Lesson no. 12 – How to Setup Funnels in Goals

HOW TO SETUP FUNNELS IN GOALS

Goal funnels (or conversion funnels) are simply a sequence of action steps that your leads must go through in order to "convert" (e.g. buy one of your products).

For example, for a typical B2B company, a website visitor may first discover a couple of blog posts by the company, then click on a product page link, fill out a contact form, schedule a call with a sales representative, and then become a customer.

On Google Analytics, each step of a goal funnel represents a step on your website that must be completed to achieve a Google Analytics Goal. Each step must be a web page with its own URL.

Setting Up Goal Funnels on Google Analytics

Set Up the Goal

To set up a goal funnel, you must first set up a Google Analytics goal. As we explained in last week's post, navigate to Admin >> Views >> Goals >> New Goal.
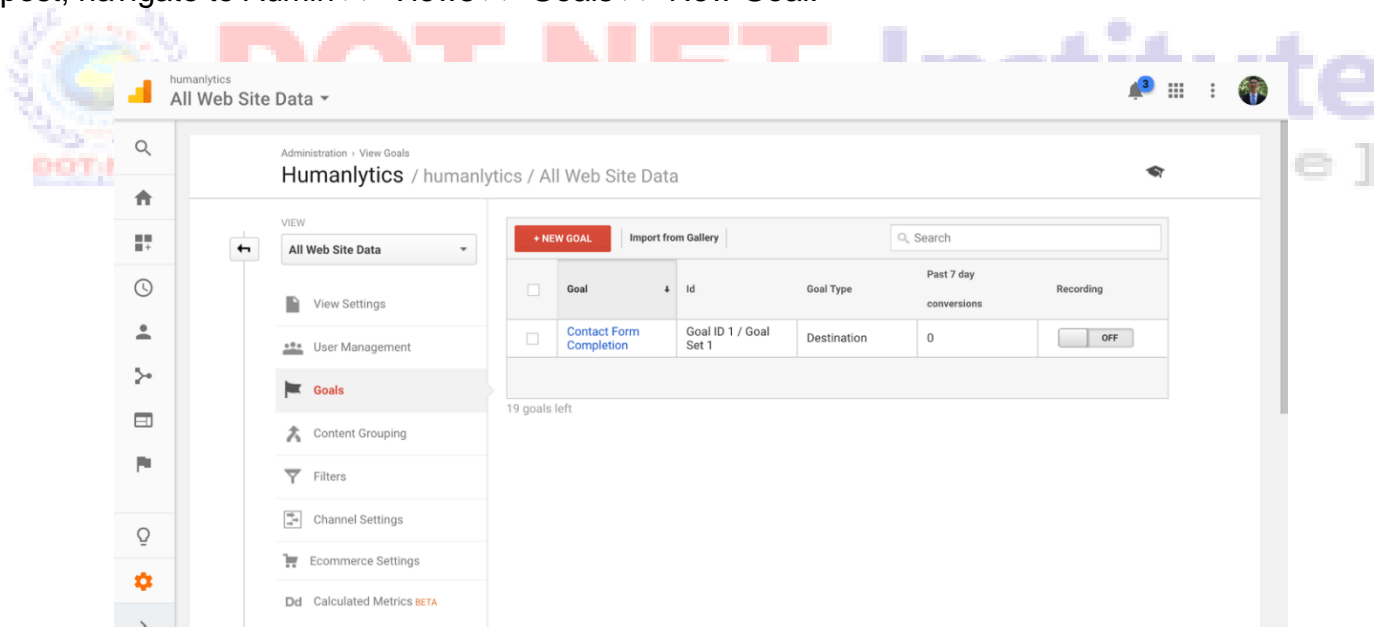
Name the goal something you'll remember. Since we want to measure the number of purchase confirmations, we'll call it "Purchase Confirmation." You can only use the Goal Funnels feature with destination goals, so we'll select "Destination" as our goal type.

