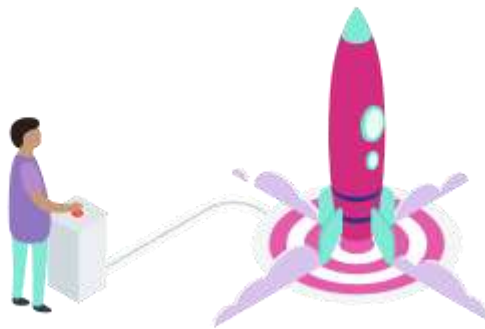




Module 15: Customer Journey

Subject Code: 21DMS015



Reference Notes

Topic: 15.2.4 - How Google Analytics Marketing Funnels Work



How Google Analytics Marketing Funnel Works



What are Google Analytics funnels, and why are they important?

- Website users take specific paths from start to finish, and every site has a goal for its visitors. Google Analytics funnels [track this journey](#) so that you can optimize your website and ensure visitors hit your goals.
- For example, when prospects land on your homepage, you may want them to:
 - Navigate to the category page.
 - Visit a specific product page.
 - Add an item to their cart.
 - View their cart.
 - Make a purchase.
 - See the confirmation page.

How Google Analytics Marketing Funnel Works



- By analyzing how visitors browse your site, you can optimize their experience. For example, a [funnel analysis](#) that shows a high exit rate on product category pages suggests that visitors aren't finding what they want, which could be because product filtering is clunky or unhelpful.
- Ultimately, your goal is to increase conversions. Analytics funnels help you home in on the exact stage in the journey that's causing the most dropouts.
- Before we proceed to the types of Google Analytics funnels, we need to understand the difference between strict and flexible funnels.

How Google Analytics Marketing Funnel Works



Strict funnels vs. flexible funnels

In a strict funnel, a user follows an exact sequence of linear steps—they cannot skip or add steps. An example of a strict funnel is:

Homepage > Category Page > Cart > Checkout

However, a **strict funnel is useful mainly as a model to highlight likely drop-off points in an idealized journey.** In the real world, the user path inevitably varies

([Harvard Business Review](#) has talked about the “[death of the linear funnel](#).”)

How Google Analytics Marketing Funnel Works



In a flexible funnel, the customer journey is fluid.

Not everyone follows the same path before they become a lead or purchase a product. Some users may find the cheapest product they can and immediately place an order; others may review multiple product pages or the About page before purchasing.

Flexible funnels account for these variations. Users aren't restricted to specific pages or a specific order. In that sense, **flexible funnels are better equipped for the real-world user journey.**

How Google Analytics Marketing Funnel Works



In a flexible funnel, the customer journey is fluid.

A visitor may still satisfy a flexible funnel's criteria in their journey as long as they hit defined pages on the site. For example, consider this path:

Homepage > Story Page > Product
Page > **Category** **Page** > Product
Page > **Cart** > **Checkout**

At some point in their journey, users must visit the steps in bold, but they can still fulfill funnel requirements no matter which pages they visit in between.

How Google Analytics Marketing Funnel Works



When should you use a strict or flexible funnel?

Prospects at the top of the marketing funnel are just learning about you. Don't worry if they fail to follow a specific path. After all, you can't expect each person to visit the same pages (in the same order) during an initial research phase.

But once a prospect has decided to buy—when they near the bottom of the funnel—you can expect them to follow a more specific sequence of steps to completion.

If they're visiting a miscellaneous page when they've already started the checkout process, you should consider it a dropout (even if they end up purchasing). A page or other site element is likely distracting the prospect from the end goal.

Identifying the drop-out points lets you start work on solutions. A funnel won't give you the "why" behind the dropout, but you can get that answer from polls, surveys, and other [qualitative analyses](#).

How Google Analytics Marketing Funnel Works



Google Analytics funnel visualization reports

We've covered what Analytics funnels are, why they matter, and strict versus flexible funnels. Now, I'll introduce six Google Analytics funnel features that track prospects' journeys to show how to improve [conversion optimization](#).

1. Goal funnels

Why choose this funnel type? This funnel feature is great for beginners who want an accurate report that they can expand to make more granular.

To use a Goal funnel, you must set up a goal in Google Analytics and specify the funnel path.

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To do so, follow these short steps:

- Go to Admin > Goals > +New Goal > Choose a Goal (e.g. Place an order).
- Select “Destination” Goal > Goal Details.
- Turn on the “Funnel” switch.
- Name each step of the funnel and add a URL. You can also specify whether a step is optional (flexible) or required (strict).

Once you enter the necessary information, you'll see the results under “Conversions” in Google Analytics. Under the “Goals” section, you can access many reports to learn about user behaviour, like “Goal Flow.”

There's one major limitation: **You cannot apply segments to Goal funnel reports.**

How Google Analytics Marketing Funnel Works



2. Reverse Goal Path funnels

Why choose this funnel type?

