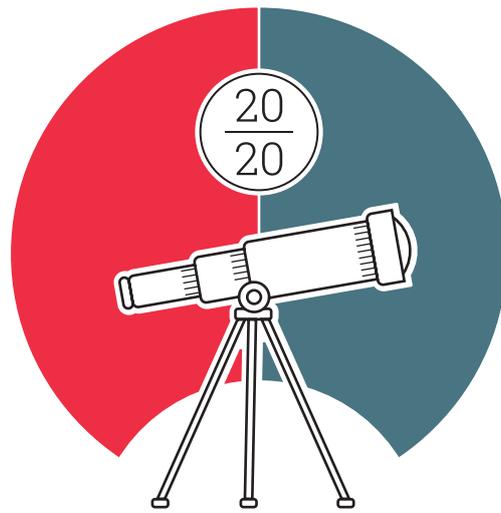


TREND STUDY

DIGITAL ANALYTICS | CONVERSION OPTIMIZATION



TRAKKEN

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MOIN

For the fifth year in a row, we are publishing the trend study and analyzing various topics related to digital analytics. For the past three years, the survey has also included questions on conversion optimization. This approach helps us to identify comprehensive trends.

In addition to the annually recurring questions on the areas of digital analytics and conversion optimization, this year's trend study also included questions on special focus topics in digital analysis. While the focus of the survey in 2018 and 2019 were attribution, personalization and user segmentation, the focus this year is on data protection. Companies are focusing on a compliant approach to data protection, due in particular to the changes made to the Cookie Policy in October 2019. Likewise, in the course of the survey, the topic of customer journeys has emerged as a core topic among those surveyed. This includes mapping the complete customer journey of the users and measuring all points of contact of the customers with a brand or a product. The aspects of customer segmentation and personalized customer approach are also included.

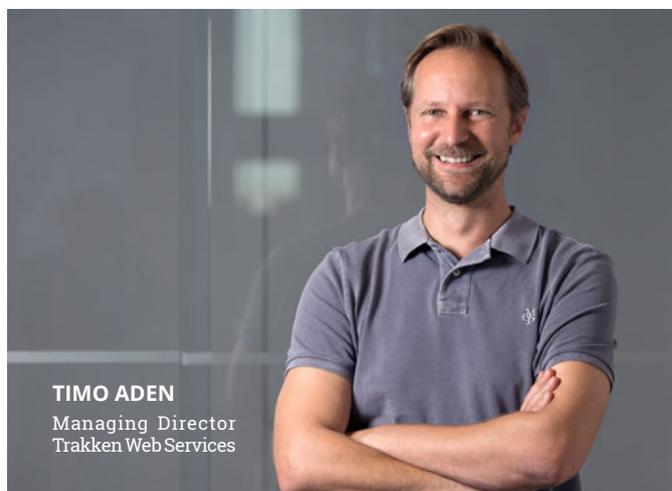
The aim of this study is to identify such trends and to observe the core topics in the areas of digital analytics and conversion optimization. A consistent study design with constant questions and formulations

ensures that the results remain free of methodological influences and that concrete trends can be identified over time. Questions on current topics and challenges in the industry are also included in the survey every year. Thus, the trend study offers a comprehensive and methodologically valid overview of the industry.

Of course, none of this would be possible without the numerous answers provided by the study participants. We would like to express our sincere thanks to them.

That said, we hope you enjoy reading our 2020 Trend Study.

Your Trakken Team



ANALYSIS APPROACH

Aim | Survey Method | Interviewed Companies

AIM

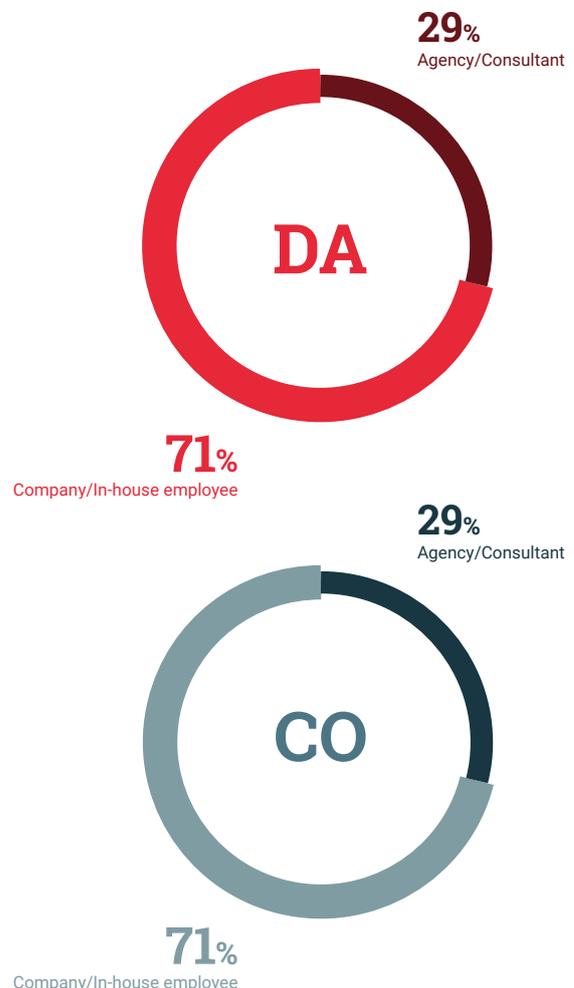
Within the scope of the Trend Study of 2020, this year's developments in the areas of Digital Analytics (DA) and Conversion Optimization (CO) were surveyed. Particular interest was shown in questions with a strong reference to everyday work but also possible challenges. In addition, the SWOT analysis was used to identify and evaluate the strengths, weaknesses, opportunities and threats in the field of digital analytics. The renewed implementation of the trend study provides insights into the change in results over time. However, new topics were also included in the focus of the study.

SURVEY METHOD

The 2020 Trend Study was launched at the beginning of the year. The data collection of the online survey covered the period from mid to end January 2020. For the most part, closed questions were asked on the topics of budget, responsibilities and tools. Open questions were formulated with regard to the strengths, weaknesses, opportunities and threats of digital analytics. The following results are based on these two surveys and present a well-founded picture of the Digital Analytics and Conversion Optimization areas.

