



RX | RETENTION X

HOW TO MASTER UTM PARAMETERS

& WHY THEY ARE MORE IMPORTANT THAN EVER



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Why You Can't Skip UTM Parameters

Many brands are flying blind when it comes to evaluating their marketing effectiveness. Most rely on 3rd-party reports to evaluate their advertising - and everyone knows that these are far from accurate.

Imagine that campaign A brings you customers for \$50 each, and campaign B brings you customers for \$60 each. What if I told you that the LTV of campaign A's customers is only \$100, while campaign B's is \$200? Which campaign would you spend more money on?

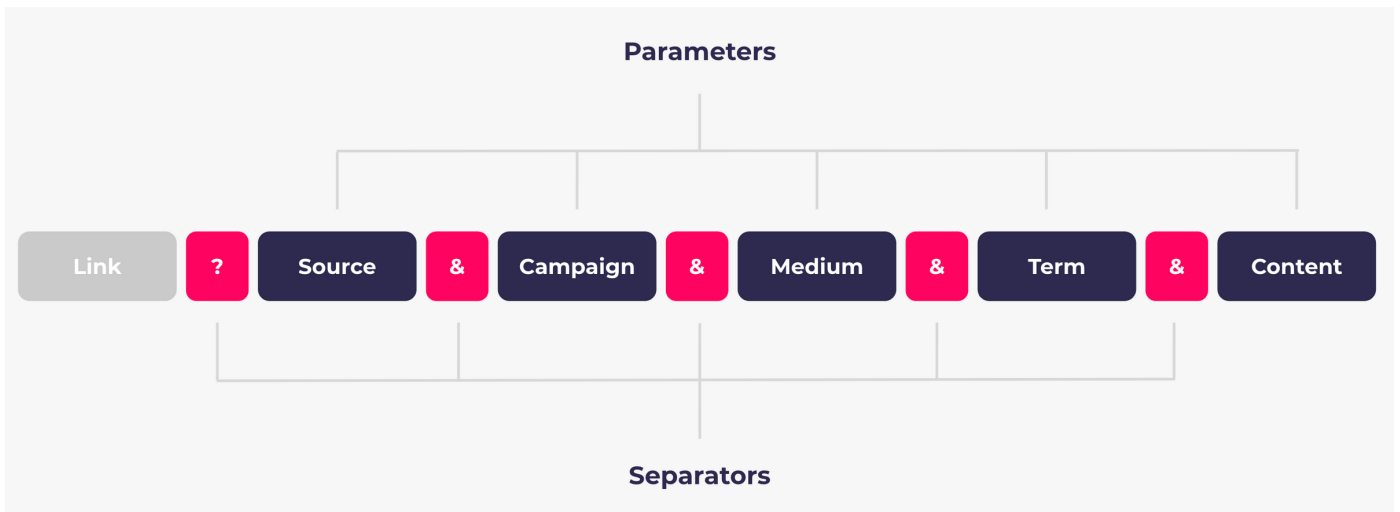
With UTM parameters, you can not only quantify but also qualitatively evaluate the performance of your marketing activities. Thus, with a directly comparable data set and the same tracking type, you can make smart advertising decisions based on the performance of these activities. So let's dive deep into what UTM tracking links are all about!

What Are UTM Parameters?

UTM stands for *Urchin Tracking Module* and is basically a URL tracker that tells you where your traffic is coming from based on five parameters you can add to your incoming links. These parameters do not influence the link target, but rather transmit information regarding its placement. By using UTM parameters, you can easily determine which specific ad, campaign, or channel is delivering the best results.

The five UTM parameters are:

- Source
- Campaign
- Medium
- Term
- Content



The individual parameters are appended to the link after a "?" and are separated by "&". The order of the parameters may vary, but we recommend setting a consistent convention throughout your organization.

