

INTERNET TRACKING OF CLICKS AND CONVERSIONS: BEST PRACTICES



NOVEMBER 12, 2008

INTRODUCTION

Tracking is the lifeblood of affiliate marketing. If you are not accurately tracking traffic to your website and the conversions that result, your income will suffer. Therefore, to protect your investment, it's important to do two things:

- You should work with a partner you trust, whether it is an individual merchant or an affiliate network.
- You need to understand the process, and the intricacies, of affiliate tracking.

Having a solid grasp of the latter will help you understand the potential causes of reporting discrepancies between yourself and your partner. Subsequently, this in turn will help to minimize potential strain between you and your partner over differences in reporting.

Additionally, each merchant and affiliate network will track and report commissions differently, and those differences will be subtle. You should understand these subtleties as well as the level of reporting provided to affiliates. So the amount of transparency provided between the conversions generated and the commissions paid match as closely as possible and if, they don't match, provide as much justification as technologically possible.

What follows is an overview of the major components of affiliate tracking. We'll show you how commissions could be impacted by tracking limitations and/or the tracking-related logic instituted by your merchant or affiliate network. This content will provide you with the foundation to work more closely with your affiliate partners and ultimately spend more time driving quality conversions rather than bickering over conversion rates.

TRACKING COMPONENTS

Tracking affiliate-generated conversions involves multiple steps and multiple technologies. Each of these steps and technologies has their own limitations that could potentially impact commissions.

An Internet browsing session is referred to as **stateless**. This is because without the use of specific technological components, no information is stored on an advertiser's web server, and neither the Internet user nor the advertiser can relay information from one browsed page to the next or one browser session to the next. This means that no information implicitly or explicitly entered by the user into the browser or on a web page is available from one page to the next.

Cookies

Cookies enable the tracking of a web user's browsing history. Netscape Communications originally introduced the cookie in 1993, using it to determine if a visitor had previously been to a Netscape site.

A cookie is nothing more than a simple text file added by a web server to the user's browser that stores information to be used for a subsequent visit to the web site.

Cookies serve many valuable functions that enhance a user's experience:

- They prepopulate web page data with information previously provided by the user.
- They store items added to an ecommerce shopping cart.
- They facilitate the exposure of advertisements that are relevant and non-redundant to the user.

Cookies also facilitate such business and technical functions as user authentication and relationship tracking between traffic origination and action conversions.

Tracking Pixels

The tracking pixel works in tandem with the cookie, and it is used most predominantly in the industry. The tracking pixel is no more than a standard 1x1 image pixel that, when called via HTML code, searches the browser for a cookie that matches the domain included in the pixel.

Although the placement of the tracking pixel is relatively easy to handle, issues sometimes arise that could affect campaign conversion rates and, therefore, commissions. The marriage of the cookie and the tracking pixel forms the technological foundation for Internet affiliate marketing.

TRACKING FAILURE POINTS

Based on the critical Internet functionality outlined in the previous section, cookies are extremely powerful and valuable tracking tools. However, cookies and cookie tracking are not perfect. In fact, there are several pitfalls to cookie usage of which affiliates need to be aware.

Cookie Expiration Date

The cookie's duration plays a critical role in affiliate marketing. The longer the cookie duration — for example, 90 days as opposed to 30 days — the more likely it is for a conversion to occur and, in turn, for a commission to be paid.

Cookie Deletion and Blockage

Although their concerns are unwarranted, many web users believe cookies compromise their personal privacy and therefore pose a security risk. As a result, many web surfers overzealously delete cookies from their browser and/or use aggressive cookie-blocking software.

These two operations can greatly impact your affiliate commissions. One estimate from [comScore](#) suggests the following:

Three out of every 10 cookies are deleted from browsers monthly.

Therefore, potentially 30% of the traffic that you send to a merchant is sent without a cookie. More importantly, the lack of cookies prevents you from collecting commissions on sales to that 30%.

Additionally, an intriguing study — conducted by industry veteran Ben Edelman on behalf of super affiliate [Vinny Langham](#) — revealed that cookie blockage by third-party software applications can vary widely across affiliate programs and affiliate networks. These cookie blockage estimates range from zero to a high of 41% of cookies!

Cookie Redundancy

Many affiliates will run advertisements across many media outlets. This could result in the same advertisement being viewed by the same browser multiple times.

An advertiser typically will pay for a sale or lead only once. Therefore, precedence logic for the campaign needs to be established. This precedence specifies whether the affiliate's ad that was displayed first or last is given the commission for the sale or lead, regardless of how many times the web browser encounters an identical ad served by multiple affiliates;

- If a network or campaign sets the precedence as the first to click the ad, the first affiliate will be paid the commission for the resulting conversion.
- Conversely, if the network sets the precedence defined as the last to click the ad, the most recent affiliate serving the advertisement will be paid the commission.