INTERVIEWED COMPANIES

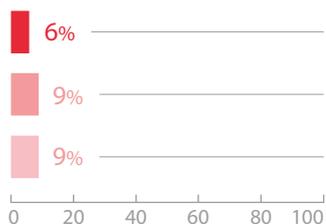
A look at the companies shows comparable results for DA and CO. 71% of the participants in the study work in-house and are part of an in-house team, while 29% work for an agency. Looking at the industry distribution, it can be seen for both Digital Analytics and Conversion Optimization that the majority of companies belong to the eCommerce and Media/Content industries. The IT services, trade, tourism and finance sectors form another part. In contrast, differences between the two sectors can be seen with regard to the size of the companies surveyed. In the field of digital analytics, 22% of the companies employ 100-499 employees and over 40% more than 500 employees, while the other companies employ less than 100 employees. In the area of Conversion Optimization, the proportion of companies employing 100-499 employees is significantly higher, at just 35%. Conversely, the proportion of companies with more than 500 employees has fallen significantly compared to the previous year and is 27%. Finally, it can be said of the companies surveyed that the majority of them work in German-speaking countries. Smaller shares are attributed to other European countries.



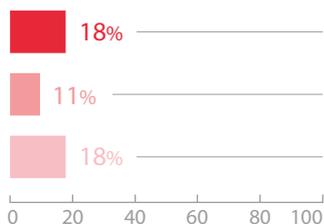
COMPANY SIZE

Digital Analytics

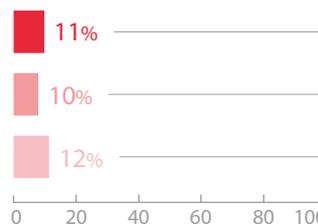
up to 9 employees



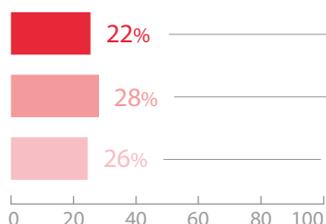
10 - 49 employees



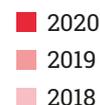
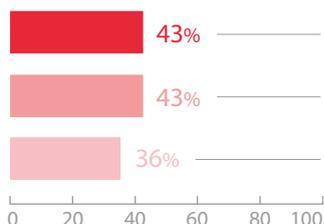
50 - 99 employees



100 - 499 employees

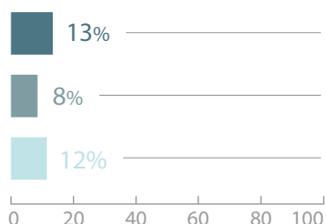


500 or more employees

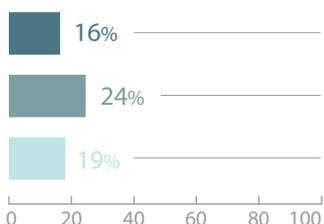


Conversion Optimization

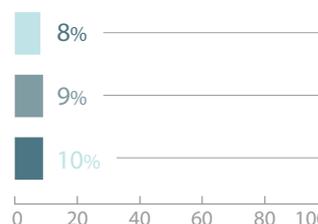
up to 9 employees



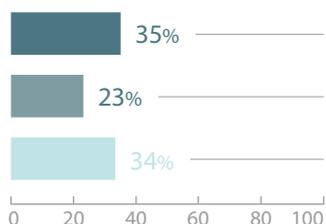
10 - 49 employees



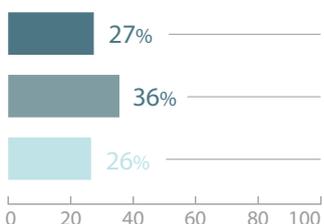
50 - 99 employees



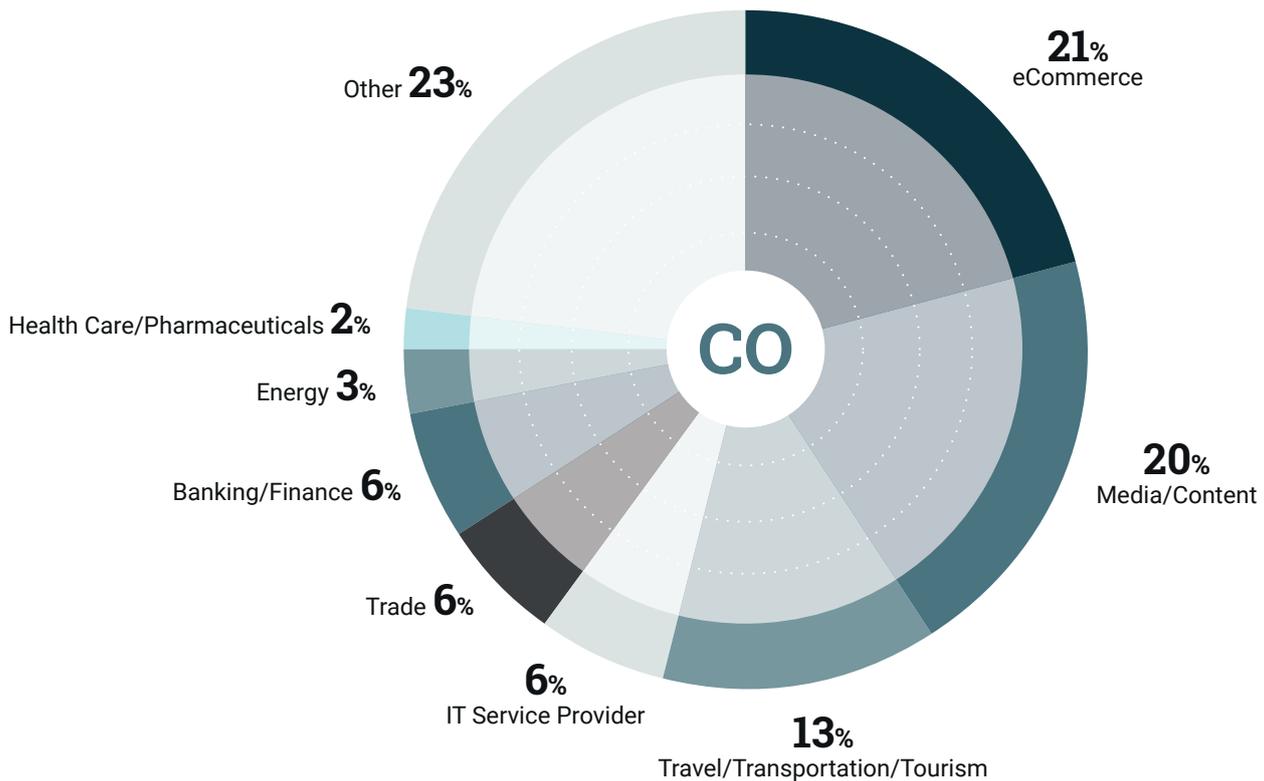
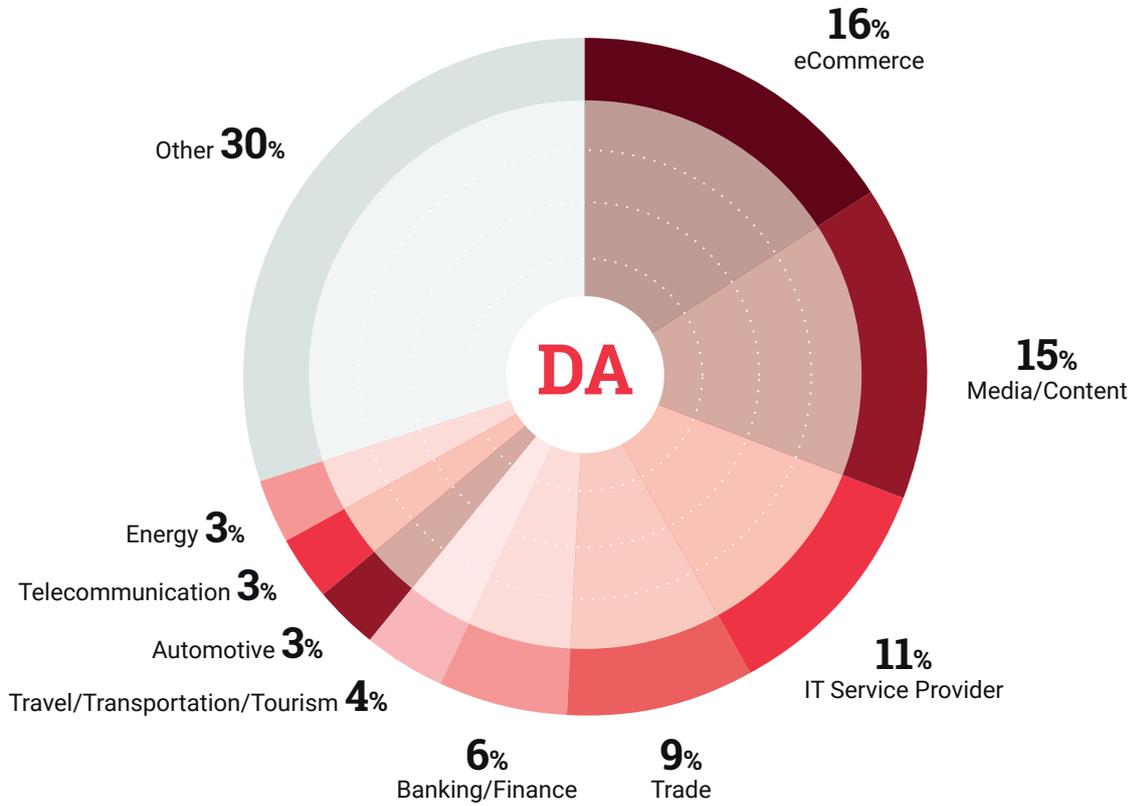
100 - 499 employees