Okay, this might sound quite technical so far, but UTM parameters are very straightforward and easy to use. To help you figure out how each parameter is populated, let's break it down:

Campaign Source

By adding the parameter *utm_source* to your links, you tag any visit that comes from that link via a specific platform or provider. In marketing terms, this is "where" your visitor saw your campaign.

Examples: facebook, google, blog, newsletter, etc.

Example code: `utm_source=facebook`

Campaign Name

By adding the parameter *utm_campaign* to your links, you can specify the individual campaign name. Keeping these the same as what you name your campaigns in your ad managers will help you keep them straight.

Examples: autumn collection, early sales access, etc.

Example code: `utm_campaign=autumn_collection`

Campaign Medium

By adding the parameter *utm_medium* to your links, you tag any type of channel which specifies "how" your campaign was delivered to your visitor.

Examples: cost-per-click, social, email, display, etc.

Example code: `utm_medium=cpc`

Campaign Term

By adding the parameter *utm_term* to your links, you track keywords or identify aspects of your audience which is used in paid search or display campaigns. You can use this field to differentiate ad sets, audiences, or formats.

Examples: red dress, top customers, etc.

Example code: `utm_term=red_dress`

Campaign Content

By adding the parameter *utm_content* to your links, you indicate the specific ad. It's often used for A/B testing ads that would otherwise be identical, i.e. one ad with two different images. For search campaigns, it's usually the headline 1 component.

Examples: video ad, text ad, blue banner, etc.

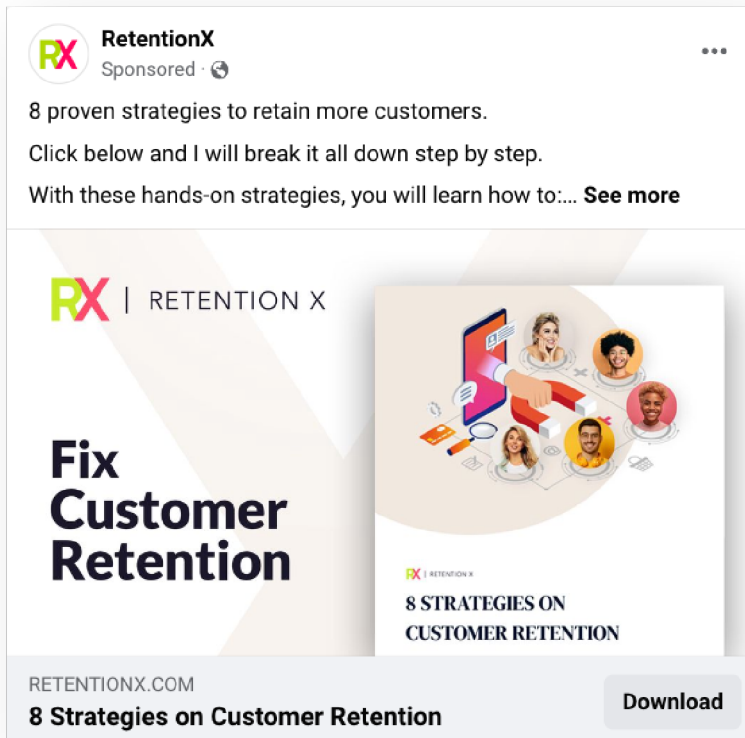
Example code: `utm_content=video_ad`

This is how a UTM tracking link might look:

```
https://www.fashionbrand.com?  
utm_source=facebook&utm_campaign=autumn_collection&  
utm_medium=cpc&utm_term=red_dress&utm_content=video_ad
```

Well, I know. UTM tracking links are long and bulky. But don't worry, you can easily simplify your UTM tracking links with a URL shortener such as bit.ly to maintain a great user experience.

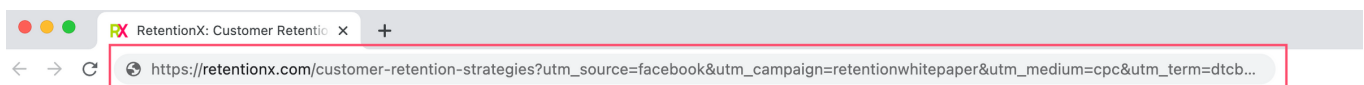
Let's take a look at UTM parameters in action on a real social media ad.