Enter the URLs of Each Step of the Funnel
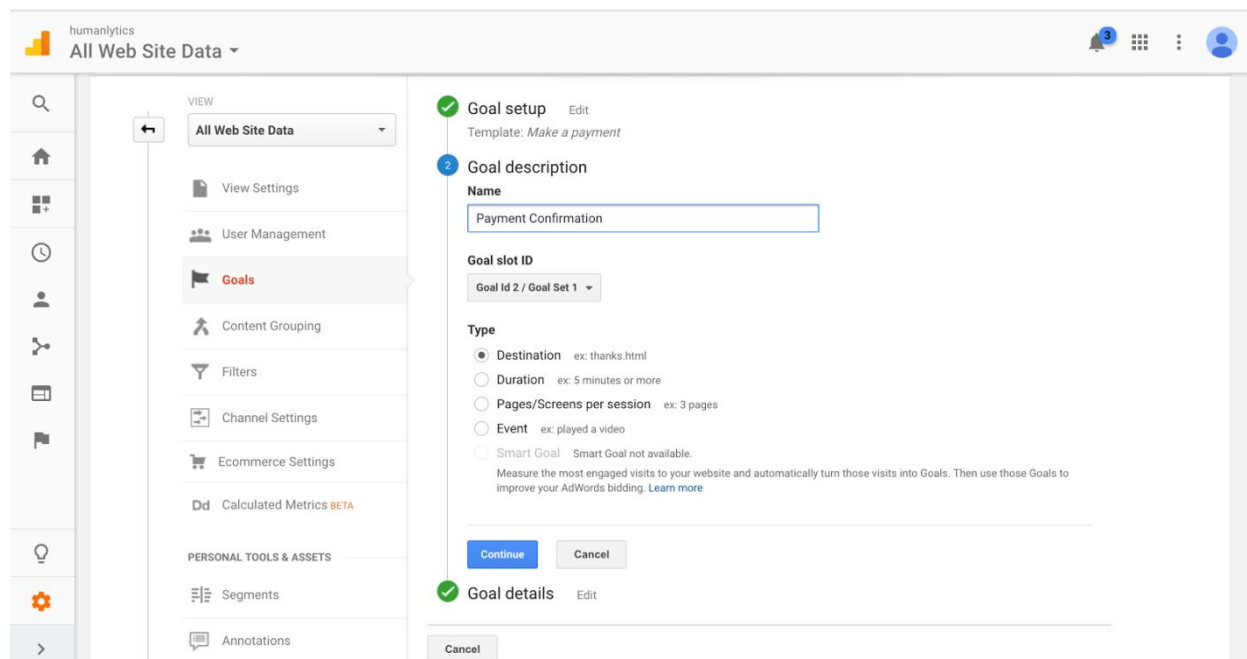
Once you get to this point, toggle the Funnel switch to "On" to set up the pages of the funnel. Each step represents a web page that your website visitors must pass through to reach your Goal (e.g. in this case, completing a product purchase).

In this example, we'll need to include a unique part of the URL for each page the user has to view in order to check out and make a purchase. We can name each step in our funnel and add the unique part of the URL.

For Shopify websites: Shopify has implemented its own Analytics code so the URL for the funnel page may be different than your actual web page URL. You can go into All Pages report (Behavior >> Site Content >> All Pages) to see what URL Shopify assigned to each of the pages.

If a potential customer must complete a certain step in the funnel to complete the goal in our funnel visualization report, toggle the "Required" switch to "Yes." In our example, we only want to track website users who began the funnel on the first "Checkout" (/CheckoutCart) page, so we'll make that first step required.

Note: This "Required" switch will only affect the numbers on the funnel visualization report, not the Goal completion metrics in your Conversions report.

Finally, click on "verify goals" to make sure your Goals are tracking the correct data properly.

Warning: when a goal is verified, it only means that your Goals are working; it doesn't necessarily mean tracking on each page of the funnel is working properly. To confirm each step of your funnel is working, you need to wait about a week for enough data to be collected. Then check the funnel visualization report to do a sanity check.

Congratulations, you've created your first goal funnel!