This funnel is a unique way to reverse engineer conversion problems and opportunities.

Simply put, reverse goal funnels trace a user's path backward through your site—from conversion back to entrance. This unique pathway identifies common steps to conversion and highlights undesired steps along the way.

Once you have at least one Goal set up, go to:

Conversions > Goals > Reverse Goal Path

You'll see a count of Goal Completions and the pages that users visited leading up to that Goal.

How Google Analytics Marketing Funnel Works



Currently, Reverse Goal Path lets you go back only three steps.

You can export the data as a CSV and use a pivot table to find common paths or dissect the data in other ways.

Reverse Goal Path isn't the best tool to identify common drop-offs. But it will help you check if the most common paths are the desired ones.

You may find, for example, that most visitors arrive at a goal through a long-neglected page. You can then identify a strategy to get more traffic to that page.

How Google Analytics Marketing Funnel Works



3. Ecommerce Shopping Behaviour Report Why choose this funnel type?

This funnel type delivers specialized data for ecommerce sites.

This funnel is only for ecommerce and requires you to turn on [Enhanced Ecommerce](#). To see the data from the funnel, go to:

Conversions > Ecommerce > Shopping Behaviour

This Google Analytics feature counts the number of user sessions for each step in the funnel. It also gives a visual display of the percentage of visitors who arrived at the current step from the previous one.

You can also drill down to specific metrics or pages. To illustrate, you can see how many sessions turned into transactions by clicking:

All sessions > Product Views > Add to cart > Check-Out > Transactions

How Google Analytics Marketing Funnel Works



Focus on optimizing the page with the highest percentage drop-off. One fashion accessory client of ours had a huge drop off between the homepage and a product page.

With this insight, we found a great opportunity to improve their [navigation](#) menu. The navigation menu was too small and tucked away; it didn't showcase the products and product categories we had to offer, especially on mobile.

The Ecommerce Shopping Behaviour report is great for analyzing your funnel's performance at a macro level. Shopping Behaviour shows how many people view each product and indicates which pages are least persuasive—a great starting point for optimization effort

How Google Analytics Marketing Funnel Works



4.Checkout Behaviour Why choose this funnel type?

This funnel delivers granular, sophisticated data for checkout form fields.

This Google funnel visualization feature is a funnel within a funnel. (Funnel deception)

Also within the Ecommerce section, Checkout Behaviour shows where users drop off within a checkout process, grouped by form field (e.g. email, phone, address, credit card number). You can figure out [which field causes the most friction](#).

For instance, a user may start the checkout process and enter their email (which usually isn't a drop-off point) but abandon the page on the payment info fields (which usually is a common drop-off point).

If that's the case, you can explore more convenient alternatives, like adding a PayPal button or a one-click purchase button.

How Google Analytics Marketing Funnel Works



5.Horizontal funnels via custom reports Why choose this funnel type?

This funnel allows you to apply advanced segments to compare conversion paths for different types of visitors.

Horizontal funnels are a great way to compare drop-off points by segment. As the name suggests, funnel steps are visualized horizontally instead of vertically. The funnel tells you the abandonment rate between funnel steps (rather than the completion rate, like Goal funnels) and the number of visits for each step.

Horizontal funnels are also more accurate than Goal funnels because they don't backfill steps. [As Google explains](#), a Goal funnel visualization "backfills any skipped steps between the step at which the user entered the funnel and the step at which the user exited the funnel."

To create a horizontal funnel, set each funnel step as a Goal (e.g. a product page visit). For every Goal you create after the first Goal, turn on the Funnel option and add the destination URL of the previous Goal as a single funnel step.

How Google Analytics Marketing Funnel Works



Add each Goal Completion to the Metric Groups section in chronological order, with the Abandonment Rate metric between each Goal Completion:

Goal 1 Completions
Goal 2 Abandonment Rate
Goal 2 Completions
Goal 3 Abandonment Rate
Goal 3 Completions...

You can sort your data by any custom dimension (Landing page, City, Browser, etc.) by adding dimensions to the Dimension Drilldowns section when building your Custom Report:

How Google Analytics Marketing Funnel Works



6. Custom Funnels in Google Analytics 360

Why choose this funnel type?

This funnel offers robust customization to splice data by almost any variable.

Available only for Google Analytics 360 users, Custom Funnels let you create a funnel for any trackable user action or behaviour.

For instance, you can use pageviews and events as stages of a funnel—the possibilities are endless.

To create a Custom Funnel, go to:

Customization > Custom Reports > +New Custom Report

Then, select the “Funnel” option in the “Type” section. Below that is a “Funnel Rules” section where you can define funnel stages by Google Analytics Dimensions, including custom and ecommerce dimensions.



THANK YOU

Mrs. Smita Divekar

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