TREND STUDY

2019

CONTENT

MOIN.

As in previous years, this year's trend study focuses on digital analytics and conversion optimization. While 2017 focused on data visualization and 2018 on attribution, this year's study focuses on personalization and user segmentation

In addition to the focal points we have set, the topic of **Big Data** - with all its challenges - has emerged as a core topic among the respondents. This encompasses aspects such as internal processes, technical setup & tools, know-how development and finding qualified employees.

The identification of such trends as well as the observation of core topics from the areas of Digital Analytics and Conversion Optimization are the main objectives of these studies. A consistent study design with constant questions and formulations ensures that the results remain free of methodological influences. The trend study thus offers both a comprehensive and methodologically valid overview of the industry.

Of course, all this would not be possible without the numerous responses of the study participants. Our sincere thanks go to them.

With this in mind, we hope you enjoy reading our 2019 Trend Study.

Your Trakken Team

TIMO ADEN
Managing Director
Trakken Web Services
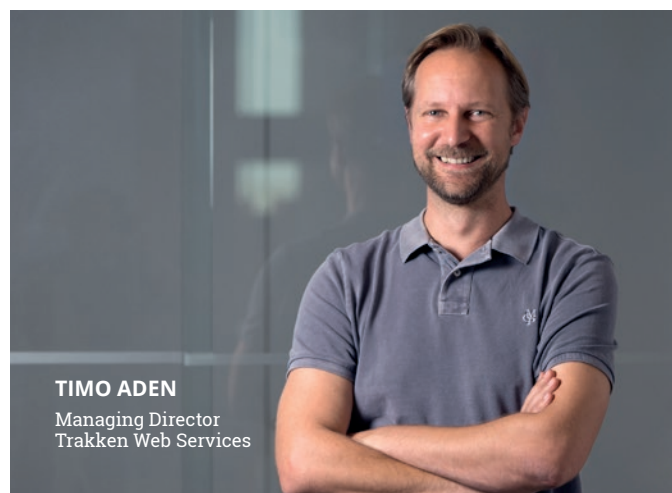
DIGITAL ANALYTICS.

Overview of results

———

For the fifth time, we are examining the topic of **digital analytics** in our trend study. The main topics of recent years, such as attribution and data visualization, were again taken into consideration and supplemented by **new topics such as personalization and user segmentation.**

Most of the companies surveyed (70%) work in non-services sectors. The **(online) marketing department is responsible for 42 percent of** the tasks of **Digital Analytics**. A further 14 percent of companies are already using the potential within a BI department to analyze large amounts of data. The **data consolidation shows an increasing trend development** within the last years and accordingly plays an important role in the current trend study.

Two-thirds of those surveyed increasingly use the possibility to link data from their **analysis tool with other internal or external company data**. For most respondents, the mere collection and reporting of the respective figures is no longer sufficient. For example, 96 percent of the study participants carry out in-depth analyses that go beyond pure reporting.

In line with the widespread use of in-depth analyses, the use of big data tools and analytical ‚programming languages' such as **R or Python** is increasing among the study participants. Nevertheless, spreadsheet programs like Excel are still used on a daily basis. **Web analytics tools** such as Google Analytics, Adobe Analytics, and Webtrekk continue to lead the way.

The main point of contact between customers and companies remains the website. In addition, at least **three-quarters of the respondents** said that they could be reached via **the marketing channels SEO/SEA, Newsletter and Display, Video & Social Paid**. Extensive tracking options are also increasingly being used for offline touchpoints and marketing channels. The tracking coverage is not sufficient for the offline sector and has great tracking potential.

Another central question of digital analysis is the optimal (marketing) budget allocation. **Compared to the classic Last-Cookie-Wins principle, companies are increasingly using**

alternative attribution models. A quarter of the respondents already use their own heuristic or extended attribution models for budget decisions. Therefore, it can be stated that decisions are increasingly influenced by data-driven models. The increasing relevance of digital analysis for companies has a positive effect on the available budget. Up to **10 percent of the marketing budget** is already allocated to digital analysis for almost three quarters of the participating companies.

The study participants see the greatest **opportunities** in the fields of personalization, tracking and tool extensions as well as process optimization and increased efficiency. On the other hand, the primary risks are data protection, technical implementation and data quality.

One-third of those surveyed see the greatest **strength** of digital analysis in making data-driven decisions. Of course, this requires a flawless technical setup, which is still called a weakness in many companies. The strengths mentioned in many companies represent **weaknesses** in some other companies. This year, data quality and availability have once again been identified as a challenge. But data linking, for example from the back-end or other systems, is still not an easy task for many companies.

The emphasis on the **visualization of data** keeps growing for most companies. The distribution of KPIs via **data visualization tools** has risen sharply in the last three years from 18 percent (2016) to 70 percent (2019).

The aggregated consideration of the prioritized topics for 2019 reveals the importance of the topics **customer journey, data visualization, report automation and distribution**. One-third of all companies face tremendous challenges in evaluating and using information. This year, Big Data is playing an increasingly important role..

CONVERSION OPTIMIZATION.

Overview of results

———

For the second time already, the trend study includes questions on the analysis of the topic **Conversion Optimization**. Based on the 2018 comparison period, exciting findings can be better exploited and trend developments clearly derived.. In addition, the wide range of participating **industries from media/content, e-commerce, retail, IT services, telecommunications and finance will** provide a good overview of the key topics for 2019.

Over two-thirds of the participating companies are not from the service sector, but are part of an in-house CRO team in their respective industries. **Two-thirds of the** main responsibility for Conversion Optimization is **assigned to the marketing department**. The increasing relevance of the topic also has a positive effect on the share of the marketing budget. For the year 2019, one in two companies is already planning to **increase its Conversion Optimization budget**.

As before, classical **A/B testing is still the most frequently chosen test procedure of the respondents**. More complex procedures such as **multivariate testing and personalization** are rarely used. As a rule, three-quarters of the companies carry out up to 4 tests per month. A rising trend can be seen with a **test frequency of at least 10 tests**.

There is evidence that companies test **landing pages and product pages more often** than other areas of the site. Regular tests at the checkout and on the homepage are still preferred by many. Digital analysis and case studies from **Best Practices solutions** are the primary source of data for test concepts. This year's study focused on **the use of data sources from mouse-tracking/heatmaps and CRM data/user profiles**.

Despite the generally growing importance of mobile devices testing , **85 percent of all tests** are still performed **on the desktop device**. Another interesting aspect is the increase in **regular tests (always & often) conducted on Tablet and Mobile websites** as compared to 2018.

Every one in two companies relies on Google Optimize to support their test results. Companies with a high degree of utilization for this testing tool are the **light users with a maximum of 4 tests per month. On the other hand, heavy users, i.e. all respondents** who carry out **at least 5 tests per month**, make use from the possibilities of the testing tool Optimizely.

The most common goals targeted by Conversion Optimization are **sales-relevant KPIs for transactions and revenue**. In addition, the so-called micro-conversions, such as **clicks on a certain element**, are an important target metric of selected test procedures.

With a clear leadership, the top 3 topics for 2019 include: **User Experience, Personalization and Mobile/App Optimization**. Professionalization and eCommerce are receding into the background. The respondents see **data quality** as the **biggest challenge** in Conversion Optimization as well as **internal processes** and a **lack of know-how**.

ANALYTICAL APPROACH.

Aim – Survey – Interviewed

AIM OF THE TREND STUDY. As part of the 2019 Trend Study, the survey covered this year's developments in the areas of **Digital Analytics (DA)** and **Conversion Optimization (CO)** in German-speaking countries. Particular interest was given to questions with a strong relation to everyday work, but also to possible challenges. In addition, a **SWOT analysis** was used to identify and evaluate **strengths, weaknesses, opportunities and risks in the field of digital analytics**. The re-execution of the trend study provides insights into the changes in the results over time. However, new topics were also included in the focus of the study.
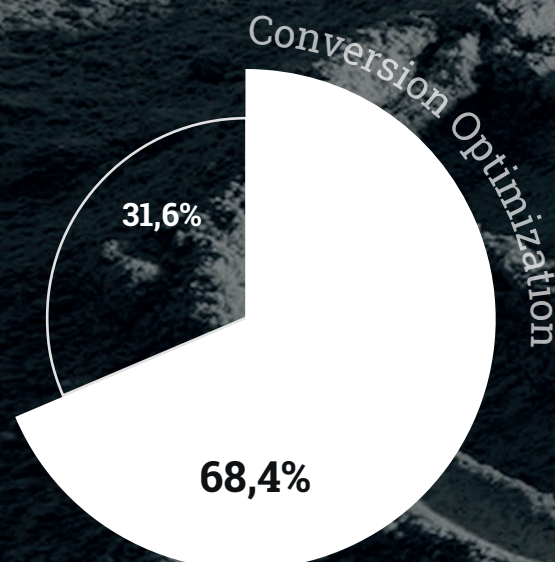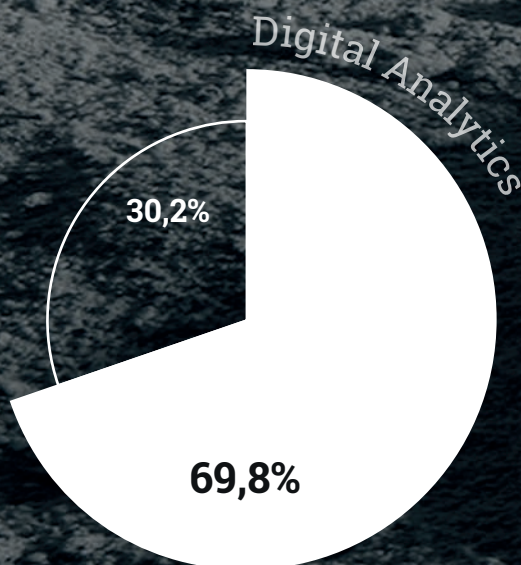
SURVEY METHOD. The 2019 trend study started at the beginning of the year. The data collection of the online survey covered the period from mid to end January 2019. Most of the **questions raised were closed questions** regarding budget, attribution and tools. **Open questions** were addressed regarding the strengths, weaknesses, opportunities and risks of Digital Analytics. The following results are based on these two surveys, in which 318 respondents took part for digital analysis and 121 respondents for conversion optimization.

INTERVIEWED COMPANIES. 439 **companies in total from the media/content, e-commerce and retail, IT services** and many other sectors took part in the survey. Almost 70 percent of the study participants are employed in non-services sectors. They serve the customer side and are part of an in-house team. The company sizes range from small companies to large companies with at least 500 employees. More than half of those surveyed work in companies with more than 100 employees, showing a noticeable increase over the previous year.

COMPANY ROLE

● Customer side / part of an in-House team   ○ Agency/ Consultant
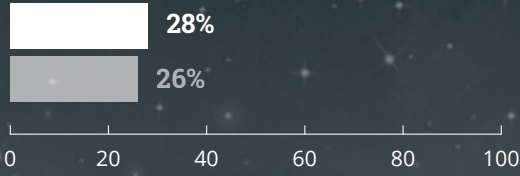
Digital Analytics

30,2%

69,8%

Conversion Optimization

31,6%

68,4%

COMPANY SIZE

Digital Analytics

UP TO 9 EMPLOYEES

8%
9%

0   20   40   60   80   100

100 - 499 EMPLOYEES

28%
26%

0   20   40   60   80   100

10-49 EMPLOYEES

11%
18%

0   20   40   60   80   100

500 EMPLOYEES OR MORE

43%
36%

0   20   40   60   80   100

50 - 99 EMPLOYEES

10%
11%

0   20   40   60   80   100

Conversion Optimization

UP TO 9 EMPLOYEES

8%
12%

0   20   40   60   80   100

100 - 499 EMPLOYEES

23%
35%

0   20   40   60   80   100

10-49 EMPLOYEES

24%
17%

0   20   40   60   80   100

500 EMPLOYEES OR MORE

36%
26%

0   20   40   60   80   100

50 - 99 EMPLOYEES

9%
10%

0   20   40   60   80   100
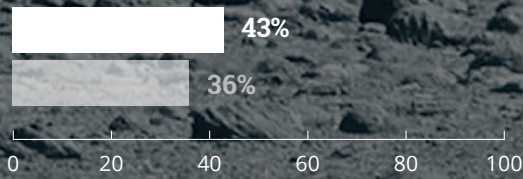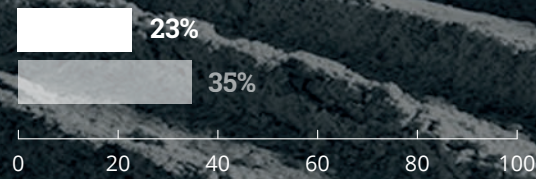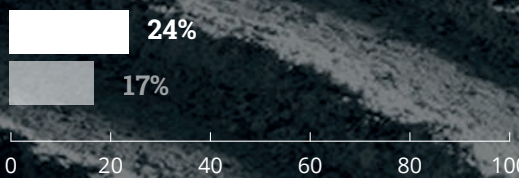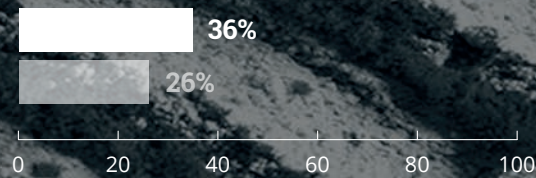
■ 2019   ■ 2018

INDUSTRY AFFILIATION

Digital Analytics

Agency
Telecommunications
Healthcare
FMCG
Energy
Media/Content
Hightech
Tourism
22%
Finances
6%
7%
Others
10%
IT Service
12%
15%
14%
Trade
eCommerce

Conversion Optimization

Energy
Tourism
FMCG
Hightech
eCommerce
Others
Trade
4%
24%
7%
Finances
8%
19%
9%
15%
Media/Content
Telecommunications
IT Service
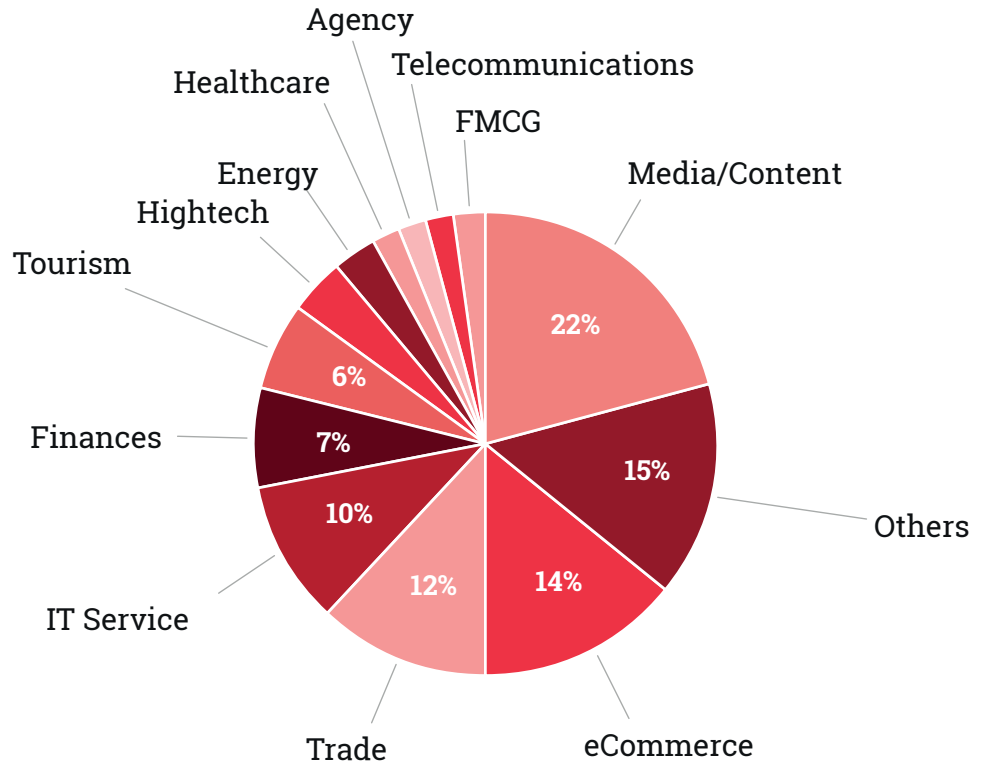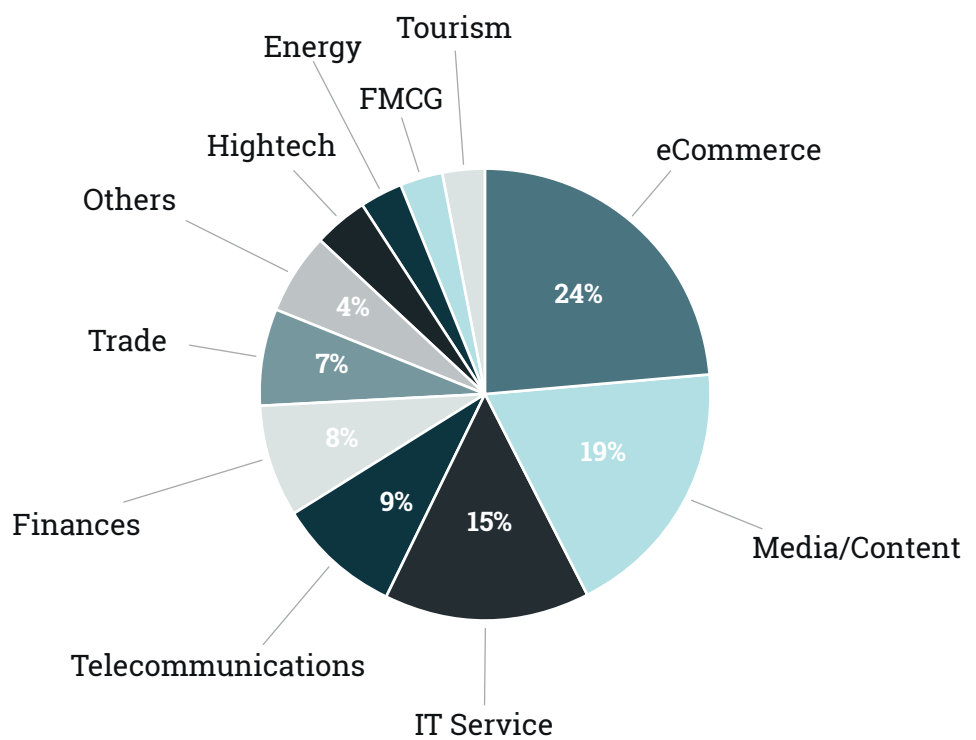
MARKETING CHANNELS, TOOLS & GOALS.

Digital Analytics

———

Possible touchpoints & marketing channels - Via which touchpoints or marketing channels do you reach your customers?