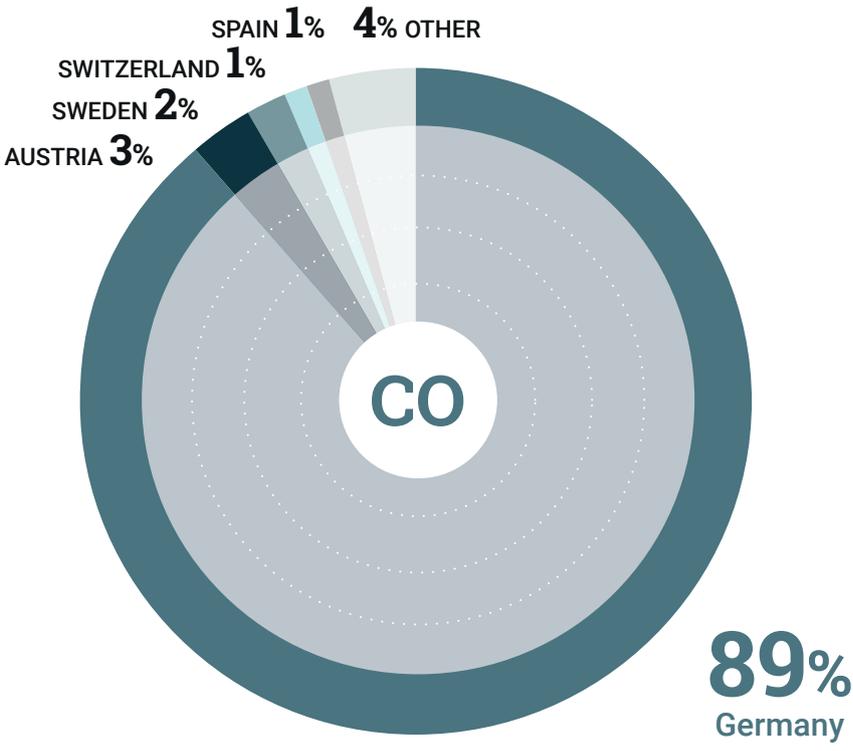
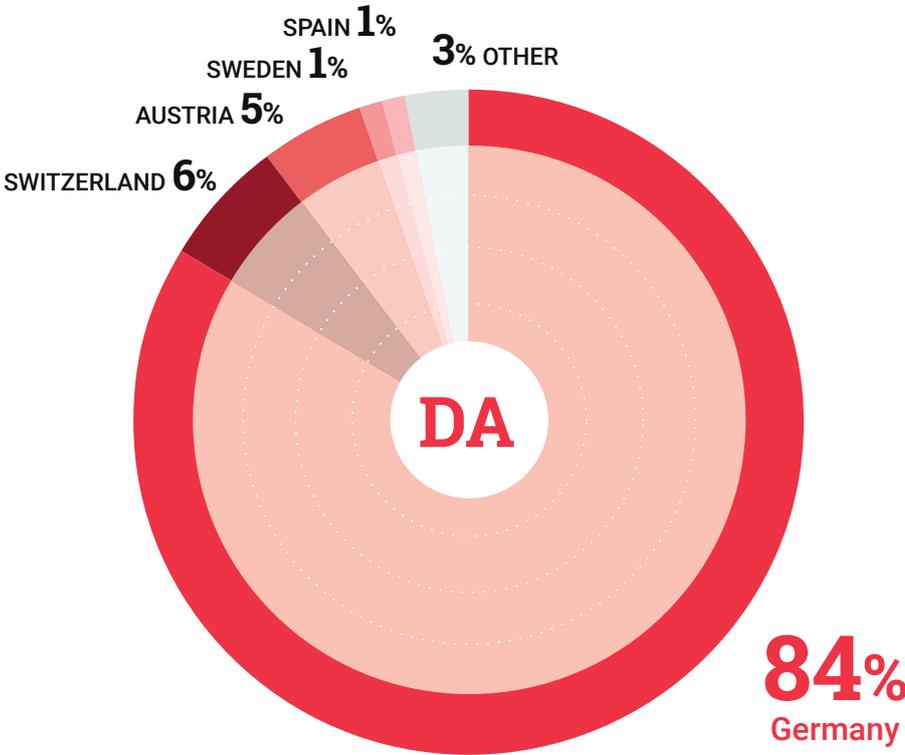
500 or more employees



