

# Buyer Conversion Rate (BCR)

## Conversion Rate - a Definition

“Conversion rate is one of the most important statistics you track for your site. It is the number of people who take a desired action divided by the number of people who visit.”<sup>1)</sup>

Conversion rate is one of the most popular **KPI** of e-business in [web Controlling](#) and it measures the **Conversion probability** and makes it easier to compare for example various design- or user-interface-changes in an [online-shop](#) and makes it possible to compare the influence to the visitors.

## Differences between Order and Buyer Conversion Rate

Conversion rate are classed as either [order conversion rate \(OCR\)](#) or buyer conversion rate (BCR)

Buyer conversion rate (BCR) is defined as the number of customers that are converted by an [e-commerce](#) divided by the total number of visitors to the web site of an onlineshop during the same period.

Order conversion rate (OCR) is defined as the number of orders taken divided by the total number of visits to the web site during the same period.

Probably order conversion rate is a better indicator of site effectiveness, but it's a poor indicator of customer loyalty. Buyer conversion rate instead is perhaps a better indicator of customer loyalty. But it's a less-good indicator of whether your site suffers from process abandonment issues.

“One thing calculate better the correlation between order and buyer conversion rates is the percentage-wise difference between the two.

Basically:  $(BCR - OCR)/BCR = \text{Percent Difference between Buyer \& Order Conversion Rates}$ ”

This way you can rank-order by referring sources and campaigns...”<sup>2)</sup>

## Methods of increasing buyer conversion rate in e-commerce

- make your site more tempting, more attractive and more user-friendly
- explain directly who you are and what you can do for any visitor
- “keep your page stupid simple”

- keep viewers on the page
- Offering multiple payment methods^
- A secure checkout is also a must
- think like the customer when you modify your page

Use Google Conversion Optimizer as "...a fully hands-off tool that manages your bids to help you reach your cost-per-acquisition (CPA) goal... One of the benefits of using Conversion Tracking or Google Analytics is that you can save time and increase your return on investment (ROI) by letting [AdWords](#) automatically manage your bids on your behalf. AdWords offers two automatic bid management tools: Conversion Optimizer and Enhanced [Cost Per Click \(CPC\)](#)"<sup>3)</sup>

## Is BCR such a significant KPI for e-commerce or the difficulties of conversion rate.

Not all industries or businesses are the same, and not all conversions are measured as sales. Without a predefined benchmark the BCR says nearly nothing about the success of an online shop. Especially there is no direct relation only a correlation to the contribution margin. Furthermore does "bad" traffic from SE lower the conversion rate without any effect to the business.

"Some of the benefits of using conversion tracking with [Web Analytics](#) are:

- Convenient access to Analytics goals, transactions, and session data related to your AdWords ad clicks.
- AdWords conversions and Analytics goals and transactions are displayed alongside each other so you can spot further opportunities to optimize your advertising campaigns."<sup>4)</sup>

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### further Informations

[http://en.wikipedia.org/wiki/Conversion\\_rate](http://en.wikipedia.org/wiki/Conversion_rate)

<http://www.kaushik.net/avinash/excellent-analytics-tip5-conversion-rate-basics-best-practices/>

<http://www.inc.com/magazine/20070901/turning-browsers-into-buyers.html>

— *Maxi Hofmann* 2012/12/12 18:46

<sup>1)</sup>  
Zimmerman, Jan. *Web Marketing for Dummies*. Indianapolis, IN: Wiley Pub., 2012. 70. Print.

<sup>2)</sup>  
Peterson, Eric T. "On Visits and Visitors". *On Visits and Visitors*. Published by Eric T. Peterson, 3 Oct. 2006. Web. 12 Dec. 2012.

<sup>3)</sup>  
Wrafter, Alan. *Improving Online Conversions for Dummies*. Chichester: John Wiley & Sons, 2010. 40f. Print.

4)

Wrafter, Alan. Improving Online Conversions for Dummies. Chichester: John Wiley & Sons, 2010. 10. Print.

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