	2018	2019
Website	100%	100%
SEO/SEA	90%	89%
Newsletter	80%	79%
Display/Video/Social Paid	77%	77%
Social Organic	75%	76%
Landing Pages/Microsites	79%	74%
Remarketing	62%	67%
Print	58%	54%
Mobile Apps	49%	53%
Affiliate	40%	43%
Call Center	34%	38%
Field Marketing (e.g. exhibitions)	37%	38%
Retail Store	28%	31%
TV	33%	31%
Radio	19%	23%
Others	6%	3%
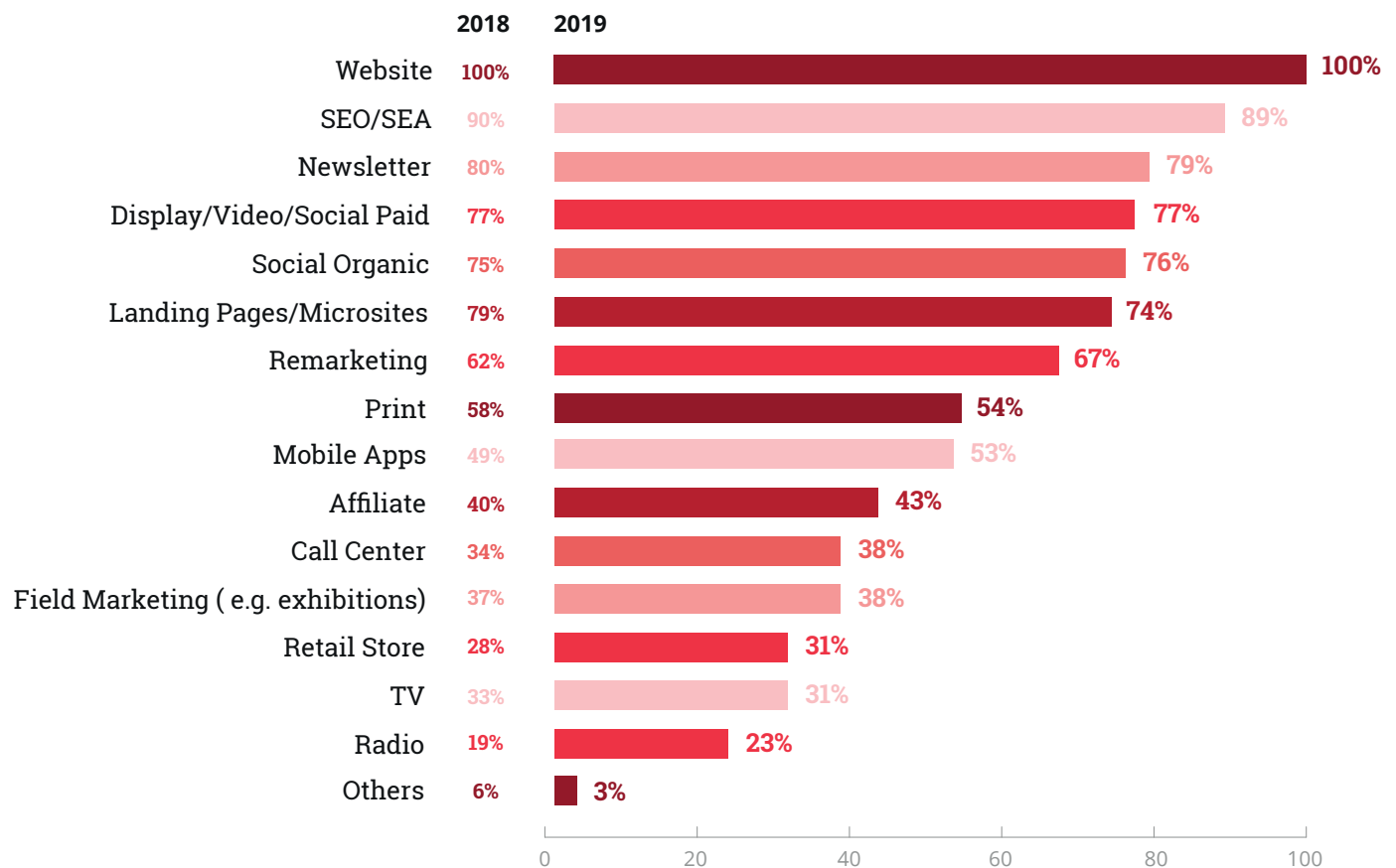
This year too, the most important touchpoint used to reach customers is the **website**. In addition, at least three-quarters of the companies surveyed primarily maintain customer reachability via the **marketing channels SEO/SEA** (89%), **Newsletter** (79%) and **Display, Video & Social Paid** (77%), **Social Organic** (76%). However, the positioning of **landing pages/microsites** (74%) as an important touchpoint fell by 5% points. The offline channels Print (54%) and TV (31%) also recorded a slight decline. Moreover, the only changes that can be perceived for this year are marginal changes in the touchpoints and marketing channels used.

Which of the currently selected touchpoints or marketing channels are tracked digitally?
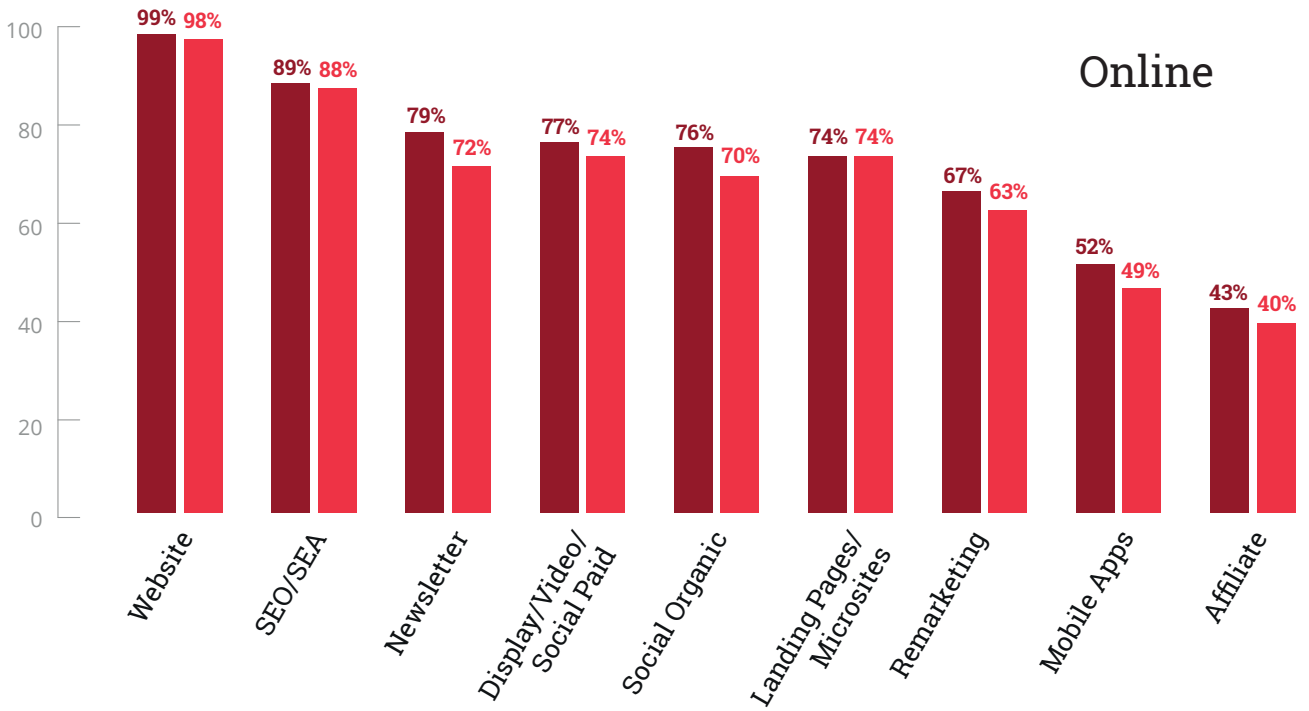
Online

There was no further increase in the average number of tracked touchpoints and marketing channels for the **online segment** (2019: 70%; 2018: 69%). Meanwhile, in the **offline segment**, the average tracked share (2019: 6%; 2018: 16%) fell significantly by 10% points.

Offline

■ Possible   ■ Tracked
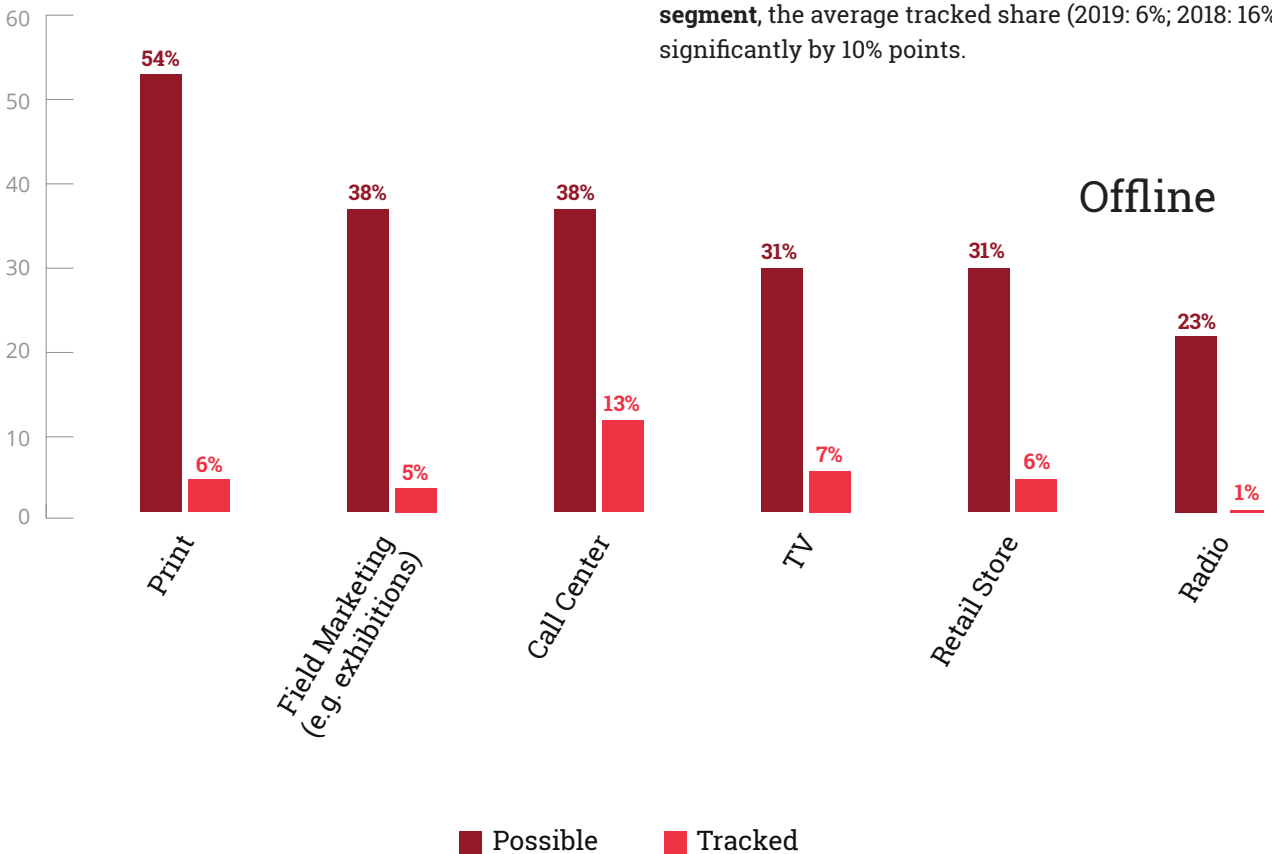
The survey clearly shows the ambivalence of potential and tracked touchpoints and marketing channels. **By dividing the touchpoints or channels into on- and offline, the potentials of the tracking coverage become clear.** In the tracked offl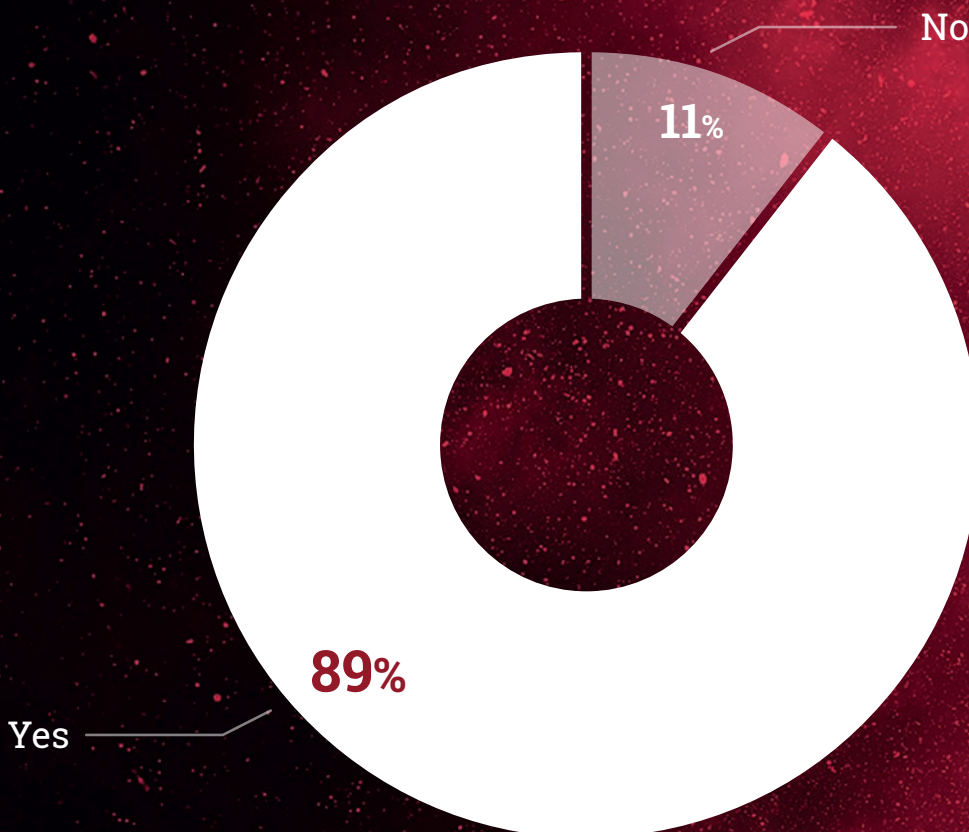ine areas, the Print division declined (2019: 6%; 2018: 11%). Channel TV (2019: 7%; 2018: 15%) also declined and accounted for 7 percent of the tracking figures. Companies are increasingly taking advantage of this opportunity to enrich their online data with additional offline data. A positive example is the linking of online data with tracking data of a "call center" to cover an extensive customer journey. The proportion of technically recorded **call center data increased by 6% points compared to the previous year** (2019: 13%; 2018: 7%). The topic vof **remarketing** also plays a positive role in the tracking of online data. New remarketing technologies and real-time marketing measures increase demand and promote tracking. The marketing channels **Affiliate** (2019: 40%; 2018: 37%), **mobile apps** (2019: 49%; 2018: 43%) and **Social Organic** (2019: 70%; 2018: 68%) continue to increase their tracking volume.

The increased use of far-reaching tracking solutions, especially for marketing, has led to **the integration of a tag management system** in around **90 percent of the companies surveyed**. In particular, the scalability of marketing pixels and the simple handling without the use of IT resources makes a tag management system interesting for companies.

"89% of the companies surveyed already use tag management systems to scale marketing and analytics pixels"

No

11%

89%

Yes

How do you distribute/communicate KPIs?

Web Analytics Tool
- 82%
- 77%
- 66%
- 65%

Exel/Google Sheets
- 76%
- 77%
- 82%
- 73%

Data Visualization Tool (e.g. Data Studio, Tableau)
- 70%
- 61%
- 36%
- 18%

Power Point/ Google Slides
- 63%
- 58%
- 55%
- 50%

Intranet
- 10%
- 11%
- 8%
- 9%

Other
- 1%
- 4%
- 2%
- 7%

"In 2019, the use of data visualization tools is higher than ever!"

0   20   40   60   80   100

■ 2019   ■ 2018   ■ 2017   ■ 2016
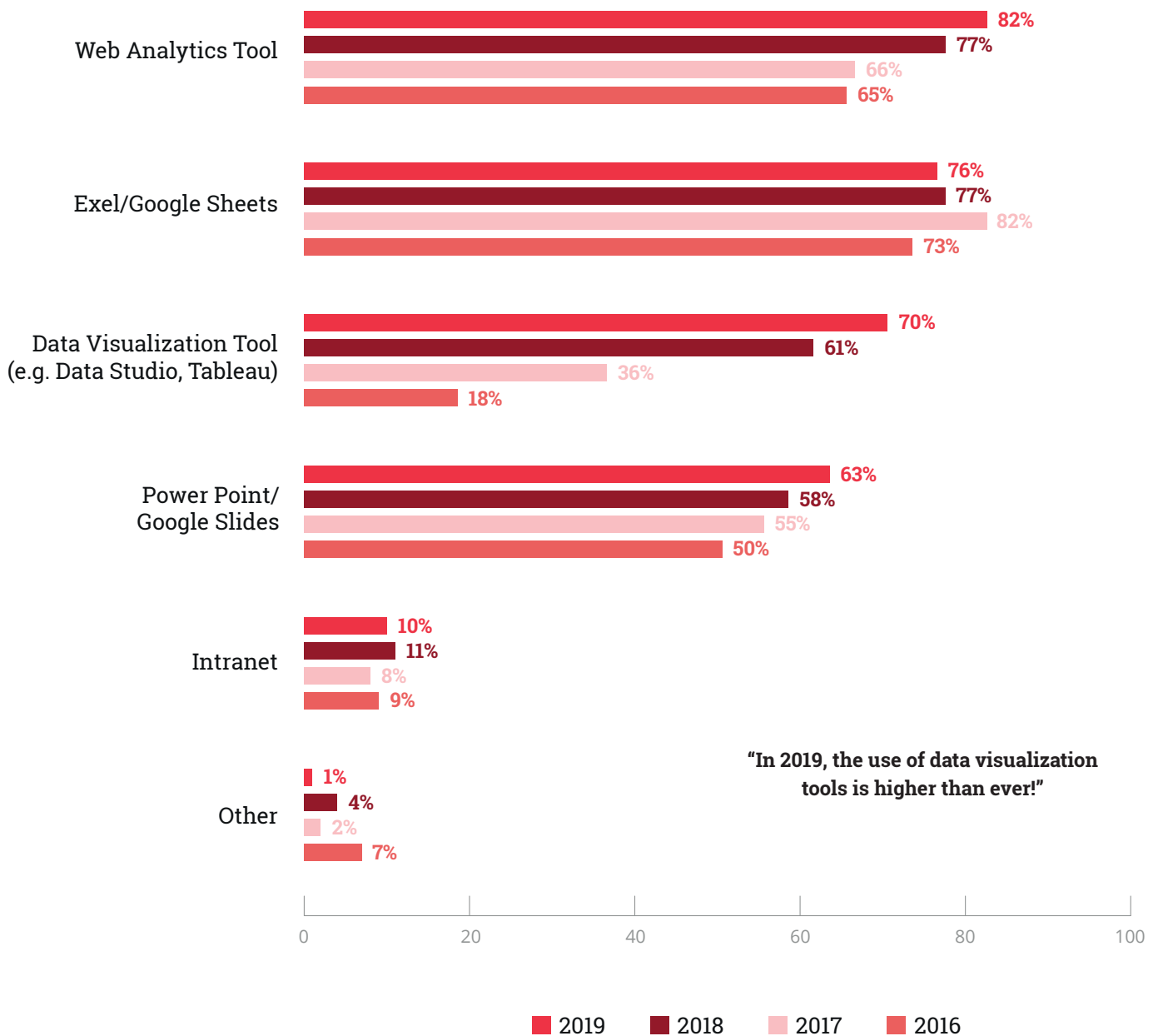
The emphasis on the visualization of data is becoming more and more important for the majority of companies. The distribution of KPIs with the help of data visualization tools has increased steadily over the last few years. Whereas in 2016 only 18 percent of the companies surveyed used a tool to illustrate their company-relevant key figures, by 2019 this figure had risen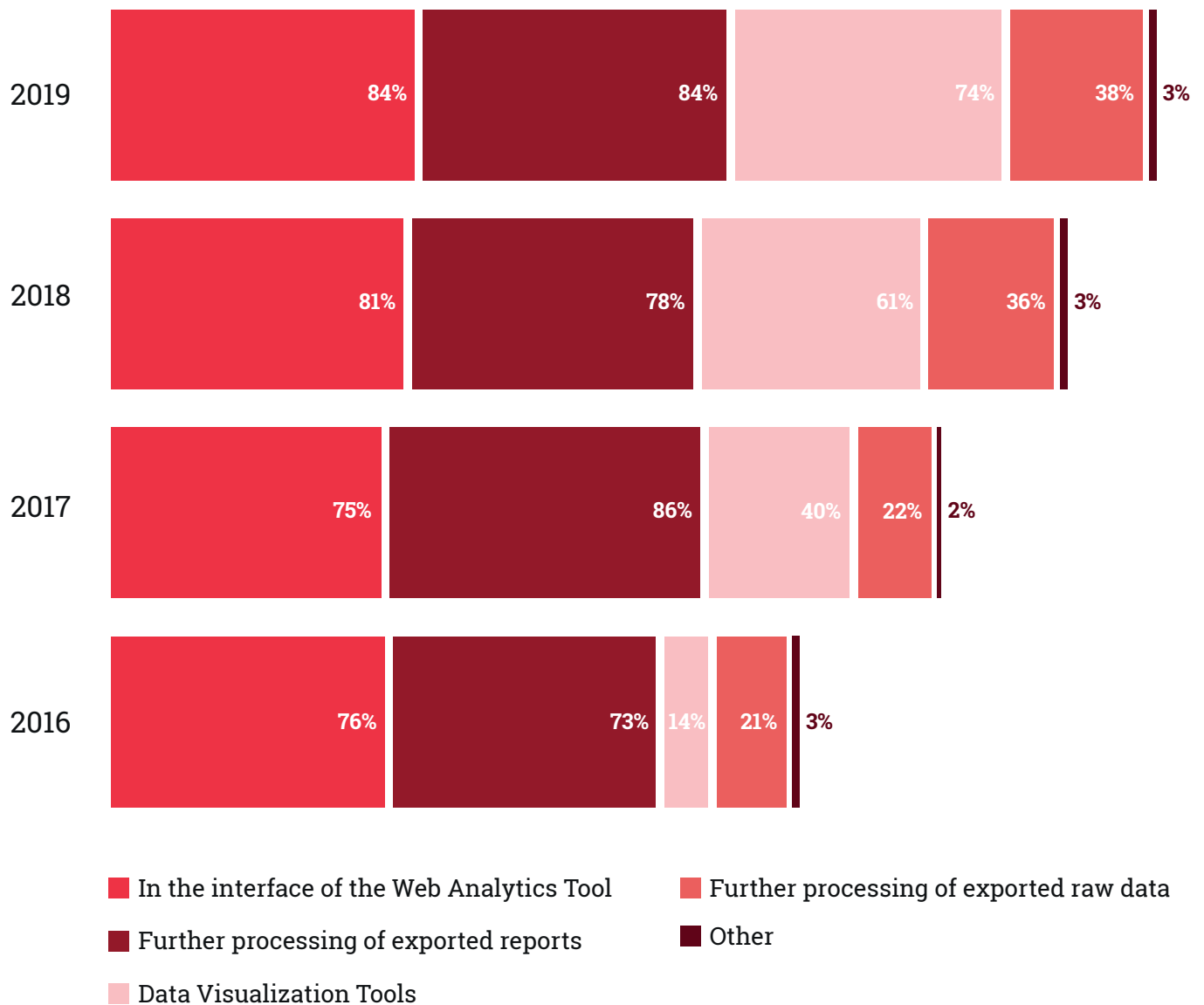 to 70 percent. In addition, the proportion of target metrics communicated via web analytics tools has risen by 17 percentage points since 2016 and continues to lead the field as number one. Despite slight year-on-year fluctuations, Excel and Google Spreadsheets remain a useful and used tool for three-quarters of participants. The analysis of the question also provides information about a combined use of tools.