Even without a shortened link, UTM parameters work perfectly well. Within the ad, the viewer won't see a long UTM tracking link.

Since most people don't look at their browser's address bar once they click on content, they won't even notice the UTM parameters.

But they are there, gathering valuable information that you can use to evaluate the success of this particular ad compared to other ads (promoting the same content). Once you start looking for UTMs, you'll see them everywhere.



8 STRATEGIES ON CUSTOMER RETENTION

The numbers don't lie: It costs 5 to 25 times more to acquire a customer than to retain one. Through effective retention strategies, you can convert a first-time buyer into an ambassador of your brand. We've compiled the most effective retention strategies of over 1,000 brands.



How To Properly Set UTM Parameters

Okay, enough theory, let's start setting your UTM parameters!

If you're wondering where to use UTMs the answer is simple, anywhere you want to track where conversions are coming from.

Minimally, we suggest using them in anything you're putting money behind, like ads and any affiliate links you're using. Since you're spending money on this content, you're going to need to show that it's paying off. Having the granular detail that UTM tracking provides is really important for attribution. Some brands even add special UTMs to individual employees' email signatures. It's really up to you and how detailed you want your reporting to be.

Of course, typing that long string of characters is pretty daunting, so most brands **use URL generators, e.g. the [Google Analytics Campaign URL Builder](#)**. These tools let you plug in the values for each of those parameters, and then string them together into a URL.

The screenshot shows a form titled "Enter the website URL and campaign information". It contains several input fields with labels and instructions:

- website URL ***: Input field containing "https://retentionx.com/". Below it, text reads: "The full website URL (e.g. https://www.example.com)".
- campaign ID**: Input field (empty). Below it, text reads: "The ads campaign id."
- campaign source ***: Input field containing "facebook". Below it, text reads: "The referrer (e.g. google, newsletter)".
- campaign medium ***: Input field containing "cpc". Below it, text reads: "Marketing medium (e.g. cpc, banner, email)".
- campaign name ***: Input field containing "whitepaper". Below it, text reads: "Product, promo code, or slogan (e.g. spring_sale) One of campaign name or ca".
- campaign term**: Input field containing "dtc_brands". Below it, text reads: "Identify the paid keywords".
- campaign content**: Input field containing "facebook_hacks". Below it, text reads: "Use to differentiate ads".

Overlaid on the right side of the form is a white box with a blue border titled "Share the generated campaign URL". It contains the text: "Use this URL in any promotional channels you want to be associated with this custom campaign." Below this is a "generated URL" input field containing the URL: "https://retentionx.com/?utm_source=facebook&utm_medium=cpc&utm_campaign=whitepaper&utm_term=dtc_brands&utm_content=facebook_hacks". A copy icon is visible to the right of the URL.

Now let's take a look at how to add your UTM parameters in your marketing tools. We will use Meta, Google, and Klaviyo as examples, but it works analogously for all others.



You can include URL parameters to your ads in the Ads Manager:

- Create a new ad campaign in the Ads Manager or continue working on one saved as a draft.
- After entering your information at the *Campaign* and *Ad Set* levels, navigate to the *Ad* level to set your URL Parameters.
- At the *Ad* level, click *Build a URL Parameter* under *Website URL*.
- Enter the parameters you want to track.
- Finally, click *Apply*.

Build a URL parameter ✕

Fill out the fields in the form below to add parameters to your website URL. To automatically get information from your campaign, ad set or ad, click on each field and select a dynamic parameter such as `id={{ad.id}}`. [Learn more](#)

Campaign source
To identify the source of traffic. For example: Facebook, Instagram, a search engine or other source.

Campaign medium
To identify the advertising medium. For example: banner, email, Facebook_Feed or Instagram_Story.