CORPORATE SECTOR



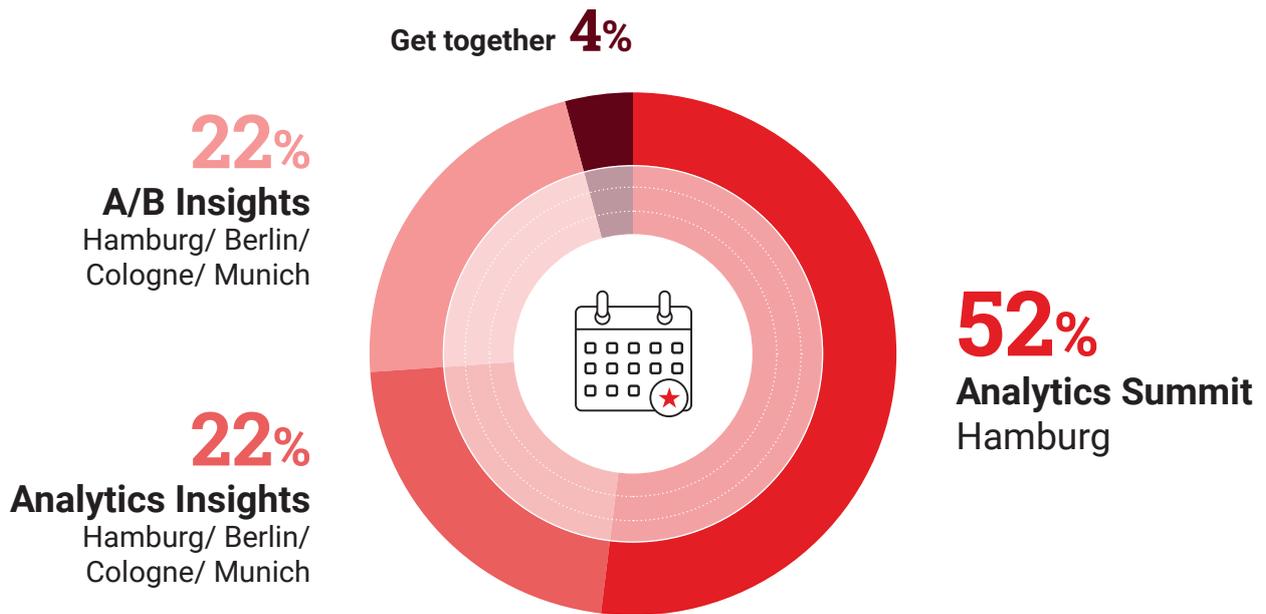
COUNTRY IN WHICH THE COMPANY OPERATES



EVENTS

Summit | Insights | Get together

Which events are relevant for the areas of Digital Analytics and Conversion Optimization?



Which topics do the events cover?



DIGITAL ANALYTICS

Results in detail

This is the fifth time that the trend study has focused on the topic of „Digital Analytics“. In addition to the typical key topics such as tools and KPIs as well as budget and responsibility, this year’s study also included questions on **data protection**, as this topic is becoming increasingly important.

Most of the companies surveyed (71%) work in-house and are **part of an in-house team**. The **(online) marketing department** is responsible for digital analytics for 46% of the companies. Another 26% have their **own digital analytics departments**, which is an increase over the previous year. Nevertheless, nearly two-thirds of the companies surveyed say that less than 10% of their marketing budget is spent on digital analytics, and one in two of the survey participants say that there is no **budget change** planned for 2020.

Both in the communication of KPIs and in the in-depth analysis of the collected data, **data visualization** tools are moving strongly into the foreground and are now leaving even Excel/Google spreadsheets behind. Nevertheless, the interface of the digital analytics tool is still cited as the most important place where the data is processed. Regarding web analytics tools, the survey shows that 58% of respondents use **Google Analytics** and 47% **Google Analytics 360**. Less than one-third of respondents use other digital analysis tools.

The **top topics** that companies are most frequently addressing this year are **data integration and linkage, tracking and data quality, customer focus and data protection**. These topics are also reflected in the **challenges recorded**. A majority of respondents stated that the related topics of **data quality** and **data protection** would be the most challenging for companies this year.

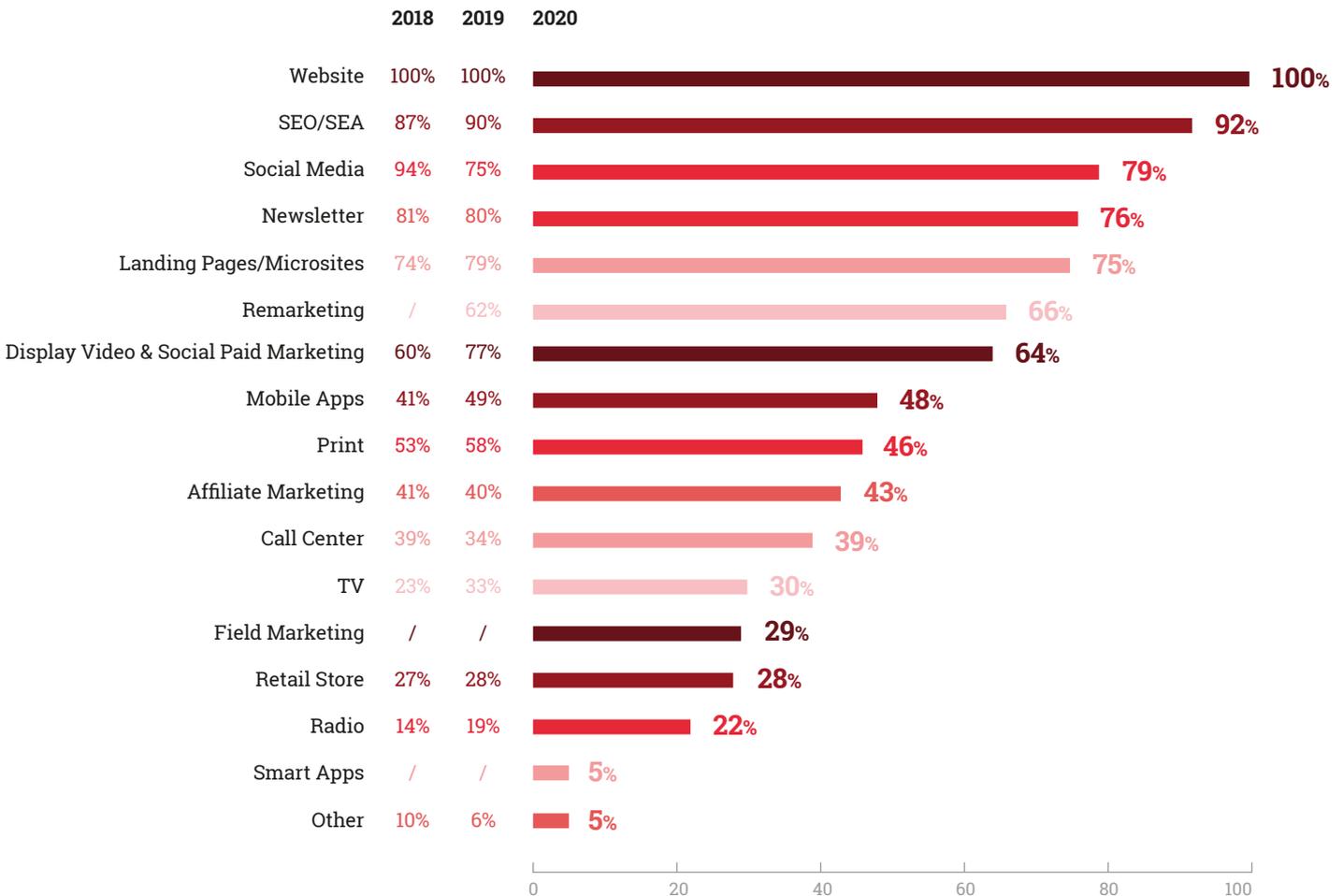
A quarter of the respondents see the greatest **strengths** of digital analysis in **customer-oriented analyses and customer segmentation**. The strength of **data-driven decisions** is also cited by 21% of companies. However, it should be mentioned at this point that many companies also see this topic as a weakness, as many companies collect data but still do not act in a data-driven manner. This can be explained by the **weakness of internal processes and structures**. Companies see an increase in turnover and budget orientation, as well as the possibility of **personalization** and improved **customer-oriented action** as the greatest opportunity for digital analysis. This is countered by the **risk of data protection**, which has a drastic impact on **data quality** and **data availability**.