53 percent of respondents already use a combination be tween web analytics and data visualization tools such as Data Studio or Tableau. In addition, 42 percent of study respondents continue to use Excel, but in combination with web analytics and data visualization tools. The interpretation of data becomes easier to understand through visual processing and encourages initiative among each departments. However, the **visual advantages of PowerPoint and Google presentations** have also increased significantly in the course of the trend of the study survey 63%; 2016: 50%).
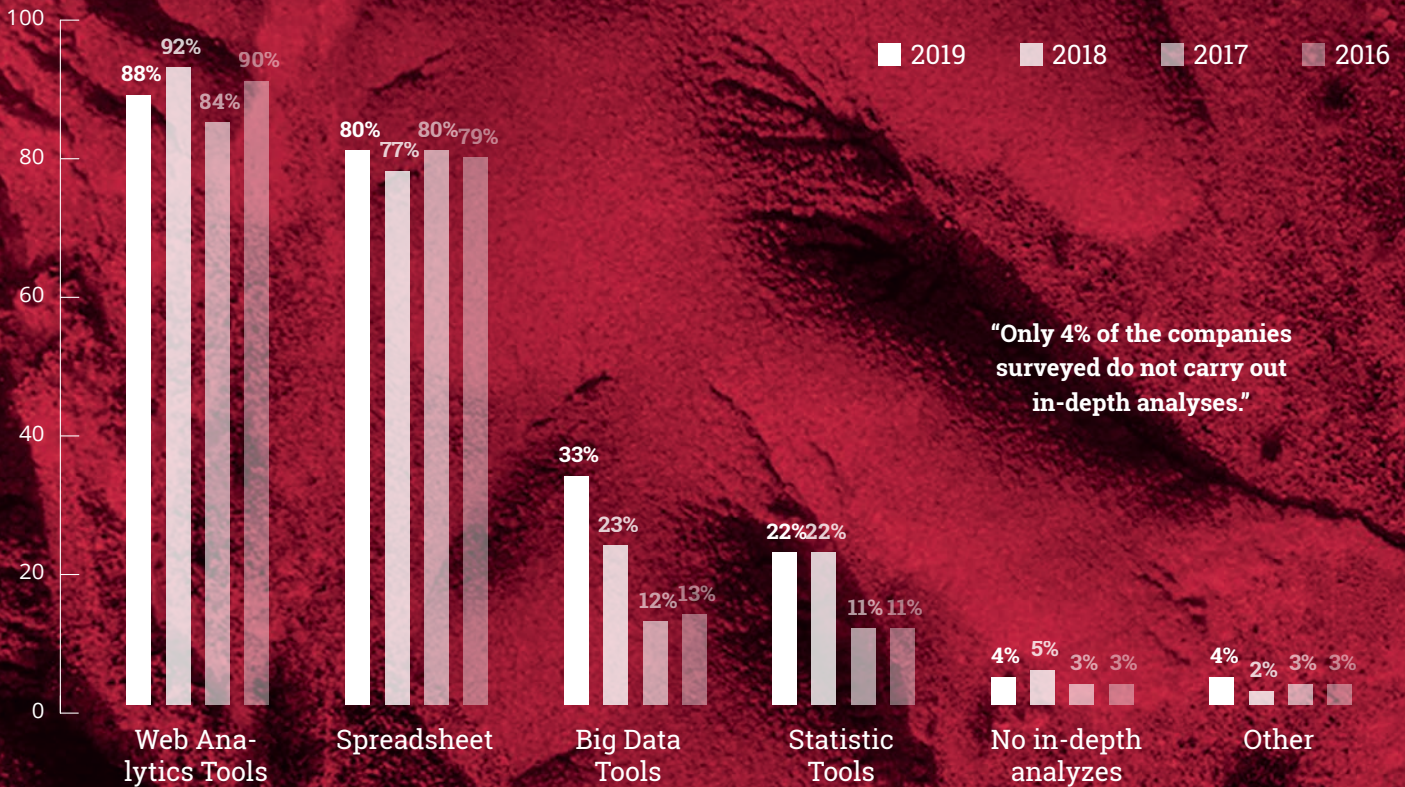
Where do you use your digital analytics data?

2019

84%	84%	74%	38%	3%

2018

81%	78%	61%	36%	3%

2017

75%	86%	40%	22%	2%

2016

76%	73%	14%	21%	3%

- In the interface of the Web Analytics Tool
- Further processing of exported raw data
- Further processing of exported reports
- Other
- Data Visualization Tools

The annual review clearly shows that there has been a **steady increase** in the **proportion of "big data" collected and the proportion of data analysis**. Working with **Excel or Google sheets** for the preparation of company-relevant information is, and remains an important procedural step for companies. In addition, 84 percent of the participants continue to use a web analysis tool for evaluating data. The trend development of web analytics tools shows an increase of 8% points (2019: 84%; 2016: 76%). **Further processing increasingly takes place via a link to a visualization tool.** The **high increase** of 60% points (2019: 74%; 2016: 14%) **results from a simplified and partially free connection to visualization systems**. Data can be visualized in a few simple steps and recommendations

for action can be derived more quickly and cost-efficiently. Another important aspect for companies is the avoidance of technical resources that are no longer necessary for implementation. Likewise, there has been a rapid **increase of the further processing of exported raw data**. The increasing data volume is performed by almost 40 percent of the study participants based on raw data export. The **use of analytical programming languages such as Python and R** is helpful in the processing of large amounts of raw data. Although the proportion is still marginal, it is considered aggregated under the aspect of other data.

Which programs do you use for in-depth analysis of the collected data?

Legend: ■ 2019 ■ 2018 ■ 2017 ■ 2016

	Web Analytics Tools	Spreadsheet	Big Data Tools	Statistic Tools	No in-depth analyzes	Other
2019	88%	80%	33%	22%	4%	4%
2018	92%	77%	23%	22%	5%	2%
2017	84%	80%	12%	11%	3%	3%
2016	90%	79%	13%	11%	3%	3%

"Only 4% of the companies surveyed do not carry out in-depth analyses."

According to the survey, collecting and reporting figures is no longer sufficient for companies. 96 percent of the study participants from the sectors eCommerce, IT services, tourism, media/content, trade, etc. already work with tracked data and carry out in-depth analyses. **Web analytics tools** such as Google Analytics, Adobe Analytics, and Webtrekk continue to lead the way. Nevertheless, **spreadsheet programs like Excel** are still used on a daily basis. Three-quarters of companies use E**xcel or Google spreadsheets** (2019: 80%; 2018: 77%), in parallel or as a supplement. In line with the widespread use of in-depth analyses, the use of Big Data Tools (2019: 33%; 2016: 13%) and analytical programming languages (2019: 22%; 2016: 11%), such as **R or Python,** continue to increase among the study participants. Over the last few years, the use of big data tools, such as BigQuery or Jupiter Notebook, has increased by 20% points (2019: 33%; 2016: 13%).

Do you analyze the digital analysis data together with other internal or external data (e.g. offline sales data, competitor data)?

2019
- 58%
- 22%
- 20%

2018
- 51%
- 23%
- 26%

Legend:
- ■ Yes
- ■ No
- ■ Not yet
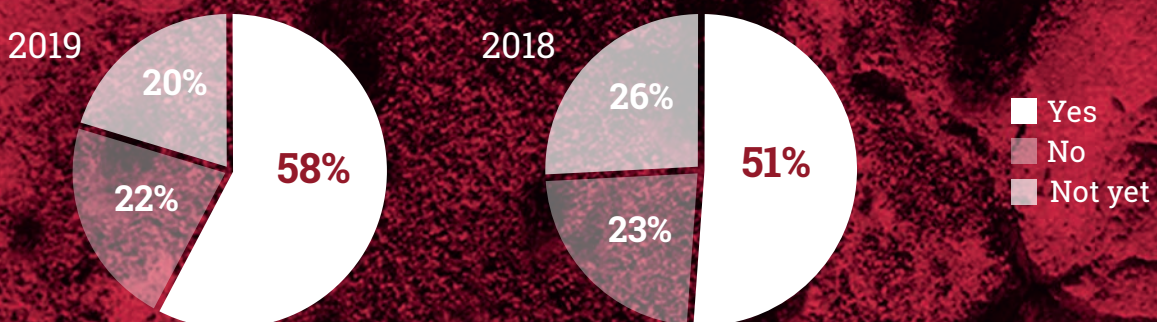
The evaluation of the trend studies of the past years shows a clear positive development in the linking of data. Already two thirds (2019: 58%; 2018: of the participating companies increasingly use the possibility to link data from their analysis tool with further internal or external data. The proportion of study participants who do not carry out data linkage and analysis is 22 percent. However, a further 20 percent have planned this in the future. A rethinking in the companies can be seen. An important aspect of data consolidation is the analysis of a complete customer journey. Simplified technical implementation without the use of IT resources also enables companies to link data and ultimately evaluate it.

TOP TOPICS FOR 2019.

Top Digital Analytics topics

——

Which projects, topics and questions are you working on related to Digital Analytics in 2019?

38%
Tracking & data quality

23%
Analysis & Reporting

15%
Attribution

13%
Analytics Tools & Tag Management Systems

10%
Visualization & Dashboards

10%
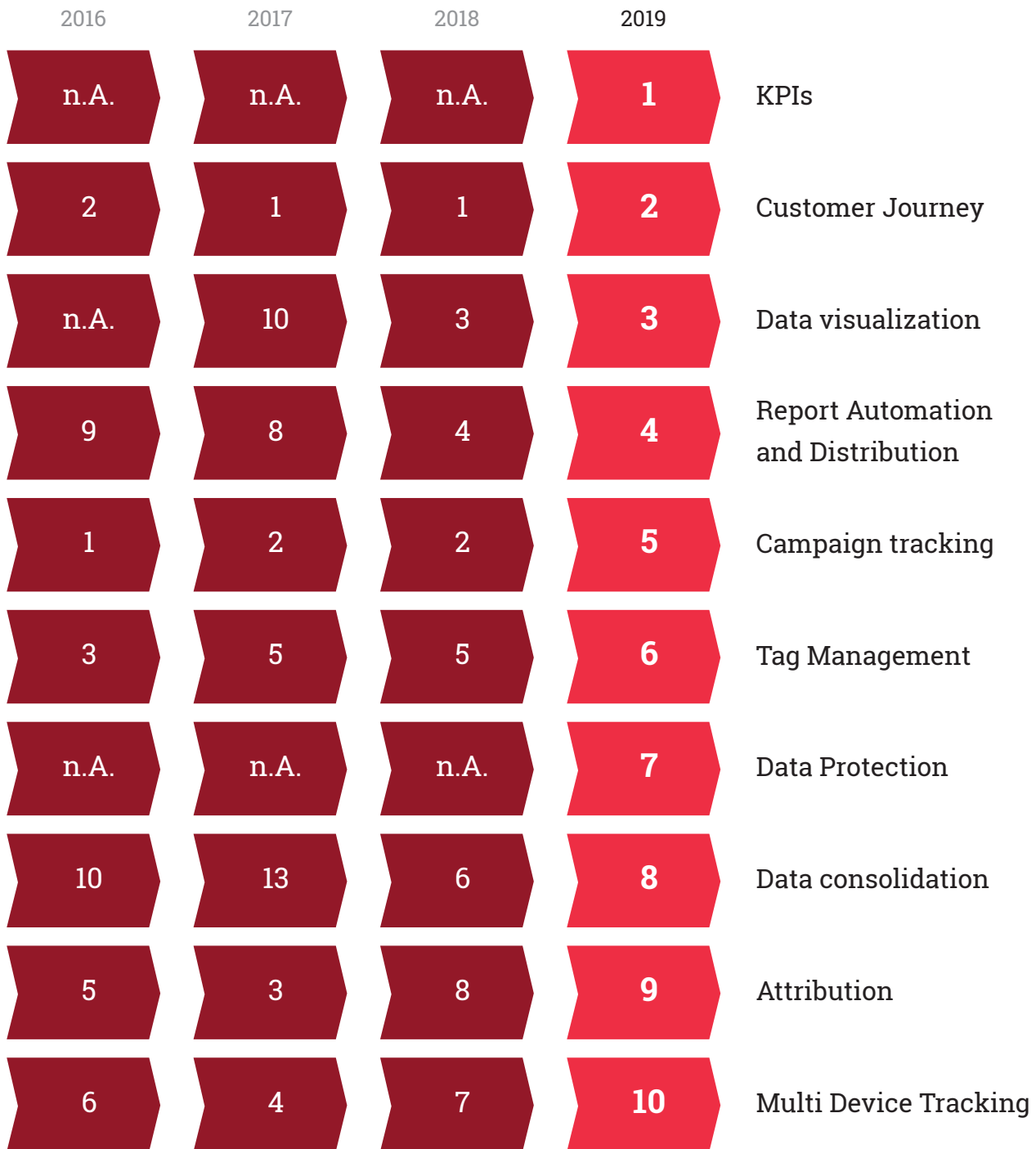*Customer behavior & marketing*

2%
Data protection

From year to year, the importance of **the big picture of company data** keeps growing. An important issue for the study participants in 2019 is **tracking and data quality** so as to generate a **coherent data overview**. Company data tracking, which has already been set up, has to be checked for relevance and accuracy. Furthermore, tracking and data quality includes the technical recording and linking of offline data, and TV tracking as well. TV tracking and data linking background is mostly used for **attribution**. Despite a slight decrease compared to the previous year (2019: 15%; 2018: 16%), **Attribution is once again among the top 3 topics this year**.

With second place, projects in the area of **analyses and reporting** are also among the top topics for 2019.nd. This includes analyses such as forecasts or user experience.

Analytics tools offer more and more possibilities to technically capture data. Tag management systems are helpful for technical control. One of the more frequently mentioned tag management systems is the Google Tag Manager. But not only the technical aspects were increasingly mentioned this year. The participants will also focus on the topic of data visualization and the creation of dashboards.
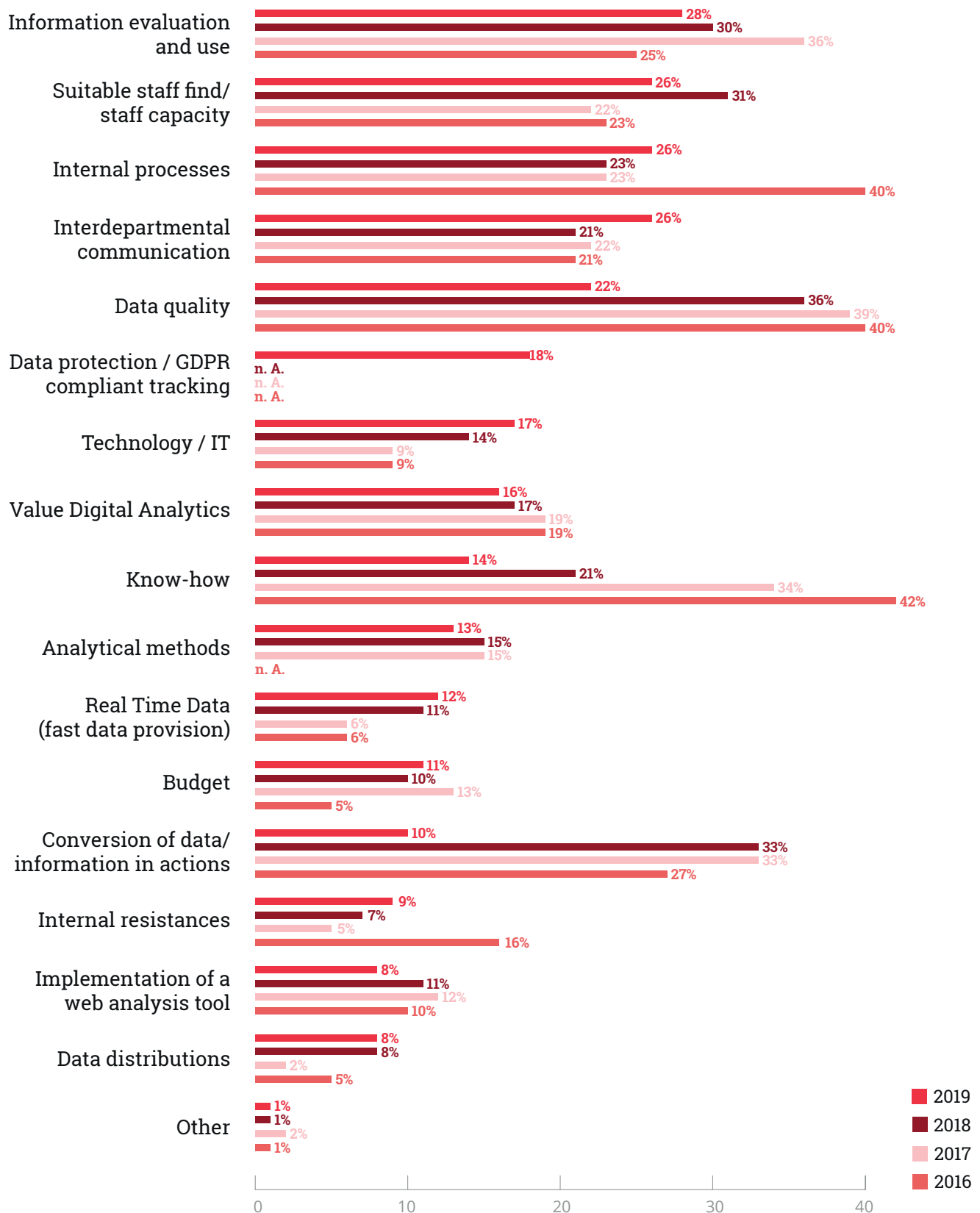
How strongly do you prioritise the following issues in 2019?

2016	2017	2018	2019	
n.A.	n.A.	n.A.	1	KPIs
2	1	1	2	Customer Journey
n.A.	10	3	3	Data visualization
9	8	4	4	Report Automation and Distribution
1	2	2	5	Campaign tracking
3	5	5	6	Tag Management
n.A.	n.A.	n.A.	7	Data Protection
10	13	6	8	Data consolidation
5	3	8	9	Attribution
6	4	7	10	Multi Device Tracking

The aggregated consideration of the prioritized topics for 2019 shows a renewed importance in the topic **"Customer Journey"**. However, the trend in rankings over the past few years remains constant. In order to further optimize the processes of digital analysis, topics such as **KPIs, data visualization, report automation and distribution** are among the high-priority topics for this year. The topic of data visualization has been particularly high on the corporate agenda since last year. On the other hand, far-reaching tracking topics are moving more into the background for this year. These include primarily campaign tracking, multi-device tracking but also the establishment of tag management systems. The handling of data continues to be a sensitive issue where data protection is never neglected. However, the importance of the prioritized topics puts data protection at the back of the list.

What will be the three biggest challenges for your company in the field of digital analytics in 2019?