IMPORTANCE OF FUNNELS

Goal funnels are especially valuable for ecommerce businesses (i.e. think Shopify websites) with a particular series of steps required to make a purchase. But goal funnels aren't just useful for ecommerce companies. All sorts of businesses can use goals and funnels to track micro conversions (actions that move leads closer to a purchase) such as submitting a contact form or visiting certain pages that indicate interest.

For example, let's say you have an ecommerce company that sells T-shirts. The checkout funnel might look something like this:

Product Gallery—Product Page—Add to Cart—Proceed to Checkout—Shipping Information—Billing Information—Review—Confirmation Page.
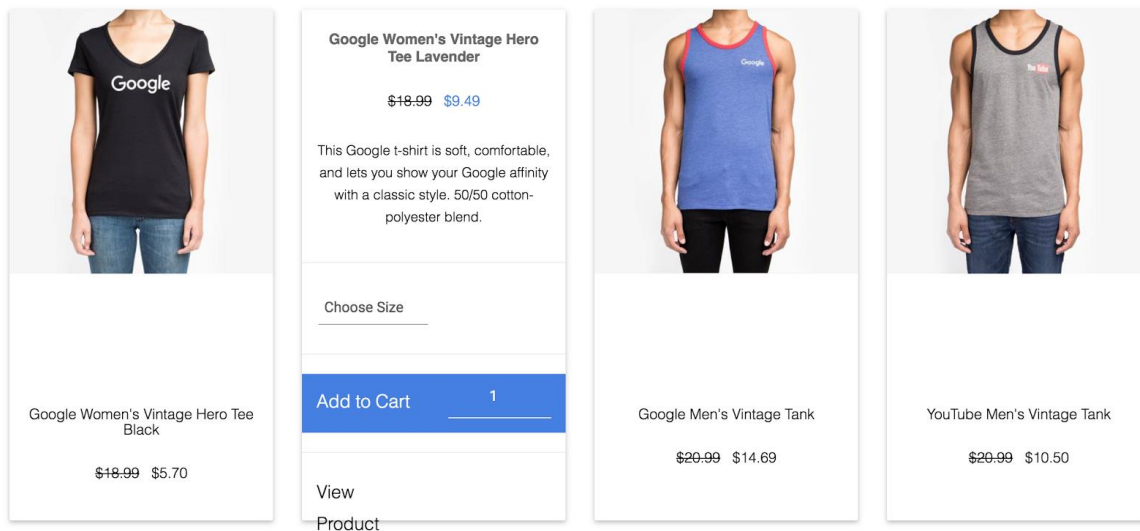
One of the most compelling reasons for tracking a goal funnel using Google Analytics is the ability to quickly identify "problem pages," i.e. exit pages where potential customers drop off or abandon their cart.