Due to the potential of lost commissions and tracking discrepancies between the affiliate and the advertiser and/or network, you need to be aware of the precedence defined for either the network or advertiser sponsoring the campaign.

It should be noted many affiliate networks now allow their affiliates to view their leads that failed due to cookie redundancy.

Browser Limitations

Browsers can hold a maximum of 300 cookies. This limitation could impact the length of time a cookie remains in the browser. This limitation is of less consequence in most affiliate programs because conversions will typically occur prior to the time of quantity-related cookie removal.

Service Interruptions

This cookie-related tracking limitation is related not necessarily to cookies, but rather to Internet technology in general. Connection issues between the cookie-placing code and the browser will likely inhibit the cookie's ability to be added to the browser.

Tracking Pixel Placement

Larger advertisers frequently work with multiple affiliate networks; this typically entails multiple, distinct tracking pixels. When an advertiser has many pixels on one conversion page, the pixels are called in the order in which they are placed in the HTML code. Therefore, to minimize potential service interruption issues, it helps to have a pixel placed higher on the page.

One example of this interruption could be initiated by an advertiser that uses a script to call a pixel that may not run completely or trigger errors prior to the cookie associated to your campaign being called. These resulting errors could prevent the remaining pixels, and potentially the rest of the page, from being loaded completely.

TRACKING TESTING

The process of tracking a web surfer from the initial ad impression through to a conversion is not extremely complicated. However, each step is critical to the success of the entire process. Since each step is typically controlled by different organizations, there are points of failure to consider prior to budgeting money toward traffic generation for a particular campaign.

As described previously, several events could affect a successful cookie placement. The following steps are not intended to overcome those issues but more so ensure that the controllable events are investigated.

1. **Live HTTP headers:** This plug-in, available for the Firefox browser, provides a history of each web page URL that was encountered during the entire conversion process.
2. **Clear cookies:** To ensure a clean environment prior to testing, a good habit to undertake is to clear your cookies, regardless of whether or not you have previously visited the site.
3. **Load the ad:** Load the page containing one of the images to be tracked. Some tracking systems will place an impression cookie, so check to see if one was placed. (DirectTrack networks will not place an impression cookie)
4. **Click on the ad:** Click on the ad to be sure that (1) the cookie placed, and (2) traffic is redirected to the appropriate landing page quickly. Live HTTP headers can be checked at this step to analyze each redirect hop in the process.
5. **Verify the landing page:** Ensure that the landing page is what you expected and is specifically relevant to the advertisement. Certain campaigns allow for affiliate data passed in the referring URL to be used to prepopulate landing page attributes. If this functionality is provided, ensure that the data is being populated appropriately.
6. **Convert the campaign:** Actually perform the conversion (i.e., either purchase a product and/or complete the lead form). Check to see if a conversion cookie is placed in the browser. When conducting this step, be sure to inform your network of your tests, so that commissions

can be adjusted accordingly.

Both viewing the source code of the conversion page and analyzing the Live HTTP headers output can be used to confirm that the pixel code was placed appropriately. Because "appropriate" can mean different things, you should work closely with your advertiser/network partner to ensure that all relevant attributes are being passed to the pixel. For example, a sales campaign typically requires a sale amount and transaction identifier to be considered valid.

7. **Confirm the transaction:** If all previous steps have occurred as expected (i.e., the cookie has been placed, and traffic has been redirected to the appropriate landing page) as an affiliate, it would be prudent to work with your partner to ensure that the campaign is setup appropriately within the tracking application and also that there are no other issues affecting the pixel.

CREATIVE COOKIE TRACKING PROCEDURE ENHANCEMENTS

Due to current and ever-increasing revenue being generated by affiliate marketing, combined with the inherent *risks* associated with cookie tracking, organizations continually seek either alternatives to the process or ways in which to counteract or mitigate the various process weaknesses.

As it pertains to weakness mitigation, DirectTrack is actively working on a dramatic enhancement to its recently released Conversion Breakdown report. This will provide another layer of tracking accuracy by providing DirectTrack clients the ability to associate failed conversions to clicks. DirectTrack accounts will be able to manually associate conversions with no associated cookie, thereby failing to convert, to clicks that have such matching attributes as IP address, [User Agent](#), and [X-Forwarded For](#) value.

Although this association still has limitations, DirectTrack users will be better able to associate failed conversions with related traffic.

CONCLUSION

Tracking your traffic is essential to successful affiliate marketing. But it is just as important to make certain your tracking is as accurate as possible. Knowing about the potential failure points to your tracking efforts, and working toward minimizing the impact of those failure points, will benefit you in a number of ways.

- It will maximize your commission revenue.
- It will help you maintain good working relations with your partners.
- Most importantly, it will give you peace of mind that you are leaving as little commission revenue on the table as possible.