Information evaluation and use
- 28%
- 30%
- 36%
- 25%

Suitable staff find/ staff capacity
- 26%
- 31%
- 22%
- 23%

Internal processes
- 26%
- 23%
- 23%
- 40%

Interdepartmental communication
- 26%
- 21%
- 22%
- 21%

Data quality
- 22%
- 36%
- 39%
- 40%

Data protection / GDPR compliant tracking
- 18%
- n. A.
- n. A.
- n. A.

Technology / IT
- 17%
- 14%
- 9%
- 9%

Value Digital Analytics
- 16%
- 17%
- 19%
- 19%

Know-how
- 14%
- 21%
- 34%
- 42%

Analytical methods
- 13%
- 15%
- 15%
- n. A.

Real Time Data (fast data provision)
- 12%
- 11%
- 6%
- 6%

Budget
- 11%
- 10%
- 13%
- 5%

Conversion of data/ information in actions
- 10%
- 33%
- 33%
- 27%

Internal resistances
- 9%
- 7%
- 5%
- 16%

Implementation of a web analysis tool
- 8%
- 11%
- 12%
- 10%

Data distributions
- 8%
- 8%
- 2%
- 5%

Other
- 1%
- 1%
- 2%
- 1%

Legend: ■ 2019 ■ 2018 ■ 2017 ■ 2016

The three major challenges for 2019 continue to be the evaluation and use of information (28%), finding suitable employees (26%) and setting up and managing internal processes (26%). One-third of the companies face further challenges with an increasing development of recent years, such as interdepartmental communications (2019: 26%; 2018: 21%), as well as the use of technology/IT.

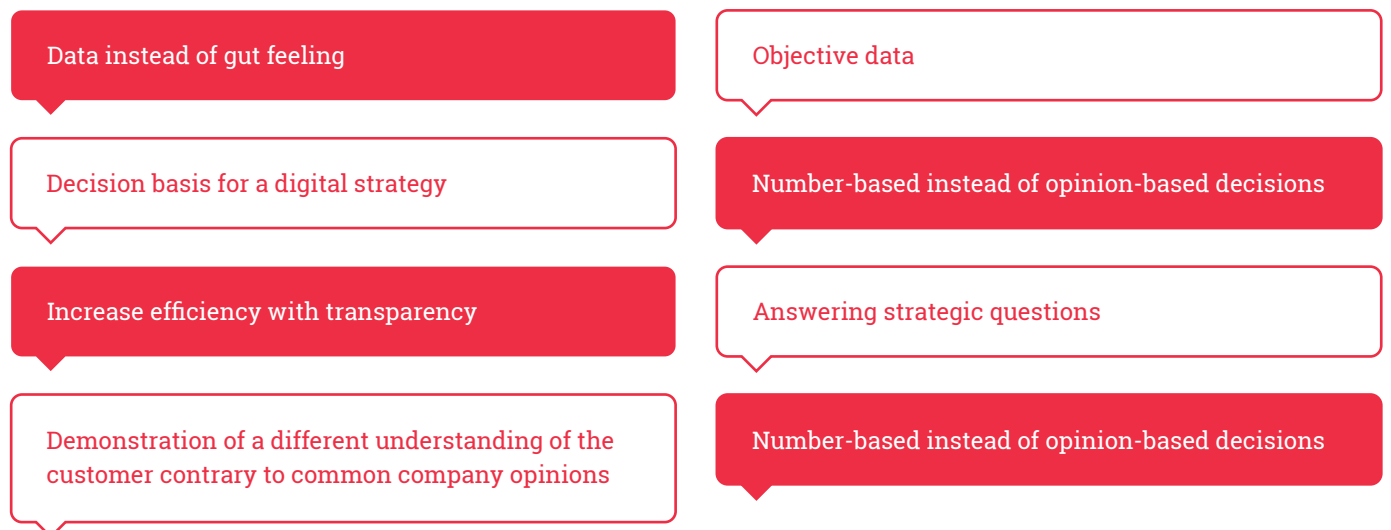# STRENGTHS, WEAKNESSES, OPPORTUNITIES & RISKS.

Digital Analytics

When you think about your business, where do you see the strengths of Digital Analytics?

Responses also reflect the complexity of the sectors surveyed. However, an aggregated view of the data collected highlights some areas. One-third of the respondents see their strengths in the area of **data-driven decisions**. A well-founded database serves as a decision-making basis for digital strategies and replaces opinion-based decisions with number-based ones. In addition, 20 percent of the participants mentioned the extensive and detailed **technical requirements** (setup,

implementation, tag management tools). Comprehensive technical setups of Digital Analysis are already standardized by Tag Management Tools. An additional advantage is the growing know-how and established reputation of the topic. As internal resistance decreases, data analysis will continue to grow. The emphasis is on creating a 360° customer view. The respondents' attention is strongly drawn to the customer and the customer journey.

DATA-DRIVEN DECISIONS:

- Data instead of gut feeling
- Decision basis for a digital strategy
- Increase efficiency with transparency
- Demonstration of a different understanding of the customer contrary to common company opinions

- Objective data
- Number-based instead of opinion-based decisions
- Answering strategic questions
- Number-based instead of opinion-based decisions

TECHNICAL REQUIREMENTS & TOOLS:

Tagging, comprehensive analytics setup

Speed

GTM

Increase efficiency with transparencyuse them for remarketing

We track all activities on all our online channels and use them for remarketing

Standardization through tag management on over 80 websites

Tracking of channels, e-commerce and website activities (events)

Comprehensive and detailed web and campaign tracking

KNOW-HOW & STANDING:

Internal know-how for setup and analysis

It is slowly being taken seriously and promoted

Comprehensive knowledge

High expertise

Relevance for Digital Analytics is given

Low resistance

Experience of old employees

CUSTOMER-ORIENTED ANALYSIS & CUSTOMER SEGMENTATION:

Visualization of the purchase process/path (Customer Journey)

Thanks to Digital Analytics you get to know your target group better

Creation of a 360° customer view

Focus on the user

Early recognition of customer interests

Thanks to Digital Analytics you get to know your target group better

Where do you see weaknesses of Digital Analytics within your company?

The aforementioned **weaknesses of** companies show slight deviations in the dispersion of topics. Both **data quality** and **know-how** were again cited as weaknesses by most companies. For companies with international operations in particular, the difficulty lies in maintaining data quality at the same high level in all countries. In addition, the linking of data, for example from the back-end or other systems, is not an easy task for the respondents. For 14 percent of companies, inadequate data quality is an obstacle to the analysis and preparation of data.

DATA QUALITY AND AVAILABILITY:

Tracking blockers are a constant problem

No backend data linked yet

There are too many systems that collect, analyze, and provide parts of different data, but there is a lack of interlocking

For a company operating internationally, it is difficult to maintain data quality at the same high level in all countries

Inconsistent campaign tracking

INTERNAL PROCESSES AND STRUCTURES:

Too little time, available data is underused

Small business relevance

Very slow IT processes

Little active use in many fields

There is still a long way to go before data-driven decisions become a matter of course

KNOW-HOW:

Confidence in gut feelings instead of KPIs

Manpower

Know-how transfer

Competence across teams

ANALYSIS:

Lack of qualitative analysesenough

Low use of Insights

The existing data is not being examined deeply enough

Data evaluation partly on the basis of inconsistent data or incorrectly used measured variables

Preparation and readability of data, missing conclusions

Too many repetitive reports that need to be created manually

What are the future opportunities for Digital Analytics inside and outside your company?

In the evaluation of the aggregated data of **opportunities** for digital analytics within and outside the companies participating, there is an increasing emphasis on the **customer-oriented approach**. The **steady growth of technical tracking and data consolidation capabilities** provides sufficient coverage of the customer journey. In this way, customers can be better understood and addressed in a personalized way. The integration of **further tools**, in particular data visualizations, is increasingly being used. To increase the efficiency of the tools used, these tools are automated to the greatest possible extent. The distribution of company-relevant analytics data in the form of reports and/or analyses leads to **process optimization and increased efficiency**, which is perceived as an opportunity for the respondents. The **exchange of knowledge** between the individual departments offers exciting opportunities for further interface projects. The **measurability and scalability** of the data obtained is also seen as a competitive advantage.

CUSTOMER ORIENTED APPROACH & PERSONALIZATION:

Customer-oriented approach

Better understanding of the target group

Demonstrate user behavior, customer needs and user intent

Important tool for understanding the Customer Journey

Consolidation of data results in a complete Customer Journey

Provide a better offer for customers

TRACKING- & TOOL-EXTENSIONS:

GA360, data visualization tool

Data visualization

Multi-Device Tracking

Better linking of digital analytics and database figures from other sources (offline)

Tracking systems are becoming more and more sophisticated, so that data collection, e.g. via offline channels, is constantly improving

PROCESS OPTIMIZATION & EFFICIENCY INCREASE:

Increased efficiency through automation

Even stronger integration with other marketing disciplines

More revenue with less effort and higher customer satisfaction

The merging of marketing, including pricing and supply chain management

By passing the data on to other departments, they can also adapt their activities accordingly (e.g. social recruiting), and this opens up exciting possibilities for interface projects

MEASUREMENT & SCALABILITY:

Marketing efficiency

KPI-based control of activities

Achieve better range

More efficient data delivery and analysis processes

Competitive advantage through demonstrable statements in consulting

Which future risks do you see for Digital Analytics? Which topics can hinder further development?

The **biggest risk factors** seen by companies continue to be statutory regulations such as the **General Data Protection Regulation (GDPR)**. In addition, cookie blockers also have a negative effect on data quality. As a result, the customer journey, for example, cannot be adequately mapped. Should this trend of cookie blockers continue to develop negatively from the point of view of the user or browser, it will become more and more difficult for companies to understand customers (interests) and/or to display personalized content. The **technical hurdles** mentioned are counted as risks for 2019 by 16 percent of the participants.

LEGISLATION & PRIVACY:

Privacy restrictions

Restrictions in database possible due to ePrivacy

The DSGVO has unsettled many and made the topic unclear

Cookie Blocking

DSGVO and skeptical customers

TECHNICAL HURDLES:

Increasingly more users with tracking protection

Adblocking

Risks from the slowness of technical implementation

Cookies are less and less accepted by users and browsers

DATA QUALITY:
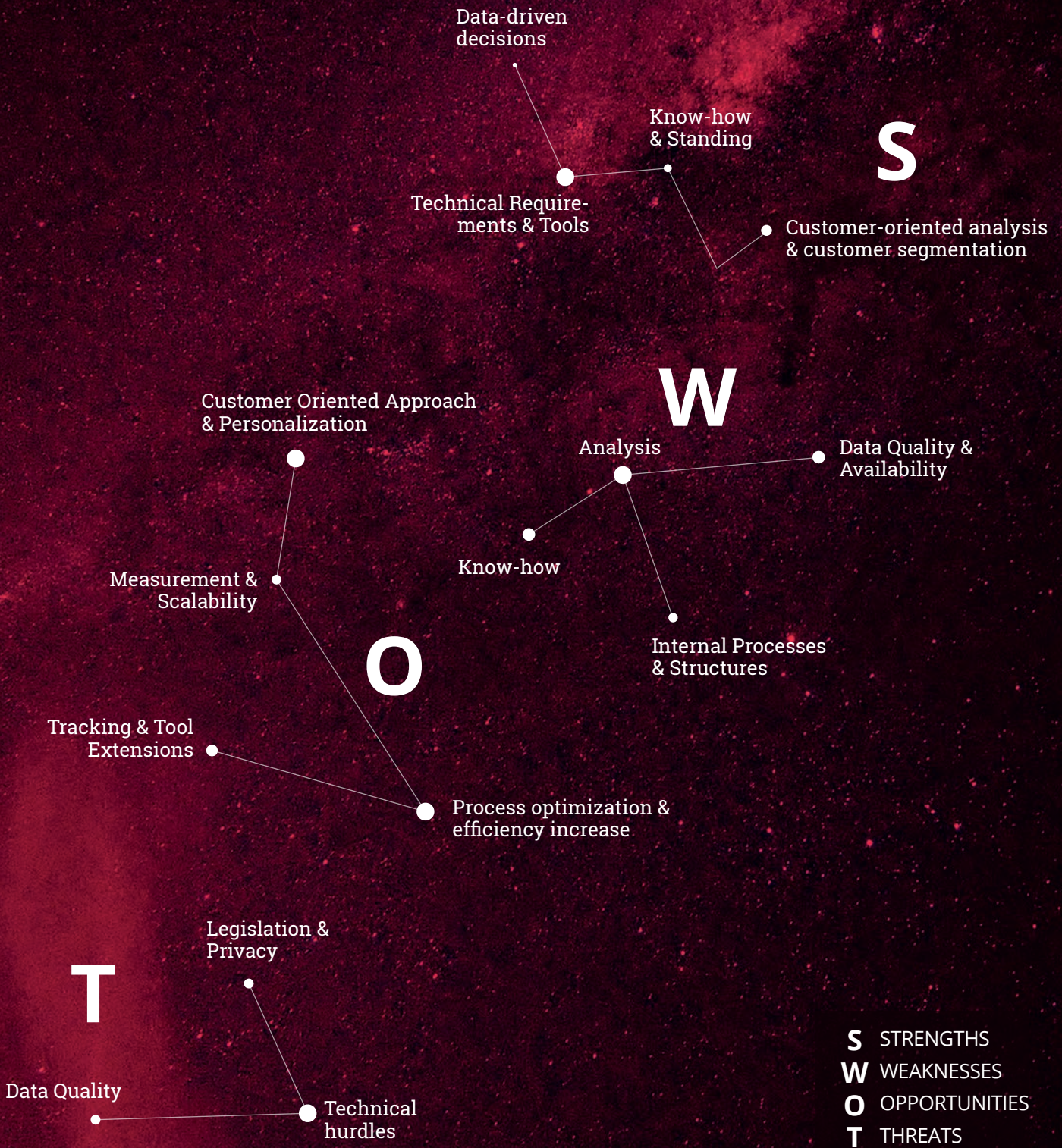
Data comes from different tools

Decreasing data quality

Whenever new buzzwords are being sought

Increasingly complex marketing tool landscape

Lack of trust in the collected data and quality of the raw data

Summary of the SWOT analysis

S

Data-driven decisions

Know-how & Standing

Technical Require- ments & Tools

Customer-oriented analysis & customer segmentation

W

Customer Oriented Approach & Personalization

Analysis

Data Quality & Availability

Know-how

Measurement & Scalability

Internal Processes & Structures

O

Tracking & Tool Extensions

Process optimization & efficiency increase

T

Legislation & Privacy

Data Quality

Technical hurdles

S STRENGTHS
W WEAKNESSES
O OPPORTUNITIES
T THREATS

23

A CONVERSION SAVED IS A **CONVERSION EARNED.**

On 06 November 2019 the 8th **Analytics Summit** takes place in Hamburg.

www.analytics-summit.de

An event by **Trakken** {web services}

RESPONSIBILITY & BUDGET.

Digital Analytics

Who is responsible for Digital Analytics in your company?

The (online) marketing departments are responsible for **42 percent of Digital Analytics' activities**. Over one-third of the companies already make use of digital analysis within an independent **digital analytics department** (24%) and a **business intelligence department** (14%). Because of the increasing amount of qualitative data and the complexity of data analysis, new corporate departments such as Business Intelligence (BI) have been developed. By now, 14 percent of the companies surveyed use their analytics know-how within their own BI department to evaluate complex data sets. No changes can be observed in the **eCommerce** (7%), **IT** (4%) and **External (Agency)** (1%) sectors as compared to the previous year.
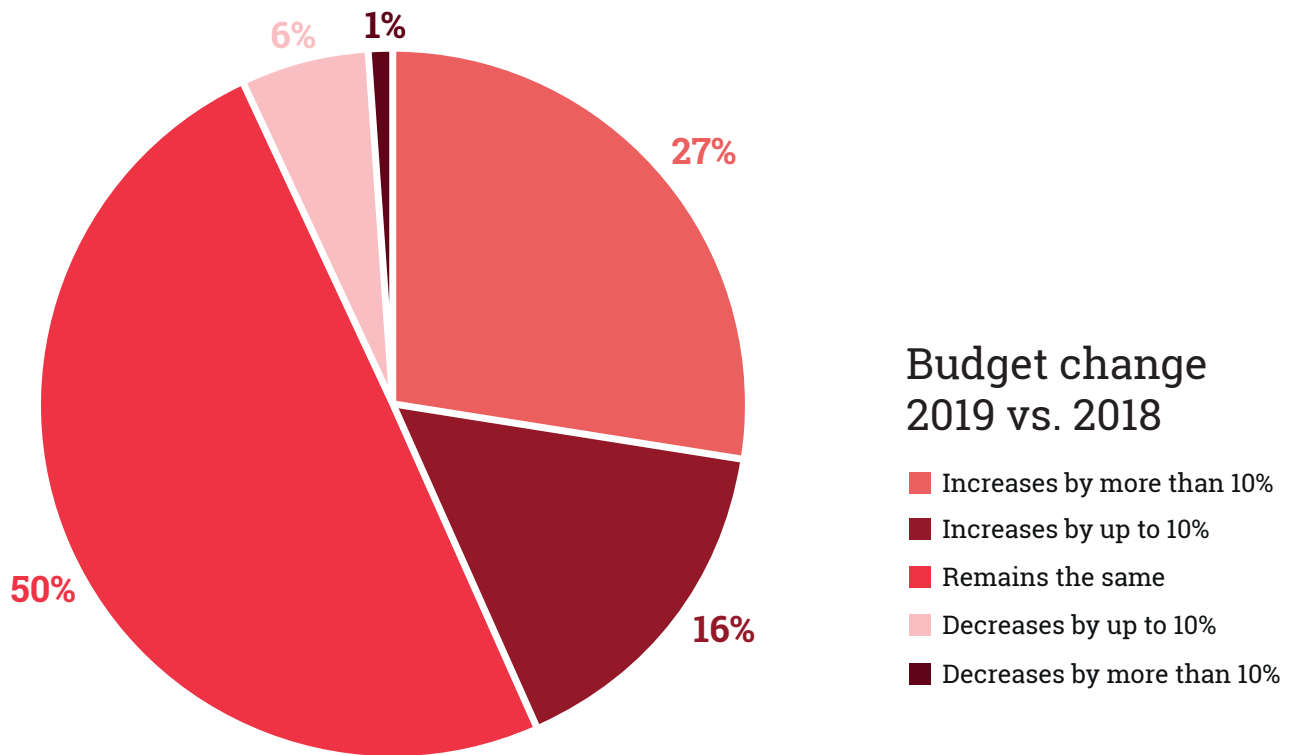
„14% of companies are already using the potential of digital analysis within a BI department."
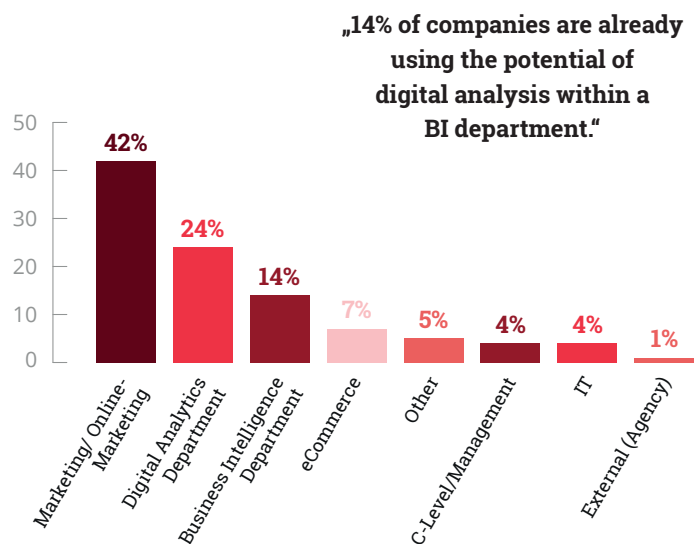
What percentage of the marketing budget will be allocated to Digital Analytics in 2019?

Data-driven marketing decisions are constantly increasing. This increases the relevance of digital analysis for companies, especially those of the marketing departments. **Nearly three-quarters of companies already allocate up to 10 percent of their marketing budget to digital analysis.** However, it was not possible to further increase the share of this category year-on-year. An increase of 2% points (2019:12; 2018:10%) could only be observed for the budget share category ">20%". The budget category "10-20%" is declining this year. In 2018, 19 percent of those surveyed in the Digital Analytics department were satisfied with a marketing budget of 10%-20%, whereas in 2019 only 17 percent of those surveyed were.