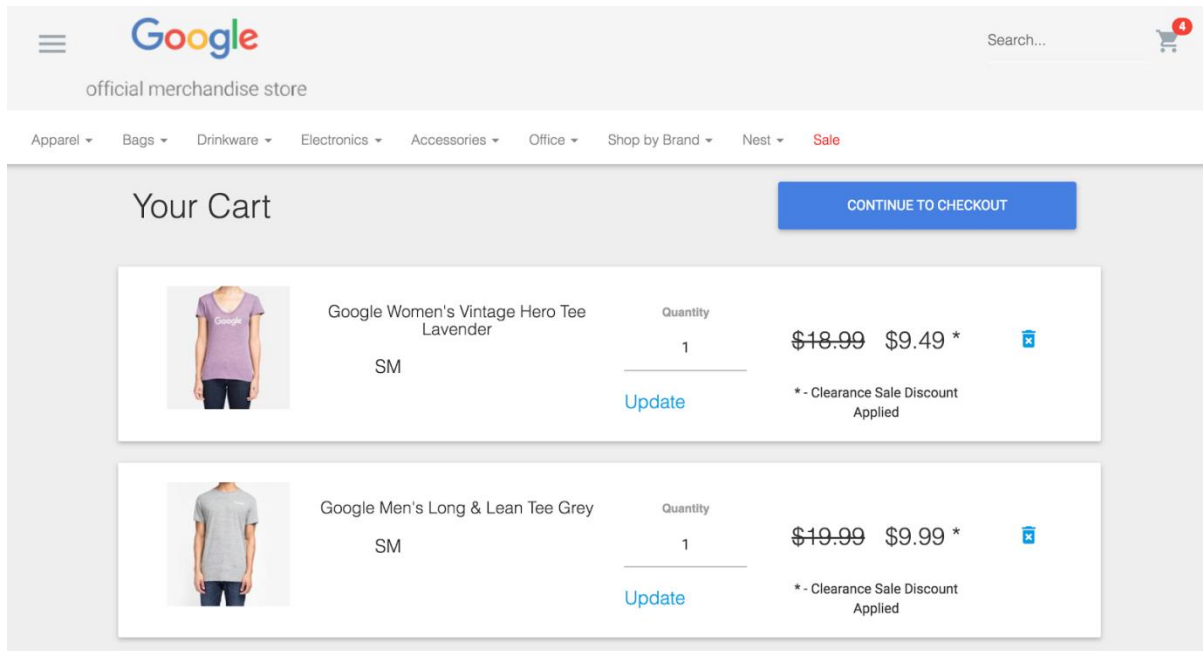
The problem may be technical (e.g. there is an error on one of the pages in the payment process) or design-related (e.g. there are too many pop-ups with promotional offers), but either way, you can't fix these problems unless you use a tool to track how your funnels are performing.
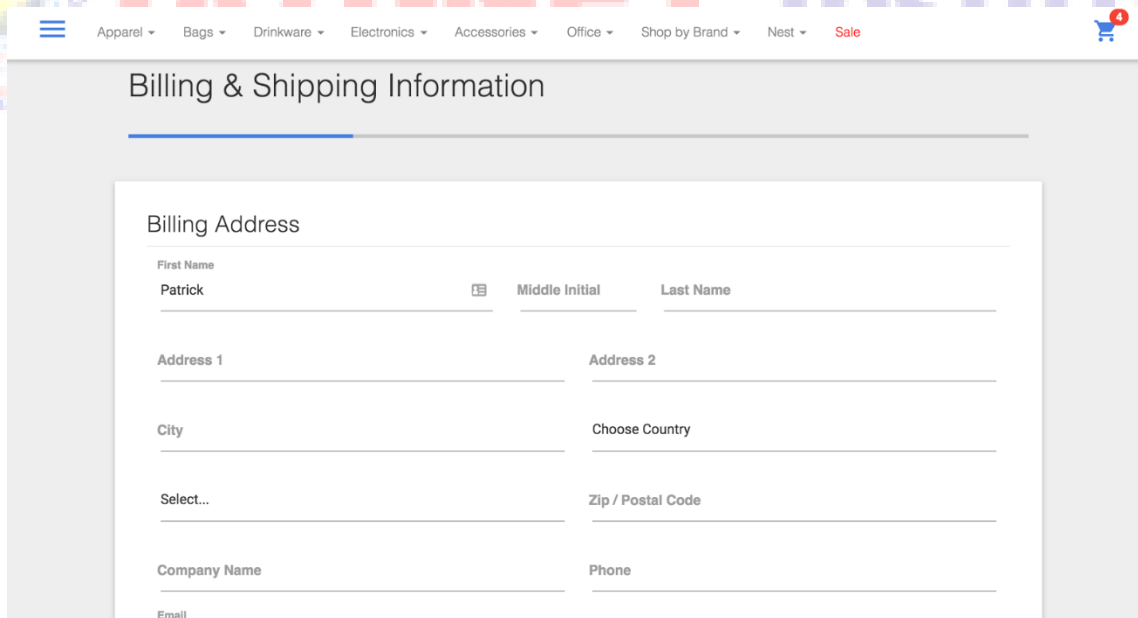
This is where the Google Analytics Funnel Visualization report comes in. In one glance, you can see user behavior for each step of the funnel. The funnel can help you see visually how many users make it to the next step toward the conversion goal, and how many drop off. If you see a big group of users dropping off on a specific page, you should drill down to see what is driving the high exit rate for that step of the funnel.