Following the **amendment of the Cookie Policy** in October 2019, questions on this topic were also included in this year’s trend study. Following the decision of the European Court of Justice, almost two-thirds of those surveyed have adjusted their tracking setup. Just under half of these adjustments were the inclusion of an **explicit consensus** on the website. 34% of the companies have implemented a **mixed content** and 19% an **implicit one**.

MARKETING CHANNELS, TOOLS & KPIS

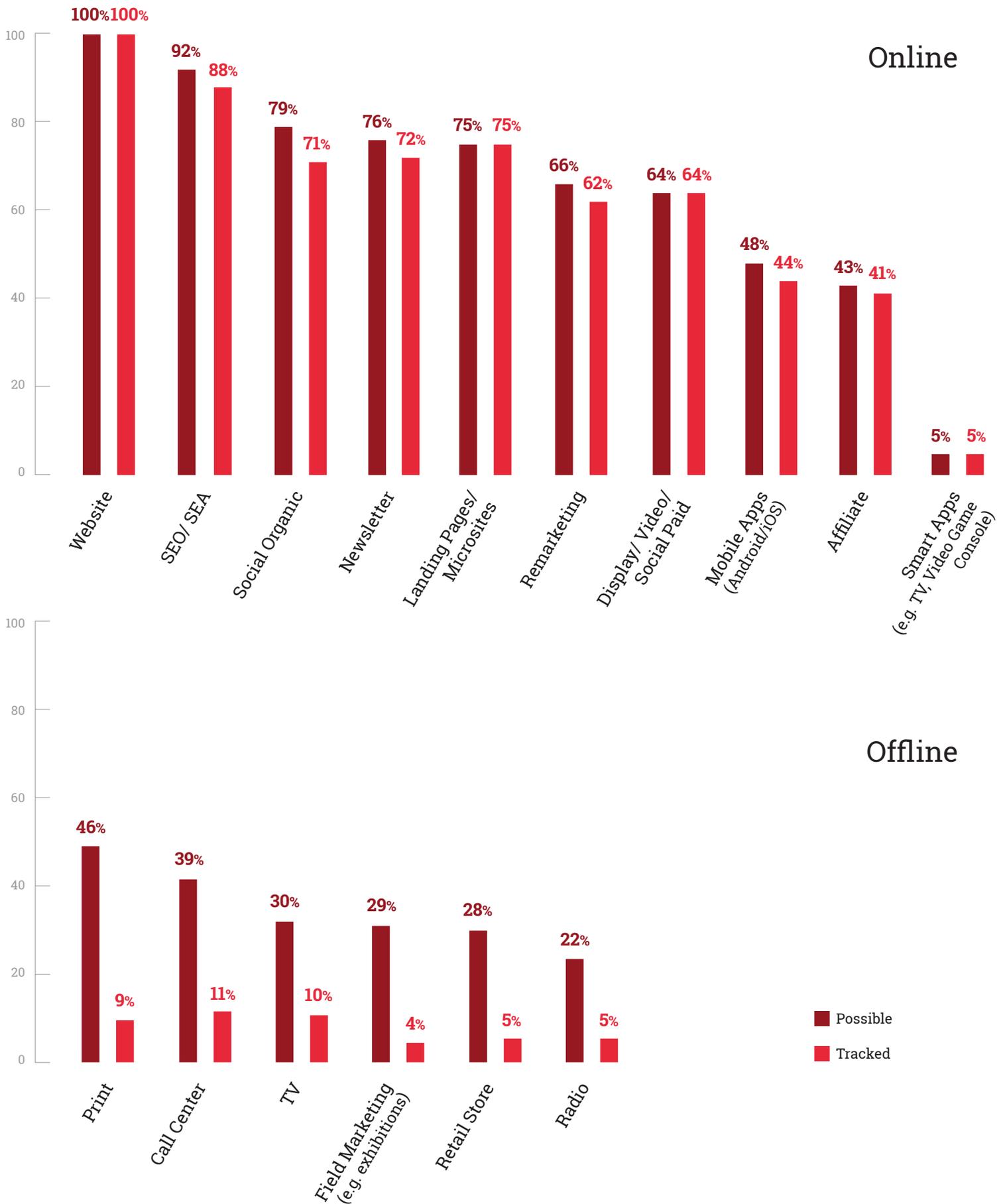
Digital Analytics

Which touchpoints or marketing channels do you use to reach your customers?