■ < 10%	■ 10 - 20%	■ > 20%
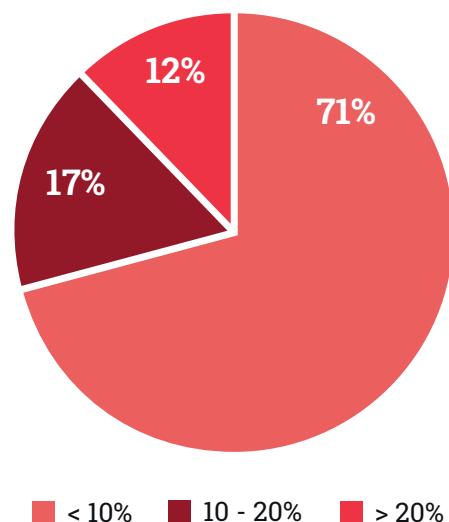
How will the Digital Analytics budget for 2019 change compared to 2018 in your company?

Budget change
2019 vs. 2018

- Increases by more than 10%
- Increases by up to 10%
- Remains the same
- Decreases by up to 10%
- Decreases by more than 10%

43 percent of companies report an increase in their digital analytics budget. Of this, almost one-third is attributable to a budget increase of more than 10 percent. A further 16 percent can be attributed to an increase of up to 10 percent.

The development of the last years (2017 -2019) shows a decrease in the increase of the budget. The proportions in the distribution of budget cuts have also shifted. In the 2018 vs.

2017 evaluation, the budget reduction was 3 percent, while in the current 2019 vs. 2018 study it was already 7 percent. A comparison of the analysis periods shows that every one in two companies surveyed does not plan any budget changes for this year. There will be a significant increase in this year's decision to maintain a constant budget distribution.


- 2019 vs. 2018
- 2018 vs. 2017
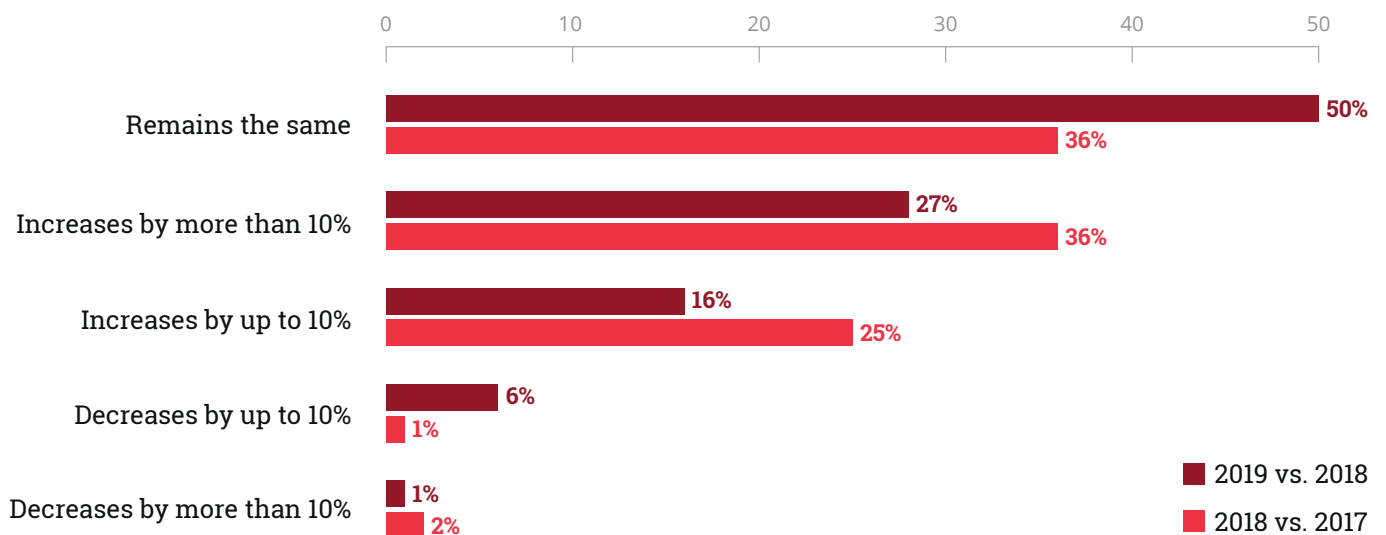
MARKETING-ATTRIBUTION & BUDGET ALLOCATION.

Digital Analytics

———

As in previous years, companies need to find a business adequate attribution model and optimal budget allocation.

The approach to corporate marketing attribution requires an accurate and complete technical setup.
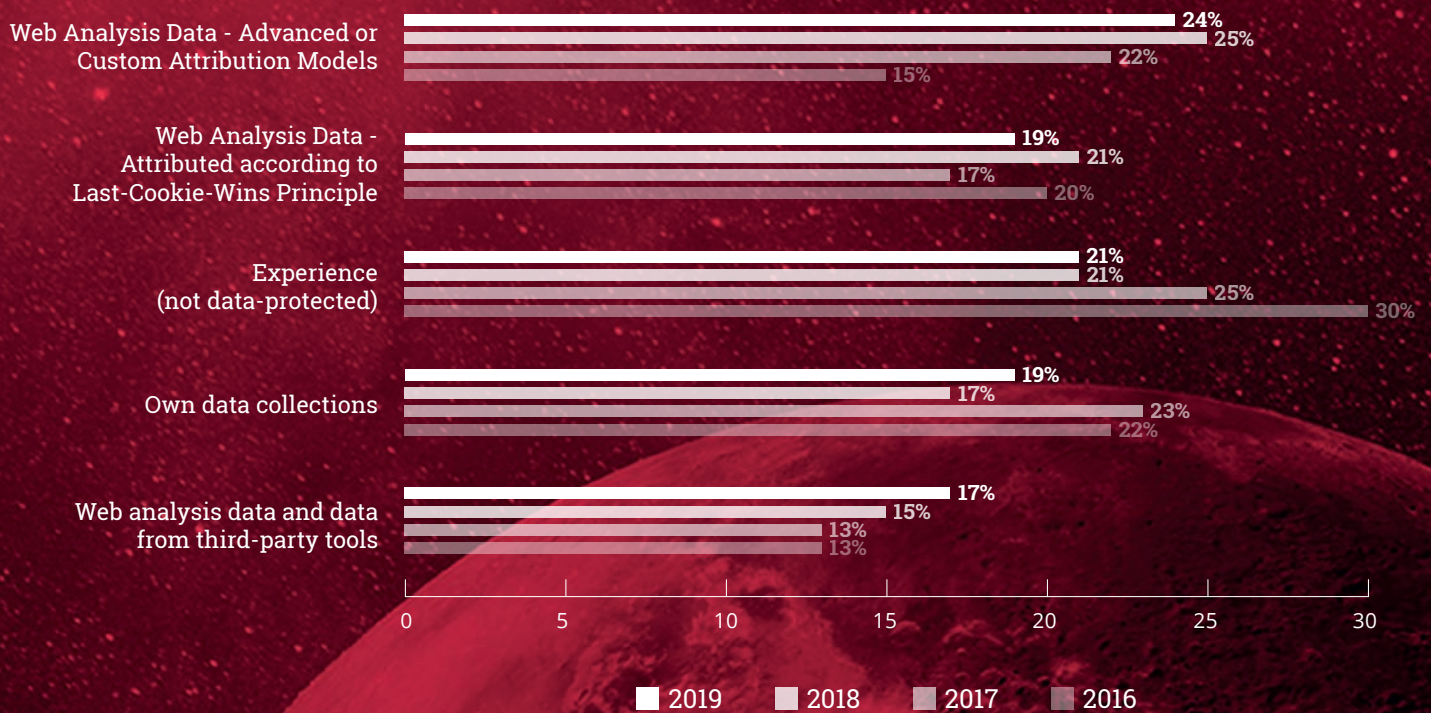
How do you rate your marketing attribution setup?

4%
very good

28%
well

41%
undecided

19%
creeps

8%
very bad
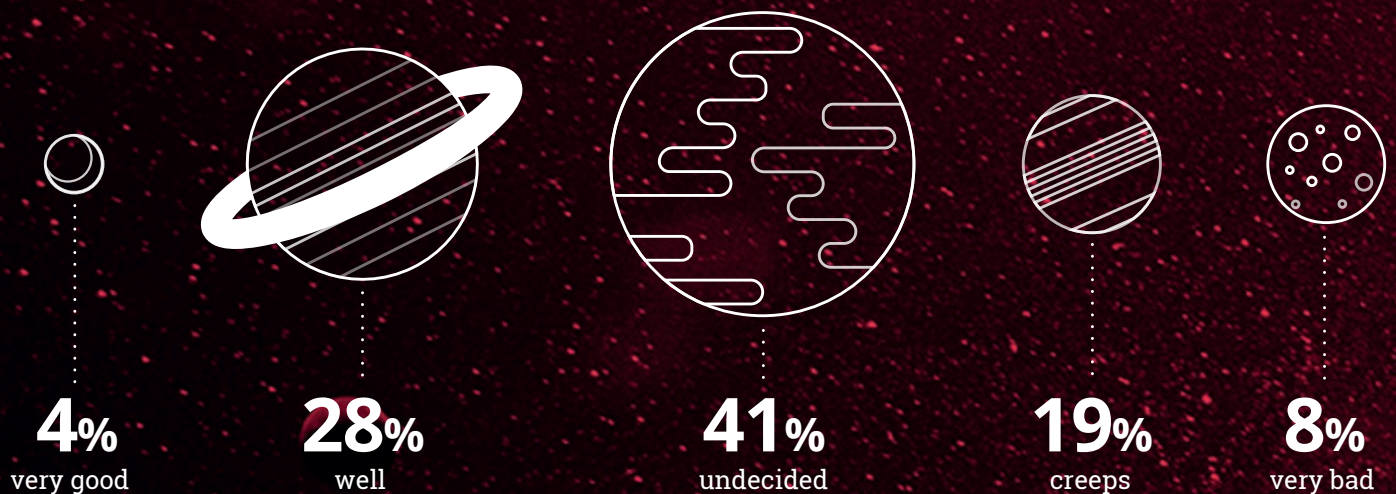
When evaluating the technical implementation for marketing attributes, 41 percent of respondents rated their attribution model as "undecided". Only one-third of the respondents are satisfied with their own setup. The proportion of these companies rated their technical implementation as "good" (28 percent) and "very good" (4 percent). Another one-third reported an inadequate attribution setup and identified great potential for optimization.
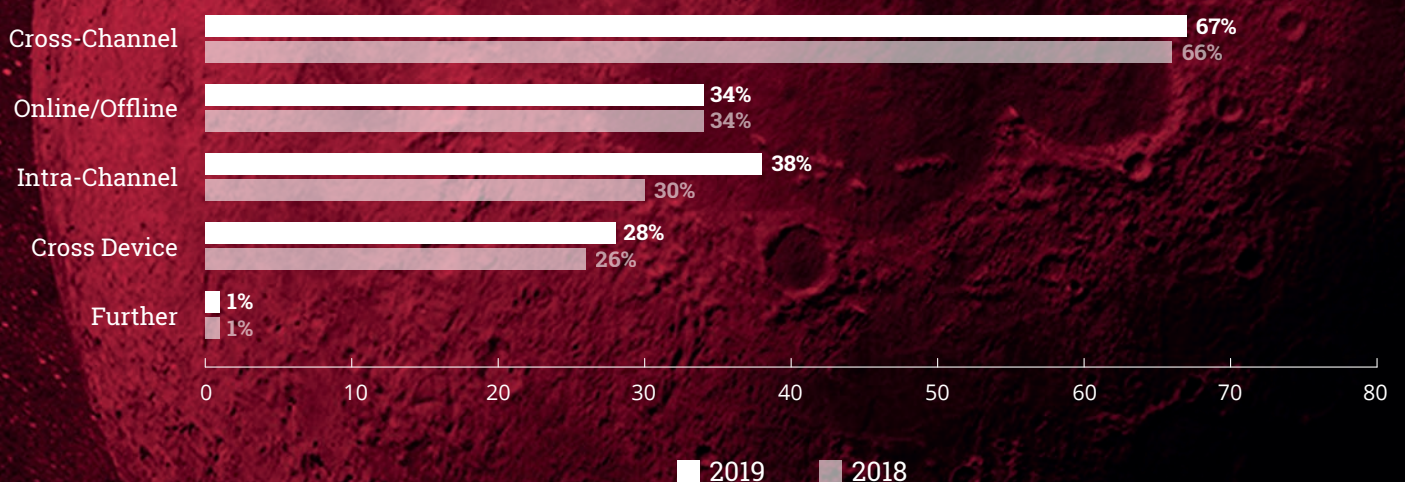
On what basis do you currently allocate your digital marketing budget?

Web Analysis Data - Advanced or Custom Attribution Models
- 2019: 24%
- 2018: 25%
- 2017: 22%
- 2016: 15%

Web Analysis Data - Attributed according to Last-Cookie-Wins Principle
- 2019: 19%
- 2018: 21%
- 2017: 17%
- 2016: 20%

Experience (not data-protected)
- 2019: 21%
- 2018: 21%
- 2017: 25%
- 2016: 30%

Own data collections
- 2019: 19%
- 2018: 17%
- 2017: 23%
- 2016: 22%

Web analysis data and data from third-party tools
- 2019: 17%
- 2018: 15%
- 2017: 13%
- 2016: 13%

Legend: ■ 2019 ■ 2018 ■ 2017 ■ 2016

Developments in recent years (2016 - 2019) show fluctuations in the choice of allocation method. A positive downward trend can be seen in budget decisions **based on experience (2019:21%; 2016:30%)**. One-quarter of the respondents use their own heuristic or extended attribution models due to increasing data quality and consolidation. Classical attribution according to the **last-cookie-wins principle** (19%) continues to rank second.

This allocation method underlies most web analytics tools and is widely used by businesses. As trends in data-driven budget decisions evolve, **Web analytics data and third-party tools** are increasingly being used for making budget decisions. In the meantime, 17 percent of the participating companies use data from these tools for their decision-making and have ensured a continuous increase of 4 percentage points since 2016

On which levels do you attribute?

Cross-Channel
- 2019: 67%
- 2018: 66%

Online/Offline
- 2019: 34%
- 2018: 34%

Intra-Channel
- 2019: 38%
- 2018: 30%

Cross Device
- 2019: 28%
- 2018: 26%

Further
- 2019: 1%
- 2018: 1%

Legend: ■ 2019 ■ 2018

Attribution focuses very much on the cross-channel area. With a slight increase over the previous year, 67 percent of respondents used cross-channel attribution to evaluate their media-mix campaigns. The resulting findings are also used to optimize marketing campaigns. In addition, more than one-third of companies include **offline campaigns** in their marketing attributes. However, there is also an increase in attributions within channels that have to be taken into account by different providers or campaign levels in the budget decision. In a year-on-year comparison, the share of attribution at the intra-channel level rose by 8% points (2019: 38%; 2018: 30%). In addition, about one-third of the respondents had an attribution at cross-device level.

PERSONALIZATION & SEGMENTATION.

Digital Analytics

___

How granular do you divide your website users into segments/user groups (e.g. new customer vs. existing customer)?

More and more companies are using the extensive tracking possibilities and data links of various tools for customer-specific analyses. This results in sufficient knowledge to cluster users or customers and, if necessary, personalize them. In this way, marketing campaigns can also be controlled cost-efficiently. 80 percent of respondents already take advantage of the opportunity to create segments. Two-thirds of enterprises divide their users into 2-6 groups. Another one-third of the respondents created segmentation groups in the range of 6-10.
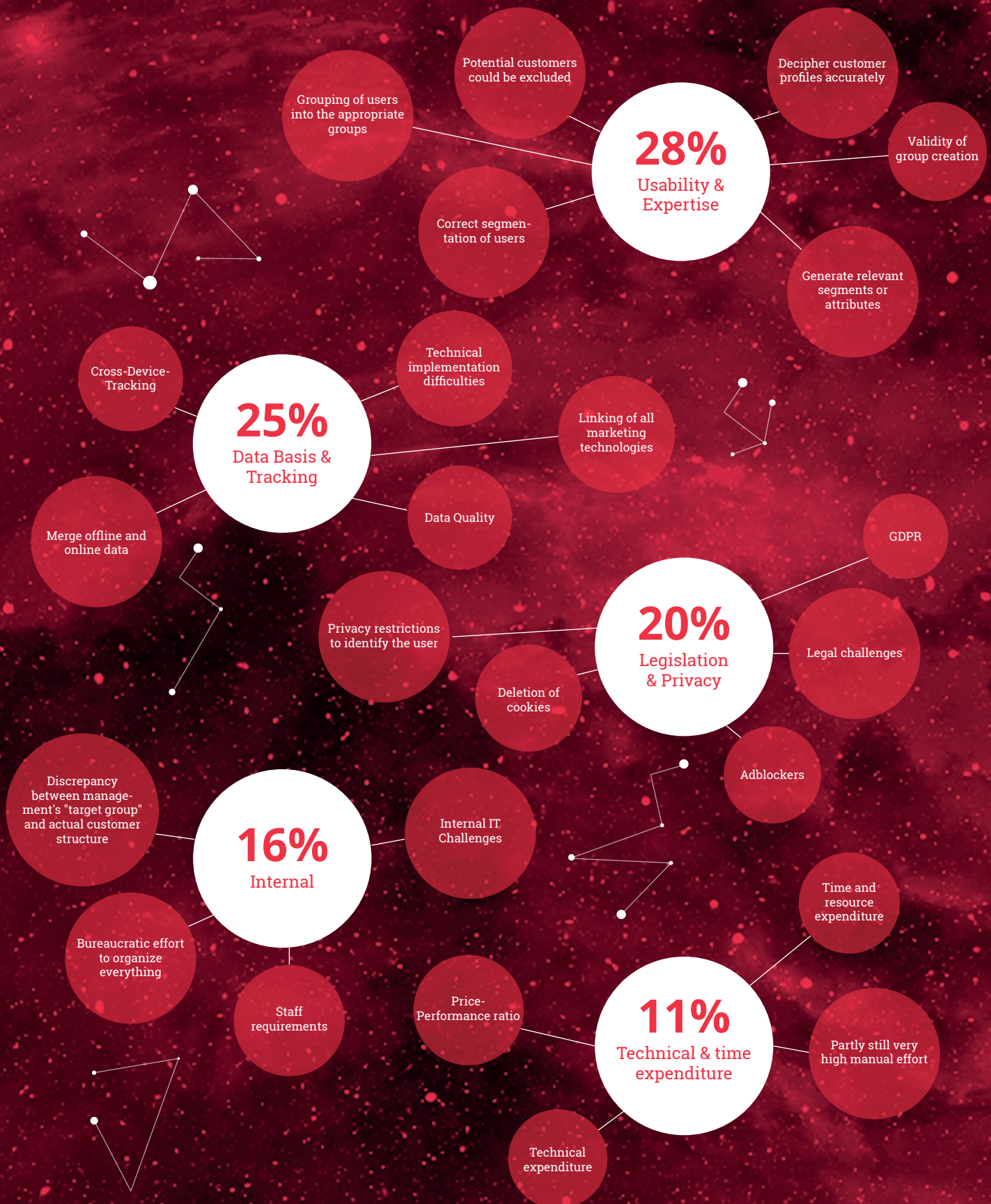
12%	59%	14%	15%

0   20   40   60   80   100

■ < 2 User groups   ■ 2 - 6 User groups   ■ 6 - 10 User groups   ■ > 10 User groups
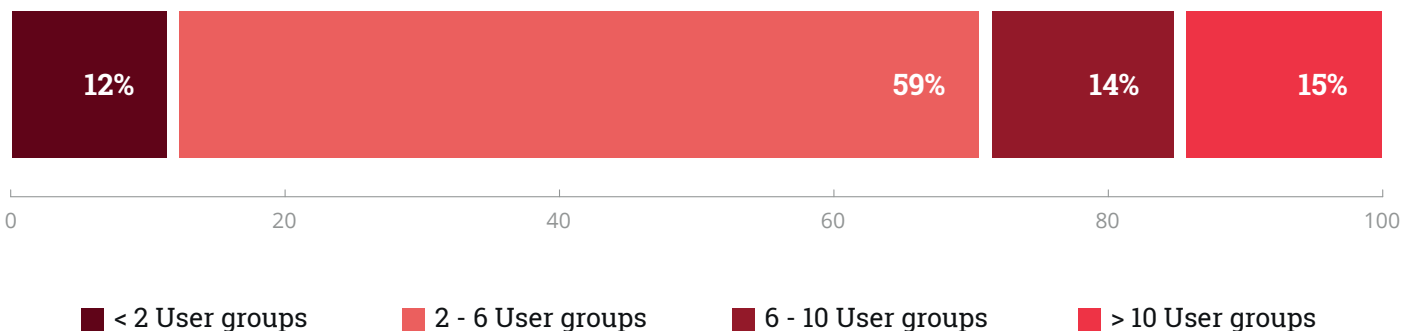
Through which marketing channels do your user groups receive personalized attention?