Campaign name
To identify a specific promotion or strategic campaign. For example: summer_sale.

Campaign content
To differentiate ads or links that point to the same URL. For example: white_logo, black_logo.

Custom parameters

Parameter name	Value
<input type="text" value="term"/>	<input type="text" value="top_customers_lookalike"/>

Parameter preview

```
utm_source=facebook&utm_medium=cpc&utm_campaign=summer_sale&utm_content=red_dress&term=top_customers_lookalike
```




You can create URL parameters at the account, campaign, ad group, keyword, or sitelink level:

- Open the *Ad URL Options*.
- Enter all parameters that will be attached as *Final URL Suffix*:
`utm_source={_source}&utm_medium={_medium}&utm_campaign={_campaign}&utm_content={_content}&utm_term={_term}`
- Enter all *Custom Parameters* you want to track.
- Finally, click *Apply*.

^ Ad URL options

Tracking template ?

Example: `https://www.trackingtemplate.foo/?url={lpurl}&id=5`

Final URL suffix

`utm_source={_source}&utm_medium={_medium}&utm_campaign={_campaign}&u?`

Example: `param1=value1¶m2=value2`

Custom parameter ?

`{_ source } = google`

`{_ medium } = cpc`

`{_ campaign } = summer_sale`

`{_ content } = red_dress`

`{_ term } = dress` +

TEST

Use a different final URL for mobile


klaviyo

Before configuring UTM settings for individual messages, consider turning on global UTM tracking in your account settings. But you can always adjust the UTM settings for a specific campaign as well:

- Create a new campaign or continue working on one saved as a draft.
- Activate the UTM tracking under *Tracking*.
- Enable *Customize tracking parameters*.
- Enter all UTM parameters you want to track.
- Finally, click *Apply*.

Tracking

Include tracking parameters



Links in this campaign will include additional tracking information, called UTM parameters. This allows source tracking within third-party reporting tools such as Google Analytics. [Learn more about UTM Tracking](#) 



Customize tracking parameters

When enabled, this campaign will use custom tracking parameters instead of the default tracking parameters in your [Account Settings](#).



UTM Parameter	Campaign Email Value
Source (utm_source)	<input type="text" value="Klaviyo"/>
Medium (utm_medium)	<input type="text" value="campaign-email"/>
Campaign (utm_campaign)	<input type="text" value="Campaign name"/>
<input type="text" value="Term (utm_term)"/>	<input type="text" value="audience_2nd_order_due"/> 
<input type="text" value="Content (utm_content)"/>	<input type="text" value="follow_up_suggestions"/> 

[+ Add a custom UTM parameter](#)

Here are a few **pro tips** to ensure you're making the most of your UTMs:

Be Consistent

We highly recommend creating a naming convention to make sure you use the same parameters for the same things. If you use "facebook" as the source in one campaign, you shouldn't use "fb", "fbook", or some other variation in other campaigns. This way you can compare parameters over time; this goes for in-channel as well as across channels. Also, remember that adjustments are not changed retroactively, so different line items will be created in your report for all the different parameters, even if they are exactly the same things.

Watch The Format

"Facebook" and "facebook" are treated differently, as any difference in capitalization is counted as a new line item in your reports - so make sure you use consistent nomenclature. In addition, you should know how symbols are read in your third-party reporting tools. If you use ,for example, the "_" instead of spaces, Google Analytics can better display the term. If you insert spaces, "video 2" will display as "video%202." Use "video_2" instead.

Use Dynamic Tracking

A number of platforms have dynamic tracking that you can use to save time and minimize human error. Meta Ads, for example, offers dynamic tracking that allows you to use the same tracking link for all marketing activities. This allows parameters to be filled in dynamically based on placeholders.