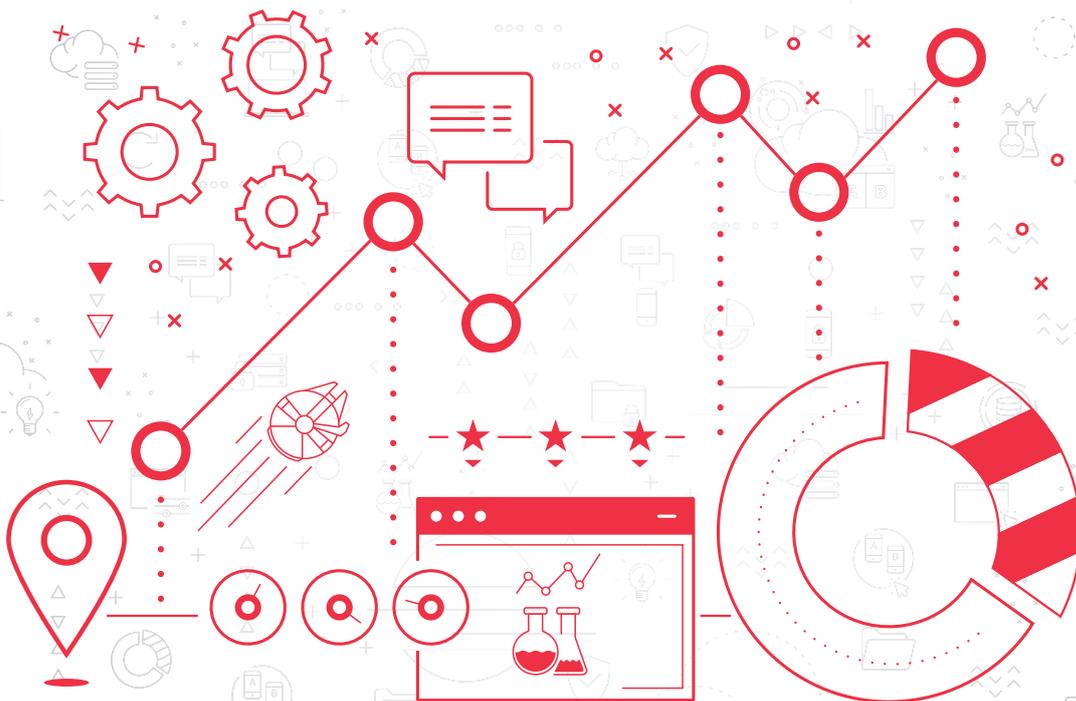


Website (100%) remains unchanged as the most important touchpoint for reaching customers. **SEO/SEA** shows a slight improvement from the prior year as the second preferred touchpoint. **Social Media** (79%) overtook **Newsletter** (76%) to become the third preferred touchpoint marking a return to a positive trend for the former and a negative trend for the latter. Continuing with negative trends, **Display, Video & Social Paid** (64%) and **Print** (46%) record declines of 13% and 8% respectively. There are no important changes to report for the other touchpoints. It should be noted that this year the touchpoints **field of marketing** and **smart apps** were added to the survey since they are becoming increasingly important.

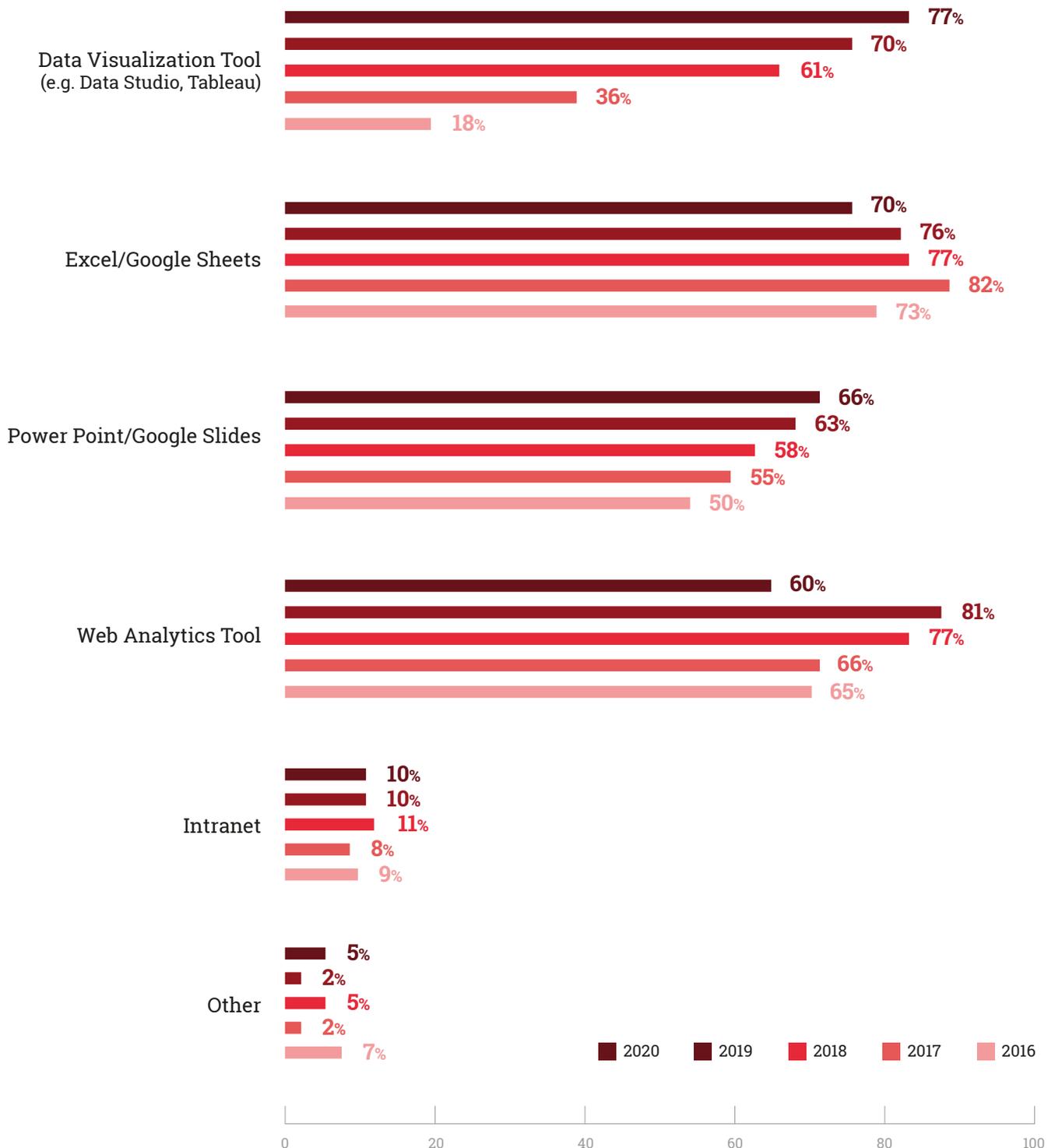
Which of the previously selected touchpoints or marketing channels are tracked digitally?