73% Newsletter	
61% Retargeting	
47% Bid Management	
46% Testing of websites	
42% Social Media	
23% Onsite Personalization	
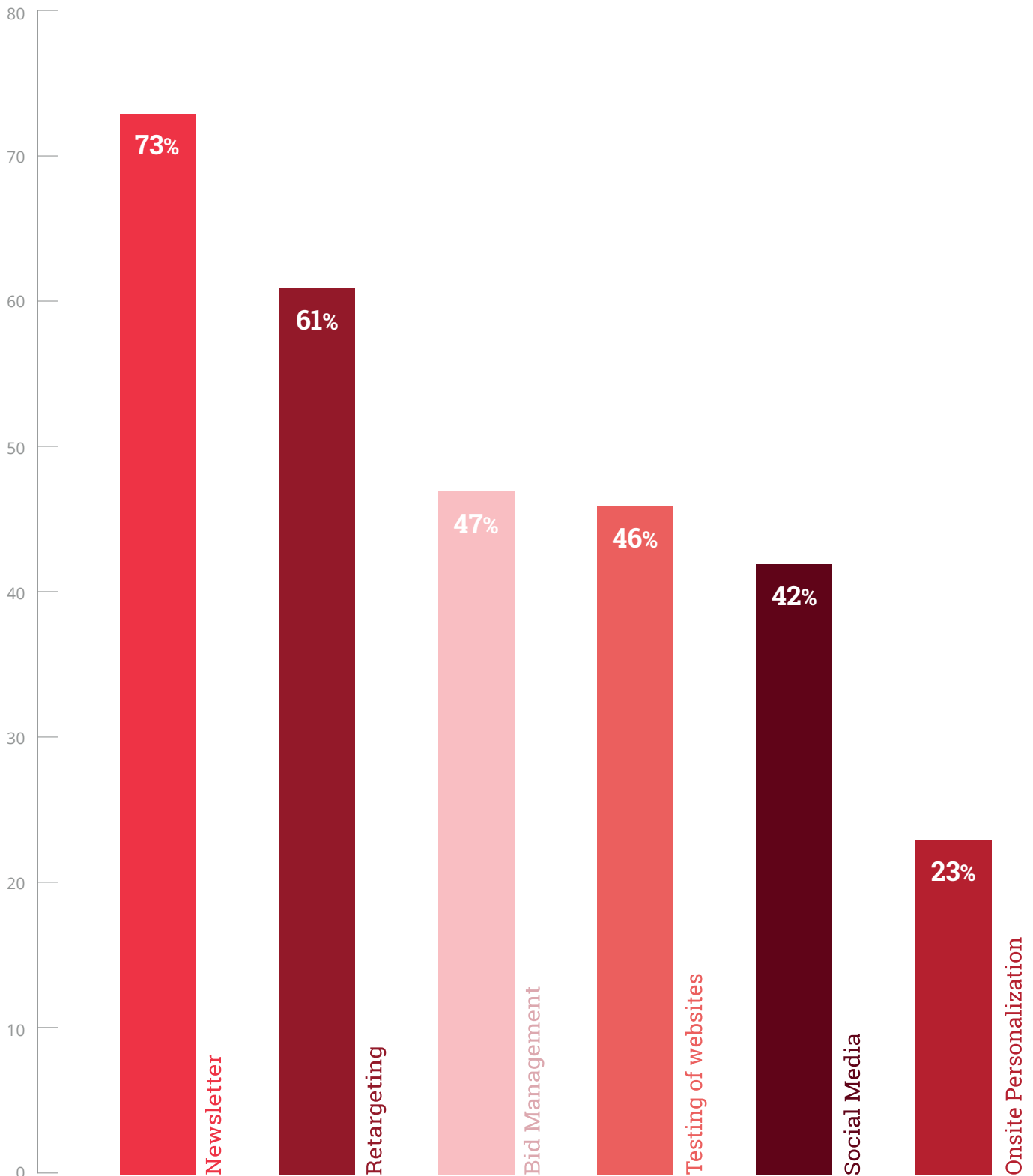
The analysis and creation of user groups is used in a variety of ways. Primarily personalized content is used for the marketing channel **newsletter** (73%). In addition, two-thirds of respondents already benefit from customer segmentation in **remarketing campaigns** to minimize wastage. As the customer segmentation functionalities increase, almost every one in two companies recognize the need for **bid management tools**. But segmentation is also frequently used for topics such as **website testing** (A/B tests), **social media** and **onsite personalization** (content personalization).

# What challenges do you see in the implementation of "user groups" and "personalization"?

Grouping of users into the appropriate groups

Potential customers could be excluded

Decipher customer profiles accurately

28%
Usability & Expertise

Validity of group creation

Correct segmentation of users

Generate relevant segments or attributes

Cross-Device-Tracking

Technical implementation difficulties

Linking of all marketing technologies

25%
Data Basis & Tracking

Data Quality

Merge offline and online data

GDPR

Privacy restrictions to identify the user

20%
Legislation & Privacy

Legal challenges

Deletion of cookies

Adblockers

Discrepancy between management's "target group" and actual customer structure

Internal IT Challenges

16%
Internal

Time and resource expenditure

Bureaucratic effort to organize everything

Staff requirements

Price-Performance ratio

11%
Technical & time expenditure

Partly still very high manual effort

Technical expenditure

The challenges that companies see in the implementation of user groups and personalization are unique. However, aggregated analysis allows topics to be identified and categorized. The **uncertainty of the respondents regarding the accurate creation and delimitation of user groups respondents** becomes particularly clear. The concern to exclude potential customers if necessary poses a challenge to companies. In addition, almost one-third of the respondents perceive the **data basis & tracking** as an obstacle. For example, insufficient data quality due to cross-device tracking or incomplete data links is an obstacle. The validity of data is also an important aspect for the participants of the study who have not yet created any user segments. For 35 percent of these companies, tracking and data basis are the most important barriers. Dealing with the above-mentioned topics in order to be able to make optimum use of customer segments is associated with high **technical and time delay** for about 12 percent of the participants. Neither the expenditure of

resources nor the associated price/performance ratio is sufficient. In addition, one in five companies is affected by **legislation**. Even companies that do not yet use user segments mention the legal challenges as accounting for 15 percent.

Data protection is not only an obstacle to topics such as "customer segmentation". **In general, 59 percent of the companies surveyed consider legislation to be an obstacle.** General Data Protection Regulation GDPR), AdBlocker, the deletion of cookies, etc. are important issues that have a negative impact on digital analysis and are seen as an obstacle for the year 2019 as well.

Is the topic "data protection" an obstacle for your company?
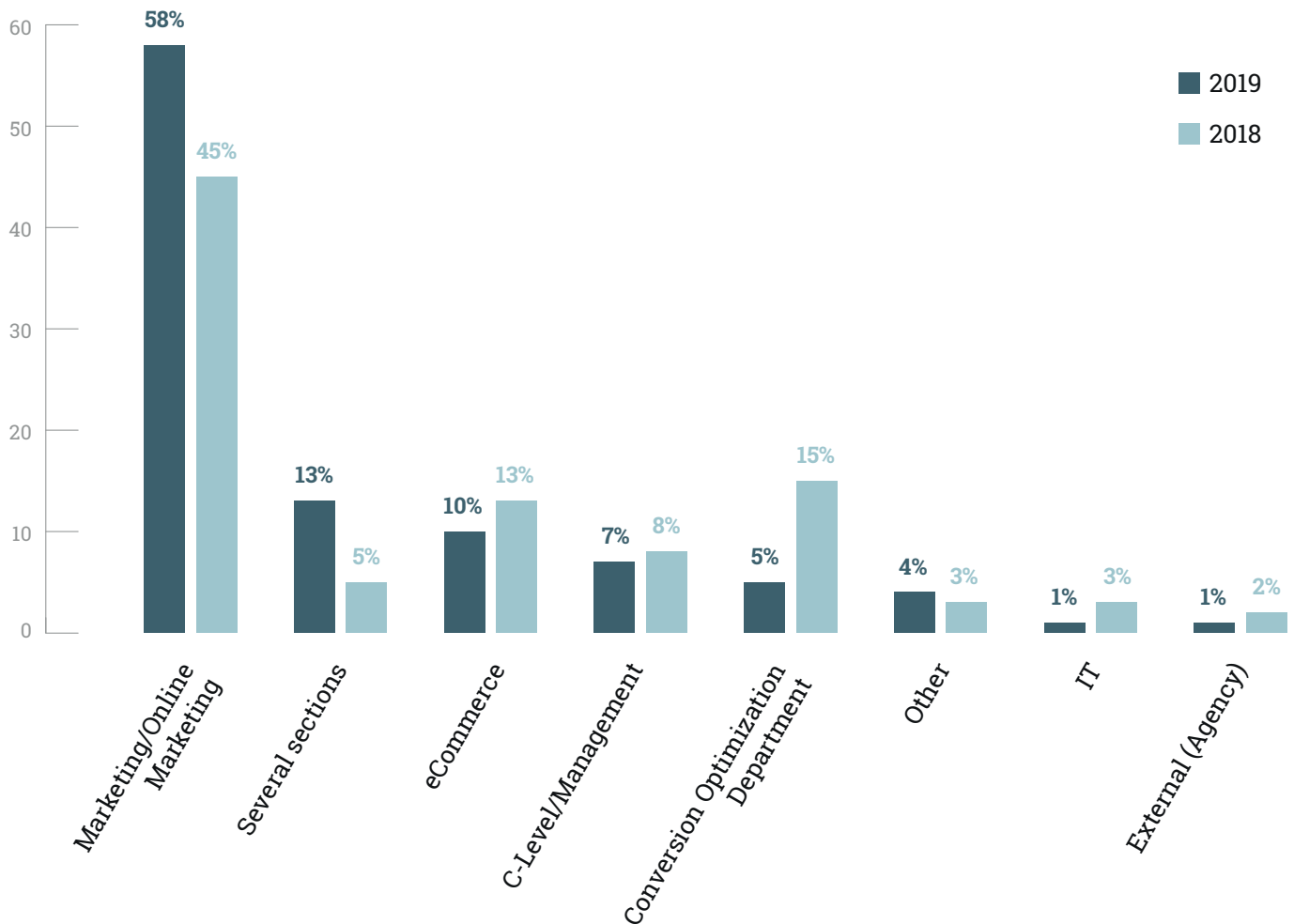
Data Protection
as an obstacle

No

41%

59%

Yes
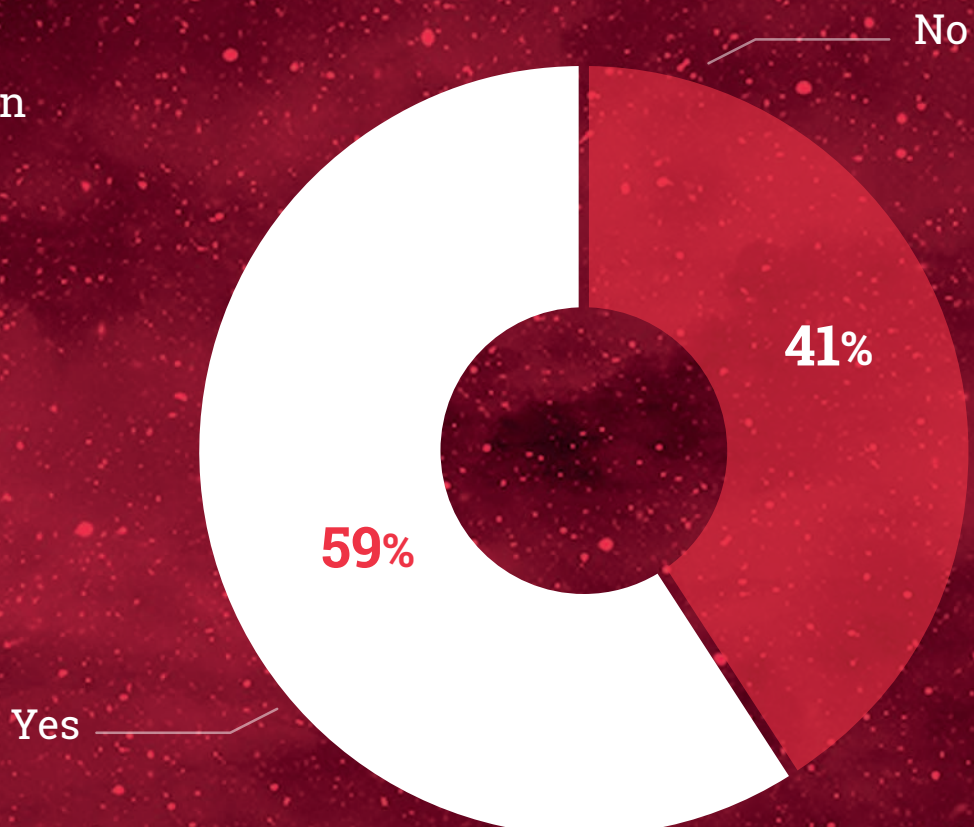
# RESPONSIBILITIES & BUDGET.

Conversion Optimization

Who is responsible for Conversion Optimization in your company?

Nearly two-thirds of the respondents said that Conversion Optimization was the responsibility of the marketing department. This represents an increase of 13 percentage points over the previous year (2019: 58%; 2018: 45%). In addition to the increasing allocation to the marketing area, it is evident that in some companies, the responsibility for Conversion Optimization is increasingly divided among several depart

ments. (2019: 13%; 2018: 5%). On the other hand, the proportion of company-owned dedicated Conversion Optimization departments (2019:5%; 2018:15%) and the proportion of responsibility for Conversion Optimization in the areas of **eCommerce** (2019:10%; 2018:13%), **C Level/Management** (2019:7%; 2018:8%) and IT (2019:1%; 2018:3%) appears to be declining. In addition, the use of **external agencies** has declined (2019:1%; 2018:2%).

Do you work with an external agency on your Conversion Optimization projects?

48%

No,

we do everything
in-house.

52%

Yes,

we work together
with an external
agency.

| 0 | 20 | 40 | 60 | 80 | 100 |
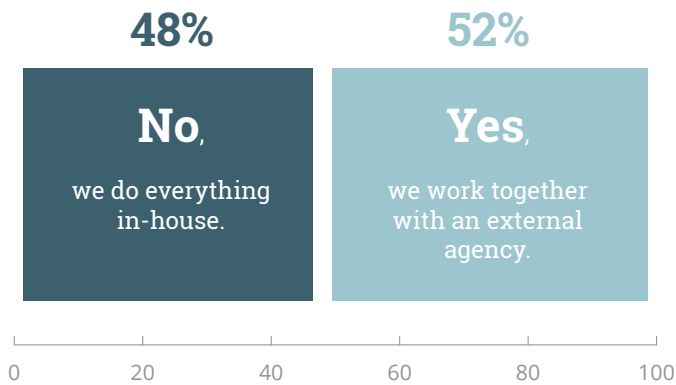
More and more often, the implementation of projects in the area of Conversion Optimization relies on the support of an external agency. Compared to the previous year, the share rose by 11 percentage points (2019: 52%; 2018: 41%). Overall, **every one in two companies cooperates with external agencies, while 48 percent assume complete responsibility for the topic in-house.**

What percentage of the marketing budget will be allocated to 1.3 in 2019?

2019

5%

36%

59%

2018

4%

30%

67%

■ < 10%   ■ 10 - 20%   ■ > 20%
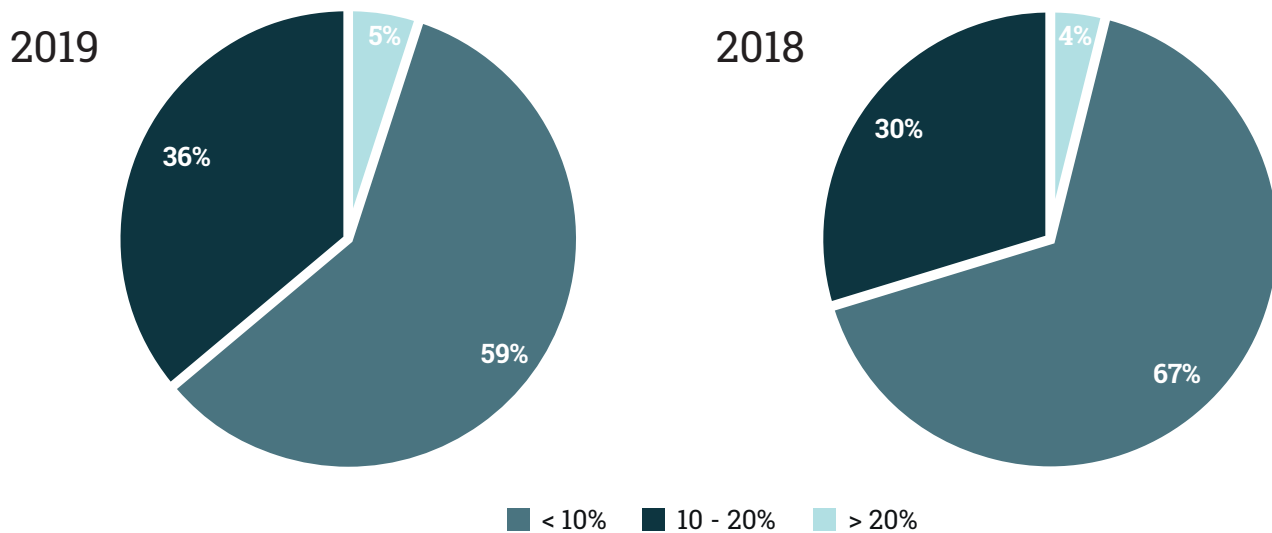
The analysis of the budget distribution for the Conversion Optimization segment, measured against the overall marketing budget, shows a positive development. The increasing relevance for this task area causes an increase in the categories „10-20%" and „>20%". The budget range of „10-20" % in particular rose by 6 percentage points this year. Despite the marginal share of the budget category „>20%", the marketing share rose by a total of 1 percentage point year-on-year. In contrast, the budget share of the „<10%" category fell to 59% (2018): 67%).

How will the Conversion Optimization Budget 2019 change compared to 2018 in your company?

One in two companies surveyed is already planning to increase its budget for 2019. The proportion of respondents with a budget increase of more than 10 percent rose by a further 6 percent points year-on-year. No further change is planned for a further 43 percent. Only 4 percent of the study participants expect a budget reduction.

