined objectives and expectations are essential to the success of any project. Projects without clearly articulated goals only set up your staff for failure. This is not a revelation, of course, but it is true.

There are several questions that need to be asked for each Web project:

- What is the business objective?
- How does it support the corporate business plan?
- What is the value proposition for the customer?
- How will this project make money for the company?
- What resources are required for this project?¹
- How will the results be measured?

A Web site is an enabling technology; it is not a strategy in and of itself. It's about what you want to *do* with it. Customers are no longer impressed with technological gee-whiz. Most

¹ By resources, I mean not only technology staff and hardware, but also any changes in operational processes and ongoing staff time to support the finished product and respond to customer demands.

companies need to accomplish specific objectives, but it can be hard to know what business goals one can reasonably hope to achieve. At a high level, though, they are fairly standard:

- Disseminate information.
- Provide tools and services (online applications such as a Job Bank).
- Generate revenue (e-commerce).
- Market goods and services.
- Manage public relations.
- Gather intelligence on customer preferences and behaviors.
- Generate leads.
- Provide customer service.
- Achieve cost savings from automation and efficiencies.

Some of these are product oriented, some relate to sales and marketing, and some are operational in nature. Usually they involve making money, either directly or indirectly.

Web sites are remarkably versatile. They can support many objectives simultaneously. However (and this is important), they cannot achieve all of them equally well at the same time. Web sites are hierarchical in nature, and that affects how they address business objectives. There can be only one most important objective. Therefore a strategic plan should be a set of *priorities*. The project or site cannot be optimized to achieve more than one or two of the objectives listed above. Because of this, decisions must be made about what is most important. The site can work toward the lesser objectives, but only secondarily.

In setting the site's objectives, the business will also need to determine the audience it wants to reach. Your staff will be tempted to want to do these wonderful things for all customers. However, if you do not define your audience as well as your objectives, you are likely to confuse visitors to the site. The Web project cannot be all things to all people.

Each page on your Web site, not to mention each project, should be designed to serve at least one of the defined objectives and one of the target audiences. To work well, Web sites must be focused on their goals and on their intended audience. Projects that distract from that focus should not be undertaken.

Once the objectives have been set, the business must determine the potential return on the project investment and how to measure the results of the effort.

Measure

Web projects should be held to the same standards as other business investments such as marketing, product development, or information technology. (Web development has characteristics of all three of these investments). Calculating the return on investment (ROI) and how to measure results will keep everyone focused on the correct business and customer objectives.

Interactive projects typically have many components or features, so the ROI must be developed not only for the overall project; its features should be similarly prioritized in order to apply the right metrics. It is also critical to understand how the feature will integrate with your work processes and workflows. This is an important component to documenting real savings or improvements.

Once the ROI has been determined, you will need to know if you have achieved your goals. Deciding how to measure results is done in advance, just after setting the objectives. Your staff can't manage what they don't measure. The pre-defined success measures will show how well the project is doing and where adjustments are needed.

Too often, it is the tasks and not the results that are used to define success. People simply "declare victory and go home" without ever knowing if the project has actually succeeded. Defining measures will focus the development efforts on determining what works on actual results rather than on speculation and personal opinion. It will tend to shift discussion from internal needs to the needs of the customer.

The measures used for the Web (Web Analytics) are not new. They are the same business metrics taught in every business school: Reach, Acquisition, Conversion, Retention, Recency, Frequency, and Monetary Value. These metrics are used to make decisions about your Web project the same way they are used for the rest of your business. They are the metrics used to measure success.

The numbers used for these metrics come from a variety of sources. Many are the familiar tools of direct marketing: Surveys, focus groups and, most important, A/B testing. In addition there are click-through and Web log files. Click-through measures the number of customers who click on a link on a Web page or in an e-mail. Log files contain information about what pages are viewed, how often, in what order, and whether the customer is a new or a returning customer. Log files are used in conjunction with analytics software such as Web Trends (www.webtrends.com/).

"Where debates about what people like waste time and drain the team's energy, testing tends to defuse arguments and break impasses by moving the discussion away from the realm of what's right or wrong and into the realm of what works or doesn't work."
– Steve Krug, Don't Make Me Think.

Web projects tend to fall into three broad categories: promotion, content, and transaction. Each has two or three metrics that are the most useful for providing actionable information. These will be the basis of ROI calculation and how results will be measured.