According to the responses it is evident that there is a divergent pattern for **online** and **offline touchpoints or marketing channels**. When focusing on the **online mediums**, the utilization (availability – use) of digital tracking is high for all touchpoints. The average under-utilization is about 3%. **Social Organic** is the most under-utilized touchpoint where 79% of touchpoints could be tracked digitally but only 71% are. The trend is the opposite when looking at the **offline** mediums. There exists a large difference between the potential to track digitally versus what is actually being tracked digitally, a trend that has carried over from previous years. For offline touchpoints, the average under-utilization is 25%. **Print** accounts for the largest difference (39%).

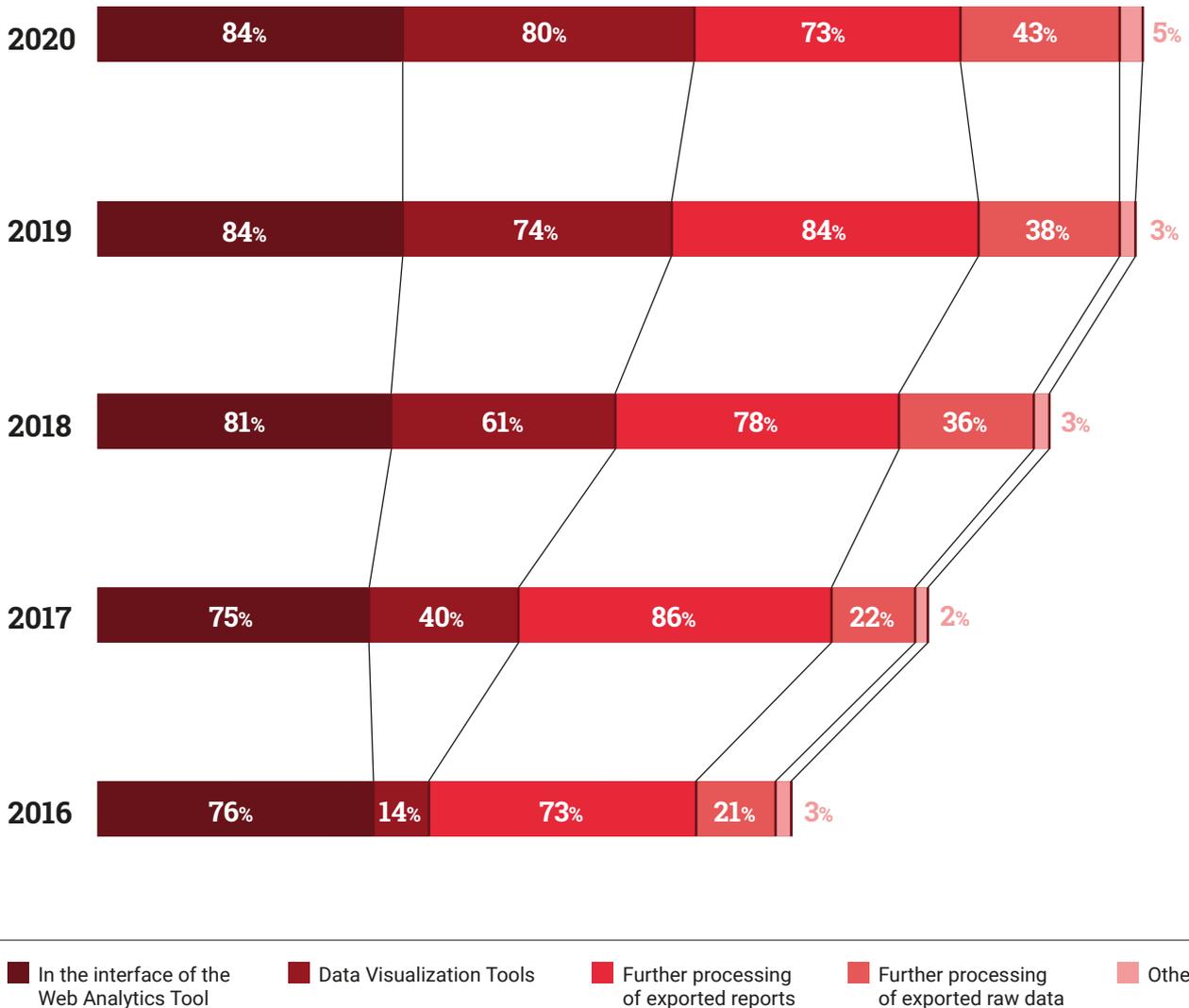


How do you communicate KPIs?



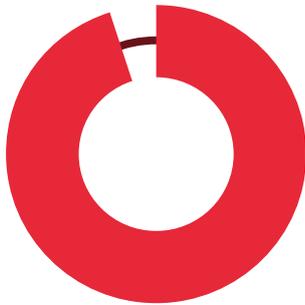
With regard to how KPIs are distributed or communicated, the preferences have been subject to strong fluctuations over the years. **Data visualization tools** such as Data Studio or Tableau (77%) and **PowerPoint/Google Slides** (66%) have been trending upwards towards wider adoption and use. Data visualization tools alone have demonstrated more than a threefold increase in adoption landing it in the preferred method for communicating KPIs. It can be seen that companies are increasingly taking advantage of the human disposition to absorb graphic content better than in written or verbally communicated form. Conversely, companies are more likely to avoid communicating target metrics via **Excel/Google Sheets** or **web analytics tools**. The sharpest decline is seen in web analysis tools, which have fallen from number 1 to number 4 within a year, due to the high level of complexity compared to the other methods.

In which scenarios do you work with your Digital Analytics data?



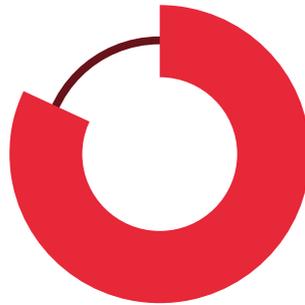
In addition to the collection of certain data, it is equally important for companies to work with the data in order to use it effectively. As in 2019, the **interface of the web analytics tool** (84%) achieves the highest percentage in 2020 and thus remains the most frequently mentioned means of data processing. **Data visualization tools** such as Data Studio or Tableau also registered the greatest growth this year, and were the second most frequently mentioned at 80%. Since the beginning of the study survey, visualization tools have shown the strongest increase, which shows a clear trend. It is becoming increasingly important for companies to prepare and illustrate data, which can be done cost-efficiently, quickly and without in-depth technical knowledge by visualization tools. Another important aspect for companies in handling the collected data is the further processing of exported reports (73%), even though there has been a loss of 11 percentage points compared to the previous year. Significantly behind this, but still with a steady increase compared to the previous year, is the further **processing of exported raw data** (43%) such as in a data warehouse. It should be emphasized that this figure has more than doubled since the start of the study survey, which indicates a further trend. The importance of collecting and processing all company data in one central location has become much more important, and an increase in this aspect can be expected in the coming years.

How does your company utilize its Digital Analytics data?