1% Decreases by more than 10%

3% Decreases by up to 10%

43% Remains the same

26% Increases by up to 10%

26% Increases by more than 10%
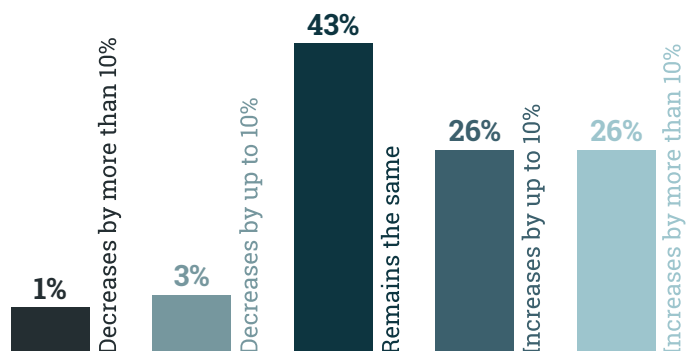
TEST CONCEPTS TOOLS & KPIS.
Conversion Optimization

———

Testing Tools - Which tools do you use to perform your tests?
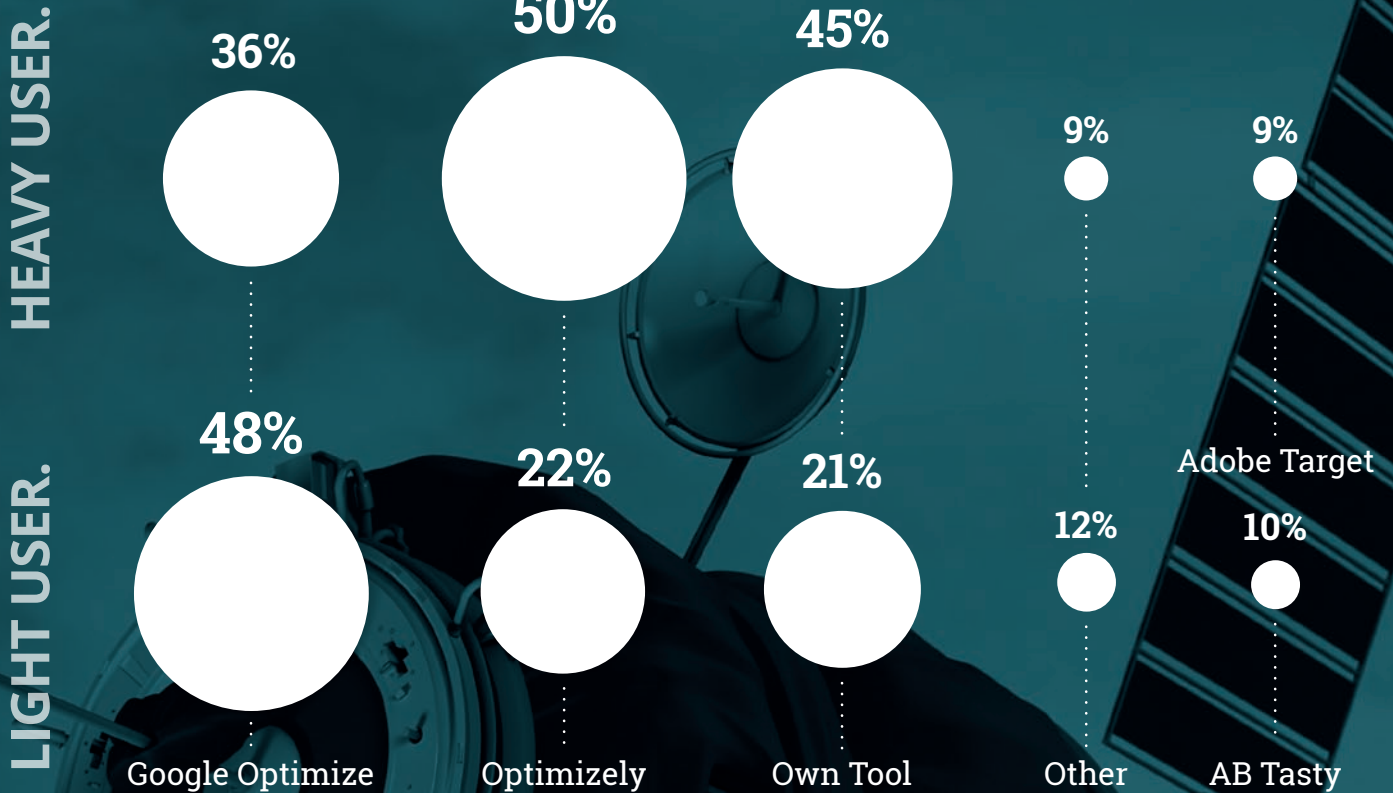
The survey shows a large selection of possible testing tools. Noteworthy is a year-on-year shift in the use of tools. The Top 3 Testing Tools 2019 include **Google Optimize** (45%), **Optimizely** (29%) **and the use of proprietary testing tools** (27%). This year, with a clear lead, Google Optimize occupies the first place among the testing tools used. Although last year, 34 percent of respondents preferred Google's solution, this

year, nearly half of the participants (45%) did so. One possible reason for the rapid increase is the coverage of extensive basic functions of the free version of Google Optimize. With a significant decline of 16% points, **Optimizely** ranks **2nd**. The testing tools **Oracle Maxymiser** (2019) also recorded further losses in usage figures: 1%; 2018: 7%) and **Visual Website Optimizer** (VWO) (2019: 6%; 2018: 15%).
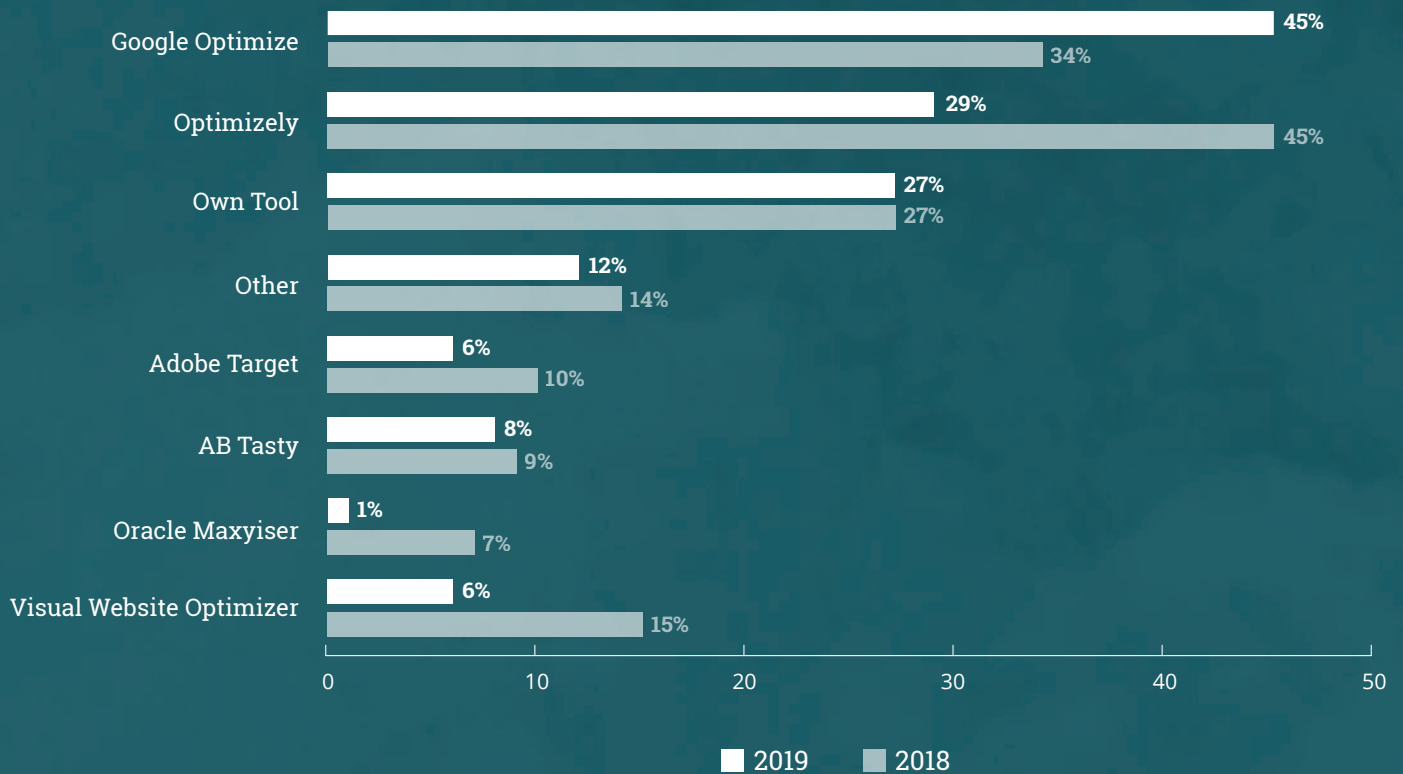
The use of testing tools depending on the test frequency shows a new prioritization. It is interesting to look at **heavy users, i.e. all respondents who** carry out **at least 5 tests per month**. Here, too, the three tool solutions mentioned above prevail. However, **Optimizely** (50%) is the leader among this

user group. Ranked 2nd and 3rd are an **proprietary tool** (45%) and **Google Optimize** (36%). Among the **light users, i.e. all respondents with max. 4 tests per month, Google Optimize** (48%) is at the top and replaces **Optimizely** (22%) in 2nd place.
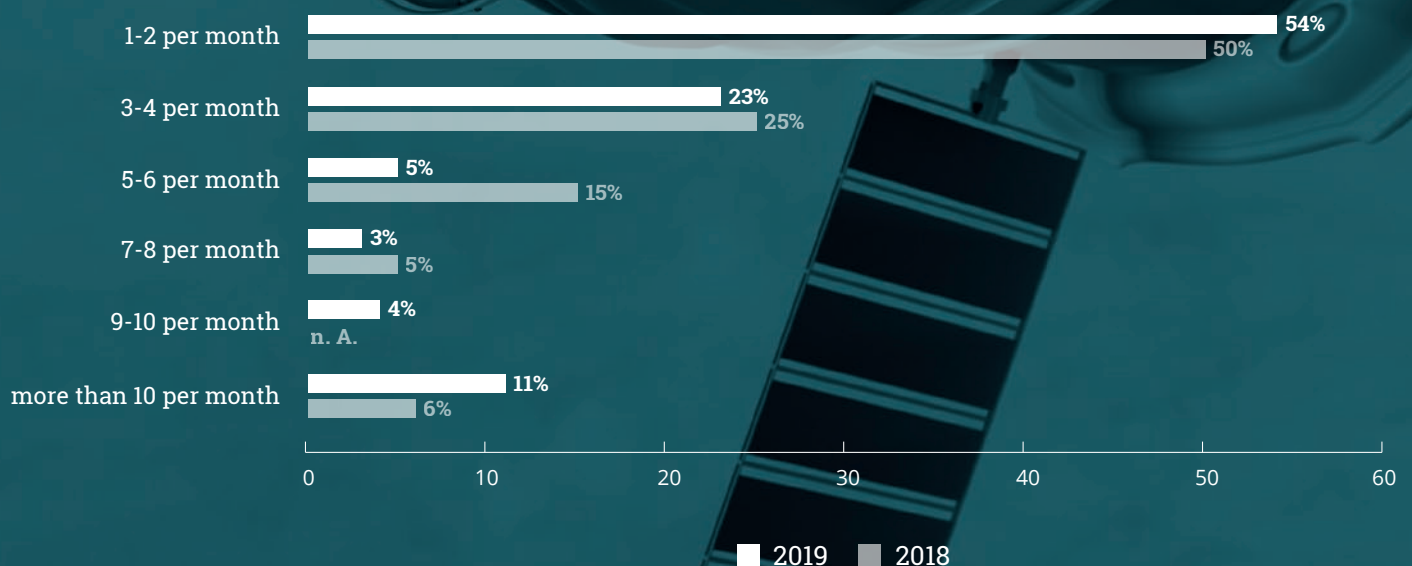
HEAVY USER.

36% 50% 45% 9% 9%

Adobe Target

LIGHT USER.

48% 22% 21% 12% 10%

Google Optimize   Optimizely   Own Tool   Other   AB Tasty

Test frequency - How many tests do you usually run per month?

Three-quarters of companies usually carry out up to 4 tests per month. One in two of these companies tests at least 1-2 times a month, with an upward trend compared to the previous year. The frequency of 3-4 tests, on the other hand, drops to 23 percent.

The further test groupings between 5 and 10 tests per month are only considered by 12 percent of the respondents. The tendency among the participants is far more than 10

tests per month. This indicates a dichotomy in the testing frequency among companies. On the one hand, many companies generally deal with the subject of testing and carry it out at a smaller testing level. On the other hand, there is an ever-increasing number of companies that are more professional when it comes to testing and carry out more than 10 tests a month (2019: 11%; 2018: 6%). It was not possible to establish any verifiable dependencies between company size and test frequency..

	2019	2018
1-2 per month	54%	50%
3-4 per month	23%	25%
5-6 per month	5%	15%
7-8 per month	3%	5%
9-10 per month	4%	n. A.
more than 10 per month	11%	6%

■ 2019 ■ 2018

Test Procedures - How often do you use the following test procedures?

The **classical A/B testing is still the most frequently chosen test procedure of the interviewees**. One in two companies reported using this method „often", another one-third said it was used on a regular basis. More complex methods, such as **multivariate testing and personalization**, are less widely used. However, there are also signs of a positive development in these test procedures this year. The potentials of multivariate testing and personalization are recognized by more and more companies and this year lead to an increase in the testing frequency „always", by 4% points for multivariate testing (2019: 5%; 2018: 1%) and 5% points for personalization (2019: 6%; 2018: 1%).

A/B Testing

2019: 28%, 46%, 15%, 8%, 3%

2018: 38%, 40%, 19%, 2%, 2%

Multivariate Testing

2019: 5%, 9%, 34%, 29%, 23%

2018: 1%, 17%, 23%, 30%, 28%

Personalization

2019: 6%, 13%, 29%, 38%, 14%

2018: 1%, 18%, 22%, 28%, 31%

Legend: all the time | often | from time to time | rare | never
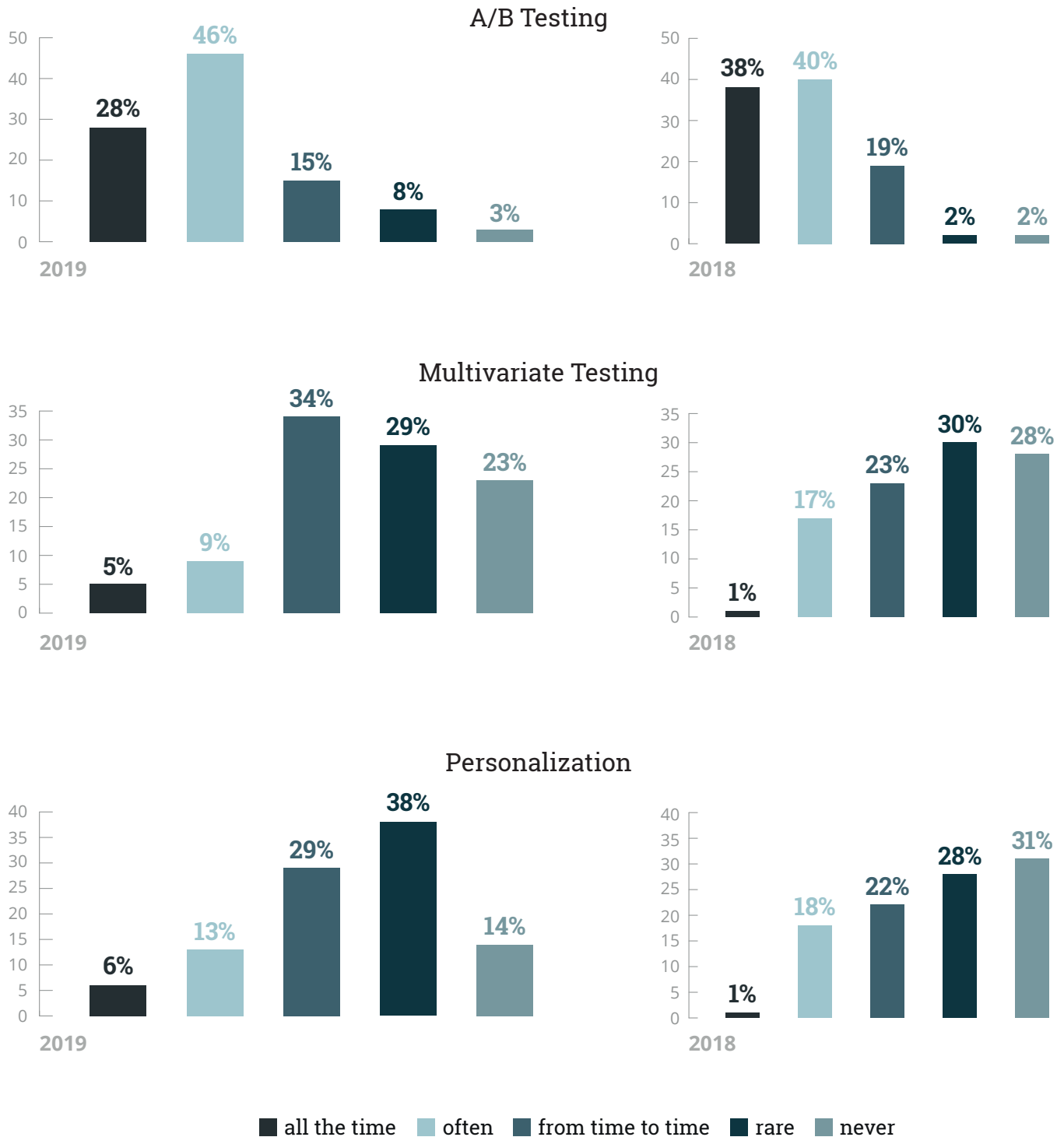
KPIs - Which KPIs form the basis of your tests?

Transactions are still **the most important KPI** to measure successful testing. In addition to transactions (70%), two-thirds of respondents mentioned both **clicks on an element** (e.g. CTA) and **turnover** (57%) occupying the subsequent positions. The evaluation of the KPIs does not reveal any major deviations in the ranking compared with that of the previous year.
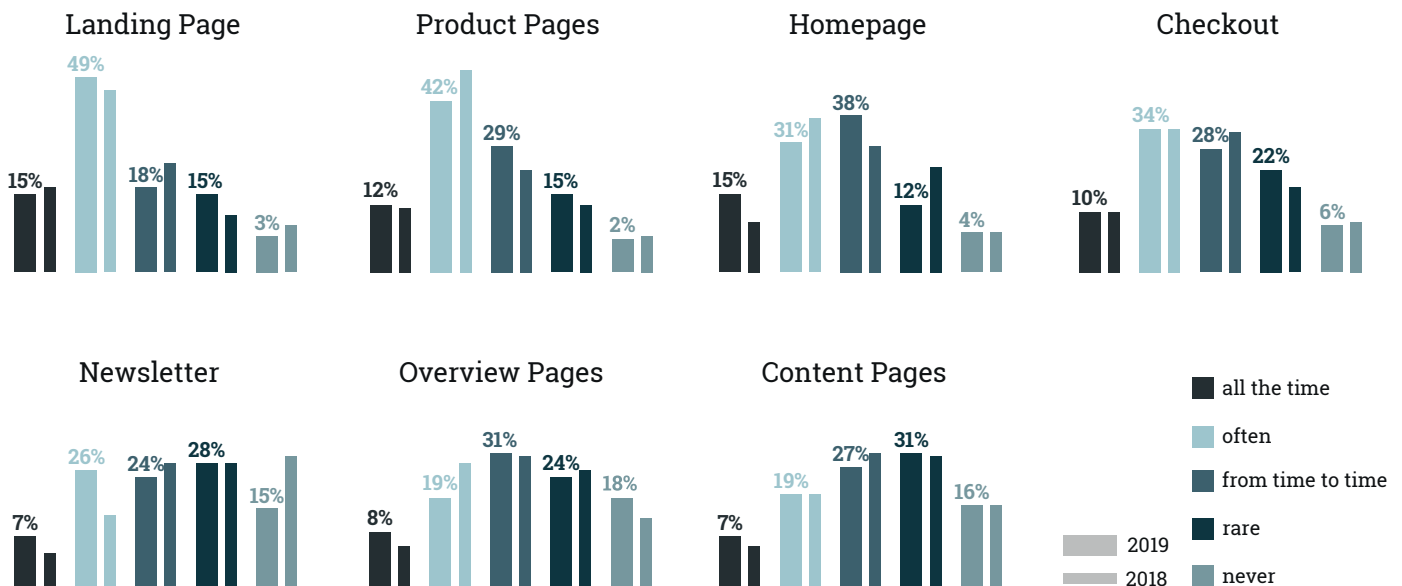
Only the target metrics from the area of customer loyalty, which include **newsletter subscriptions** (36%) and **registrations** (34%), have moved up their rankings this year. Looking at the overall picture, the selection of suitable target metrics focuses on the 5 KPIs mentioned above, as the „Other" area only accounts for a share of 2%.
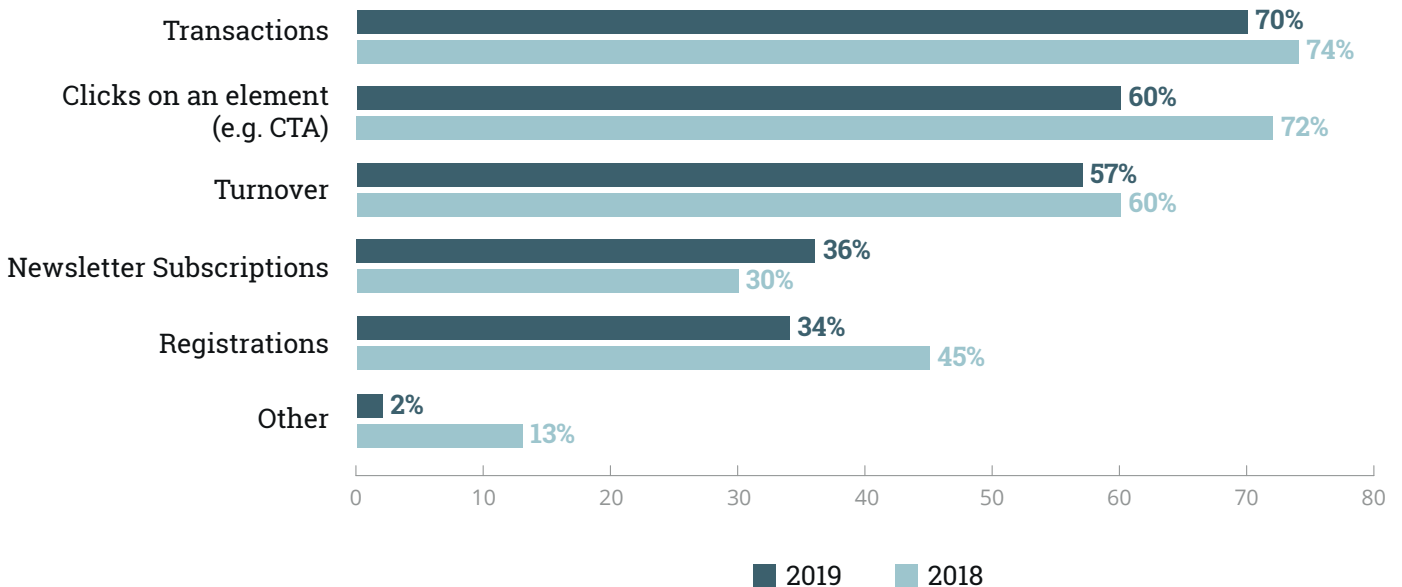
Page areas - How often do you run tests on the following page areas?