After determining what to measure, take baseline measurements of the existing system. This is the only way to understand whether the project is succeeding and what effect it has on the rest of your site. These measurements should mirror the business metrics (RFM, etc.) that have been chosen to measure the project's success.

The objectives of the project should be reviewed in the context of the baseline data. It is often the case that programs are initiated based on partial or erroneous information, or

without understanding the existing conditions. Thus the project may be trying to solve the wrong problem or a problem that does not exist. In such a case, it cannot succeed. In fact, it is just as likely to make things worse.

Results measurement generally falls into two categories. One measures usability. It will

“It’s really dangerous to assume that your customers will get everything on your site the way you and your staff intend. In fact, you can take it to the bank (or, actually not the bank) that they won’t. There is no substitute for third-party testing...” – Bryan & Jeffery Eisenberg, Call to Action

show you how easy it is for customers to use the site or application. In other words, does the project easily lead the customer to the behaviors you intended, such as a purchase? The second category seeks to measure product and marketing. For example, it can tell you which products are of most interest to your customers or whether the marketing is attracting qualified buyers to those products.

A fundamental principal of measuring is to control the variables. This means large projects should be broken into smaller ones, and the changes made incrementally.

This will allow your staff to identify and keep track of what works and what doesn’t. It is unlikely they will be able to measure and therefore understand the effects of wholesale change. Even if one set of issues is solved, large-scale change can produce a whole new set of issues that must be addressed. Making small changes allows everyone to understand the effect of a change. It also allows your staff to back them out easily if they don’t work.

A Web project typically poses many problems with any number of different solutions. No matter how good your team, they are unlikely to find the perfect solution to maximize profits or to create the perfect user experience on their first pass. Measure and review the metrics on an ongoing basis. This review will lead, in turn, to further changes and refinements that will improve your site.

The natural outcome of this approach is a continuous improvement process. This is easier on your staff, and it is less disruptive to your existing customers. Most important, it is the change methodology that will ultimately return the greatest value for the development effort.

A significant barrier to the effective use of the Web is often the failure to take action based on the information obtained by measuring. For some reason, people seem to be willing to ignore Web metrics where they would never think of ignoring the same measures for a print catalog or a telemarketing campaign. Responsibility for every page, application, and project must be clearly assigned. The people responsible for the decisions should also be held responsible for the performance.

In part two of this paper I will discuss the staff and skill sets needed for a Web project and how Web projects are typically organized (a standard project model for Web development). Understanding these will help set the expectations about roles and responsibilities to facilitate project success.

Resources

The following will tell you more about Web objectives, analytics, Web projects, and project skill sets:

[*Call to Action: Secret Formulas To Improve Online Results*](#), Bryan Eisenberg, Jeffery Eisenberg, Future Now, Inc., 2005. (www.amazon.com)

[*Collaborative Web Development: Strategies and Best Practices for Web Teams*](#), Jessica Burdman, 1999. (www.amazon.com)

[*Don't Make Me Think*](#), Steve Krug, 2005. (www.sensible.com/)

[*Ease of Use Web Design Guidelines*](#): IBM's project standards based on their extensive research.. (www-306.ibm.com/ibm/easy/eou_ext.nsf/publish/572)

[*Information Architecture for the World Wide Web*](#), 2nd Edition, Lou Rosenfield, Peter Morville, 2002. (www.oreilly.com/catalog/infotecture2)

[*Real Web Project Management: Case Studies and Best Practices from the Trenches*](#), Thomas J. Shelford, Gregory A. Remillard, 2002. (www.amazon.com)

[*Web Analytics Demystified*](#), Eric T. Peterson, 2004. (www.webanalyticdemystified.com)

[*Web Metrics: Proven Methods of Measuring Web Site Success*](#), Jim Sterne, 2002. (targeting.com/books.html)

[*Web Project Management: Delivering Successful Commercial Web Sites*](#), Ashley Friedlein, 2000. (www.amazon.com)

Robert Blakeley is Director of Internet Development for the Direct Marketing Association in New York City. Mr. Blakeley has worked in the Internet industry for 11 years and has worked with many companies and government agencies to improve their Web sites. These include the International Council of Shopping Centers, Atlantic City and the City University of New York. He can be reached at rblakeley@the-dma.org. More articles by Robert Blakeley can be found at www.rblakeley.com/webwork/articles.shtml. © 2005 Robert Blakeley.