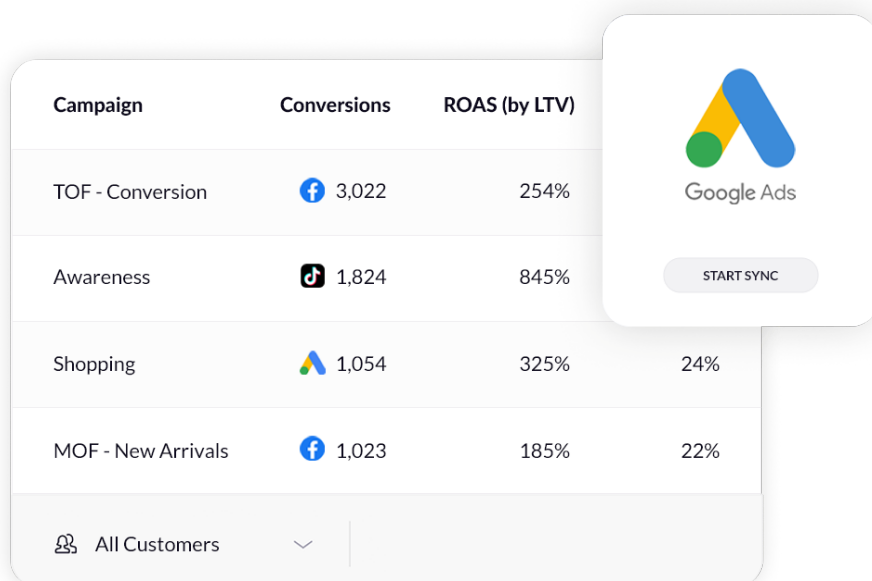



How To Analyse Your UTM Parameters


The good news is that UTMs are automatically detected in Google Analytics, Shopify, and therefore RetentionX. Once you begin tagging and tracking your links with UTMs, you will understand where your traffic is coming from.

RetentionX makes it simple to analyze these UTMs.

Let's revisit this scenario: Imagine that campaign A brings you customers for \$50 each, and campaign B brings you customers for \$60 each. What if I told you that the LTV of campaign A's customers is only \$100, while campaign B's is \$200? Which campaign would you spend more money on?


Meta, Google, TikTok, etc. are not able to provide you with this information. However, with RetentionX, you can measure the quality of resulting customers for each campaign and know when the ROAS based on LTV exceeds 100% (payback period). Moreover, thanks to LTV predictions, you can know at an early stage how customer quality will develop. **With RetentionX this can be done in two easy steps:**

Campaign	Conversions	ROAS (by LTV)	
TOF - Conversion	 3,022	254%	
Awareness	 1,824	845%	
Shopping	 1,054	325%	24%
MOF - New Arrivals	 1,023	185%	22%



Google Ads

START SYNC







 All Customers ▼

Step 1: Analyze the LTV of each channel and campaign

UTMs are key to calculating LTV for a customer acquired through a channel. They are not ideal to get absolute numbers or channel allocation, but **they are perfect for all averages like LTV, AOVs or the share of newly acquired and existing customers.** This is because here it does not matter if some customers are not assigned to the channel.

The calculation consists of adding all LTVs (Net revenue - COGS) generated by customers who had a specific UTM source and campaign tag when they first made a purchase, and dividing them by the total number of these customers.

This can also be an incredibly tedious process to end up with only a snapshot. With RetentionX you have the value calculated and available at any time. In addition, based on the LTV, you have the **payback period**, how fast your costs are amortized, and the true ROAS. Head over to RetentionX's Marketing section > *Best Channels & Best Campaigns*:

Campaign ⁱ	Source ⁱ	Conversions ⁱ	New Customer Share ⁱ	CAC ⁱ	LTV ⁱ
TOFU	Pinterest	 2,591.00	100.00%	 \$67.90	\$342.67
MOFU	Meta	 1,408.00	83.00%	 \$90.78	\$541.30
BOFU	TikTok	 1,368.00	61.00%	 \$121.45	\$489.25

Step 2: Adjust the Budgets & Target CACs

Dynamically adjust your budget to the quality of your customers and **scale your best campaigns.**

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