Evidence shows that companies test **most frequently on landing pages and product pages**. The home page is also a popular place to run tests. In annual comparison, the frequency test to be „always" perform on the home page increased by 8% points (2019: 15%; 2018: 7%). Another popular testing area is checkout. More than one-third of the respondents „often" carry out tests at checkout. More than one-third of the

respondents „often" carry out tests at checkout. This testing area **often offers a high optimization potential**, but also holds technical hurdles. The page areas **newsletter, overview and content pages** perform poorly in comparison to popular testing targets. They are „rarely" or „never" considered in their projects by more than 40 percent of the study participants.
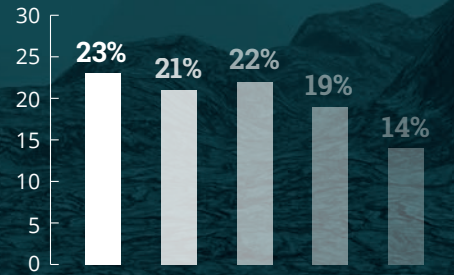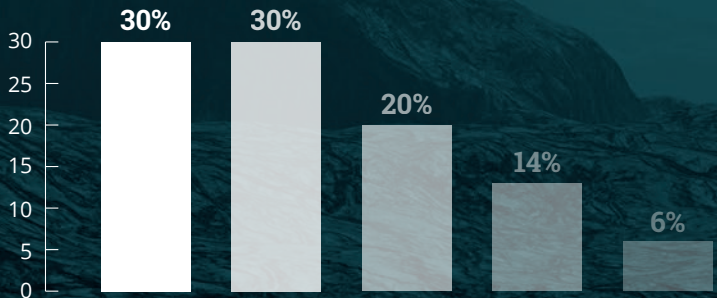
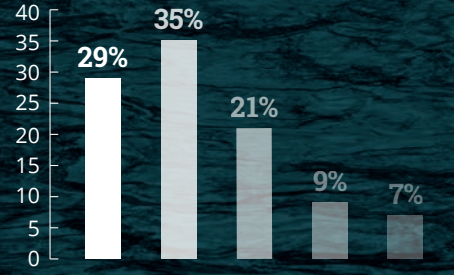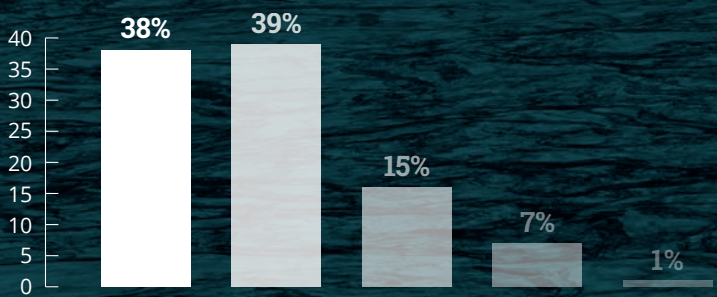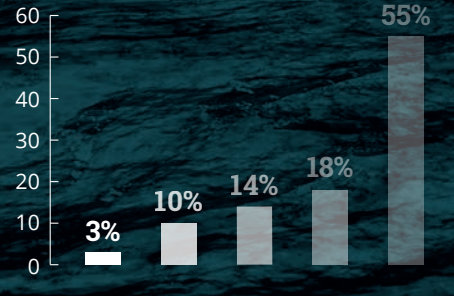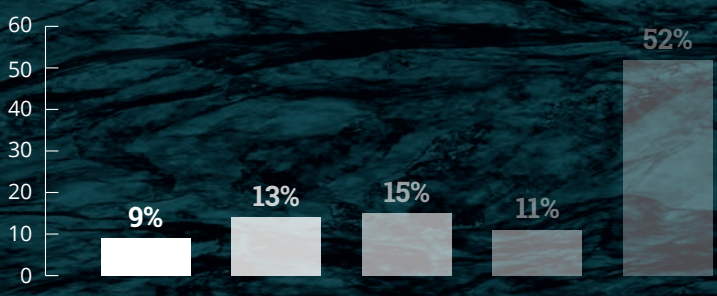## Devices - How often do you test the following devices?

Desktop

2019

52%	33%	10%	5%	0%

2018

54%	33%	9%	2%	2%

Tablet

2019

30%	30%	20%	14%	6%

2018

23%	21%	22%	19%	14%

Mobile Website

2019

38%	39%	15%	7%	1%

2018

29%	35%	21%	9%	7%

Mobile App

2019

9%	13%	15%	11%	52%

2018

3%	10%	14%	18%	55%
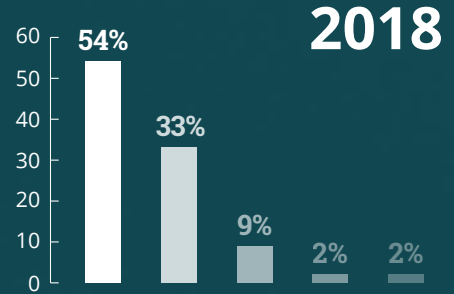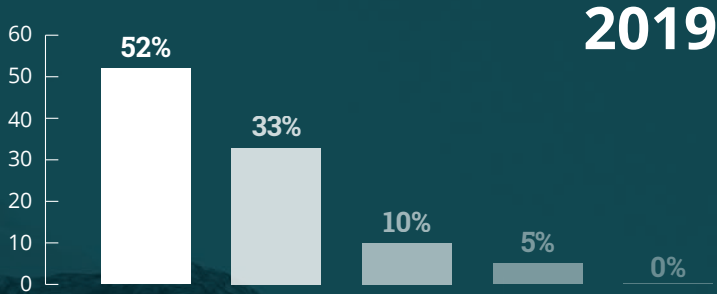
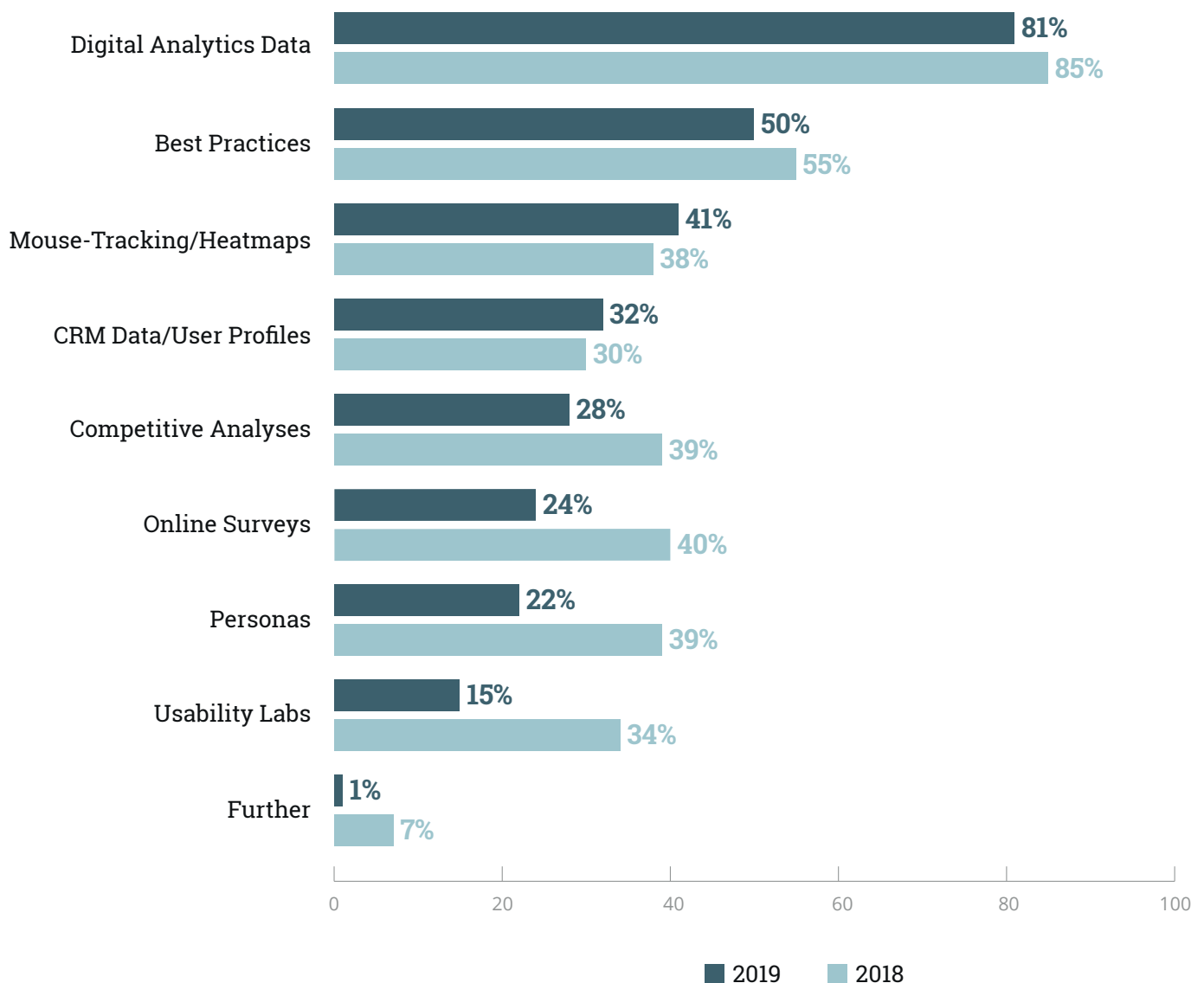■ all the time   ■ often   ■ from time to time   ■ rare   ■ never

Testing on the **Desktop** Device reveals a stable pattern compared to the previous year. There are hardly any shifts in testing habits to be seen here. For more than **half of the respondents, the execution of tests on desktop devices** is still indispensable, and more than 30 percent already „test often" there. These values are comparatively lower for the testing of **mobile websites**. However, in 39 percent of the study participants, tests are „often" carried out via a mobile website. Interesting, on the other hand, is **testing on tablets**. Compared to the previous year, they have become considerably more popular. Both the respondents who „always" test on this device (+7% points) and those who at least „often" test in this environment (+9% points) showed significant increases compared to the previous year. **Testing in mobile apps** shows hardly any changes. More than half of the respondents still state that they never test in the app.

Data sources - Which data sources do you use to design your tests?

This year, Digital Analytics is once again providing four out of five companies with the data basis required for Conversion Optimization. Thus, this data source is still well ahead of all other possible options. **Best practice experience** remains a top priority for orientation. Half of the interviewees use these to design their own tests. A slight **increase in the use of data** sources was recorded this year for mouse-tracking/heatmaps and CRM data/user profiles. Confidence in companies' own data and experience is increasing, leading to a decrease in **competitor analyses** (2019: 28%; 2018: 39%). However, qualitative data such as online surveys, **personas and usability labs were used much less frequently** than in the previous year.

Data source	2019	2018
Digital Analytics Data	81%	85%
Best Practices	50%	55%
Mouse-Tracking/Heatmaps	41%	38%
CRM Data/User Profiles	32%	30%
Competitive Analyses	28%	39%
Online Surveys	24%	40%
Personas	22%	39%
Usability Labs	15%	34%
Further	1%	7%

PROJECTS & CHALLENGES.

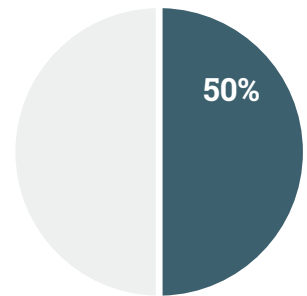## Conversion Optimization

___

Projects, topics, questions - Which projects, topics and questions are you working on related to Conversion Optimization in 2019?
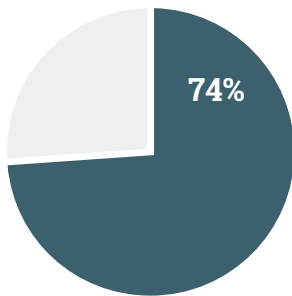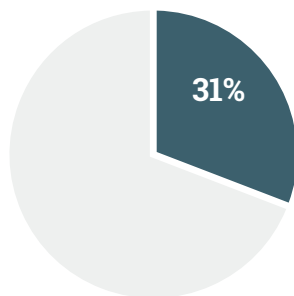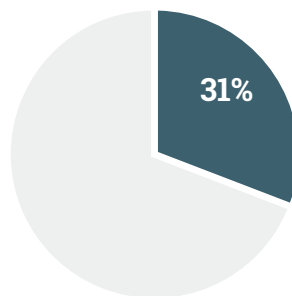

74%

User Experience

58%

Personalization

50%

Mobile Optimization

31%

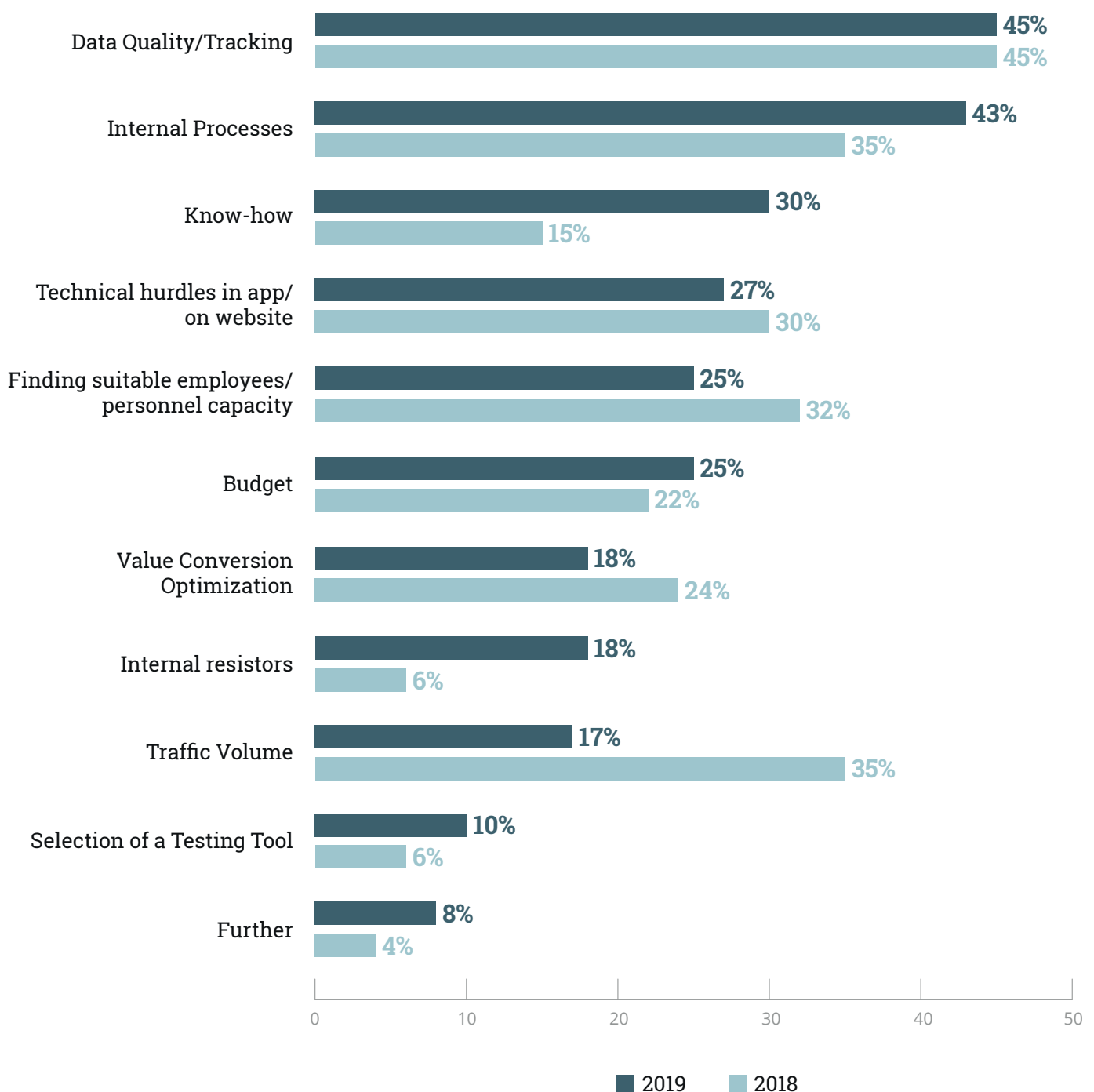Profesionalization

31%
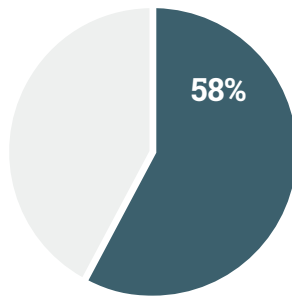
eCommerce

While last year the topic of personalization was regarded as the largest pending project, this has changed with the current survey. **Personalization is still an important topic for the respondents, but was replaced at the top by the answer „User Experience".** This could represent a holistic approach to conversion optimization, as the user experience can be seen as an intersection of different areas. Likewise, **Mobile Optimization** was mentioned more frequently - than in the previous year - **in third place**, underscoring the increasing influence of mobile devices in all industries and business areas. **Professionalization and eCommerce** followed at a slightly greater distance **in 4th and 5th place** of the most frequent responses of all study participants. The topic of automation, which is also a recurring topic in numerous areas at the moment, was mentioned by only 3 percent of respondents as an item on the agenda for 2019.

Challenges - What are the three biggest Conversion Optimization challenges in your company in 2019?

The respondents still see the topic of data quality/tracking as the greatest challenge in conversion optimization. As in the previous year, this topic represents the most important hurdle for 45 percent of the survey participants with regard to the current year. In addition, topics of **internal processes and know-how** increasingly represent challenges for companies. The need for companies to optimize their know-how doubled this year (2019: 30%; 2018: 15%).

However, **internal resistance** is also an increasing obstacle for 18 percent of the study participants (2019: 10%; 2018: 6%). Further challenges in the area of Conversion Optimization include **technical aspects** (27%), the **budget** (25%) and the selection of suitable **testing tools** (10%). Only the topic of **volume of traffic** is increasingly receding into the background among subscribers compared to the previous year, falling significantly from 35 percent (2018) to 17 percent (2019).

Challenge	2019	2018
Data Quality/Tracking	45%	45%
Internal Processes	43%	35%
Know-how	30%	15%
Technical hurdles in app/ on website	27%	30%
Finding suitable employees/ personnel capacity	25%	32%
Budget	25%	22%
Value Conversion Optimization	18%	24%
Internal resistors	18%	6%
Traffic Volume	17%	35%
Selection of a Testing Tool	10%	6%
Further	8%	4%

■ 2019　■ 2018

WE …

Trakken is an online company focusing on the topics **Digital Analytics, Marketing Technologies, Cloud and Conversion Optimization** specializes. As a certified **Partner of Google Marketing Platform and Optimizely.** We working for well-known national and international customers.

TEAM SUPPORTER PLEASE APPLY!

SEARCHING YOU FOR …

Conversion Optimization

Digital Analytics

Data Science

Marketing Technology

Cloud Technology

IN …

Hamburg

Berlin

Munich

Vienna

Zurich

Barcelona

Stockholm

INTERESTED? **THEN APPLY!**

More information on: **https://www.trakkenwebservices.com/company/career/**

Please send your complete application documents to: **application@trakkenwebservices.com**

Trakken Web Services GmbH
Zirkusweg 1
20359 Hamburg

Mail: info@trakken.de
Phone: 040 - 284 53 - 6700

www.trakkenwebservices.com