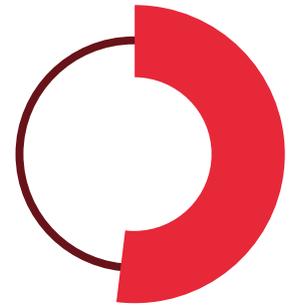
95%

Analysis of user behavior



82%

Further use for online marketing measures



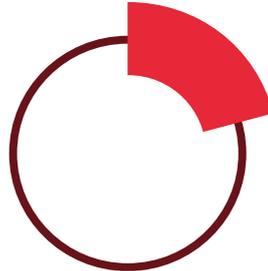
52%

Product optimization



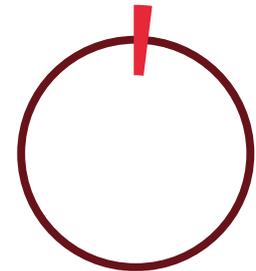
38%

Basis for integration and further use in a comprehensive data warehouse



21%

Basis for downstream internal company processes



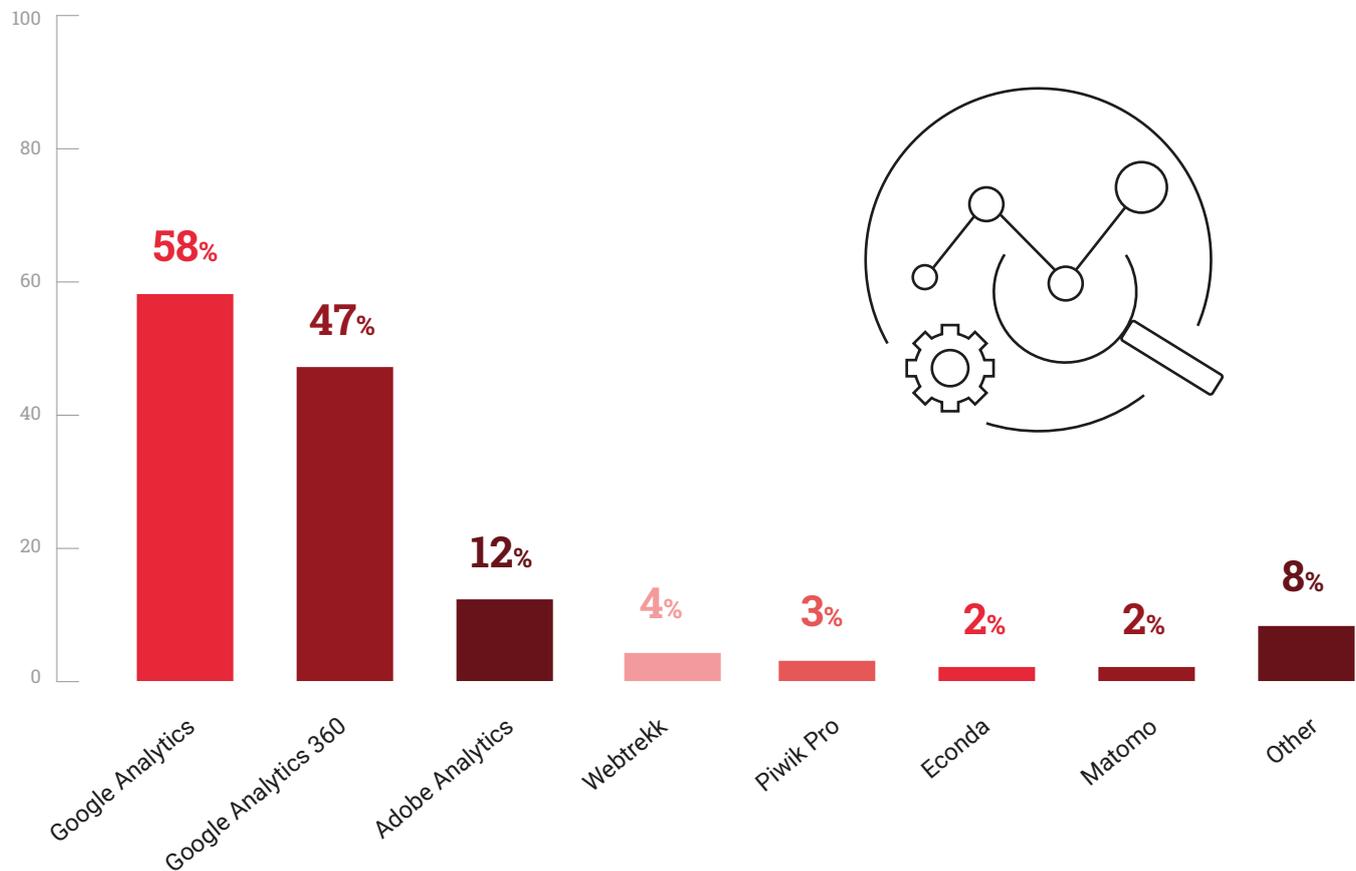
2%

Other

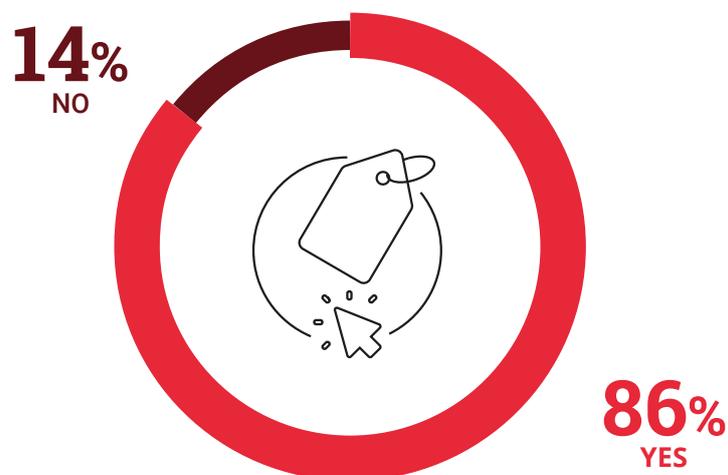
This year, for the first time in the survey, the question of what the collected digital analytics data is used for was asked. Two points in the responses clearly stood out: analysis of **user behavior** (95%) and further use for **online marketing measures** (82%). For the companies surveyed, it is essential to understand user behavior on their own website or app and to use the findings to derive online marketing measures. Of less importance is the use of the data for **product optimization** (52%), as a basis for integration and further use in a comprehensive **data warehouse** (38%) and as a basis for downstream **internal company processes** (21%).

Which Digital Analytics tool(s) are you using?

Surprisingly, at least one in two of the companies surveyed uses **Google Analytics** (58%) or **Google Analytics 360** (47%). Less than a third of the companies stated in the survey that they use other tools such as **Adobe Analytics** (12%), **Webtrekk** (4%) or **Piwik Pro** (3%).

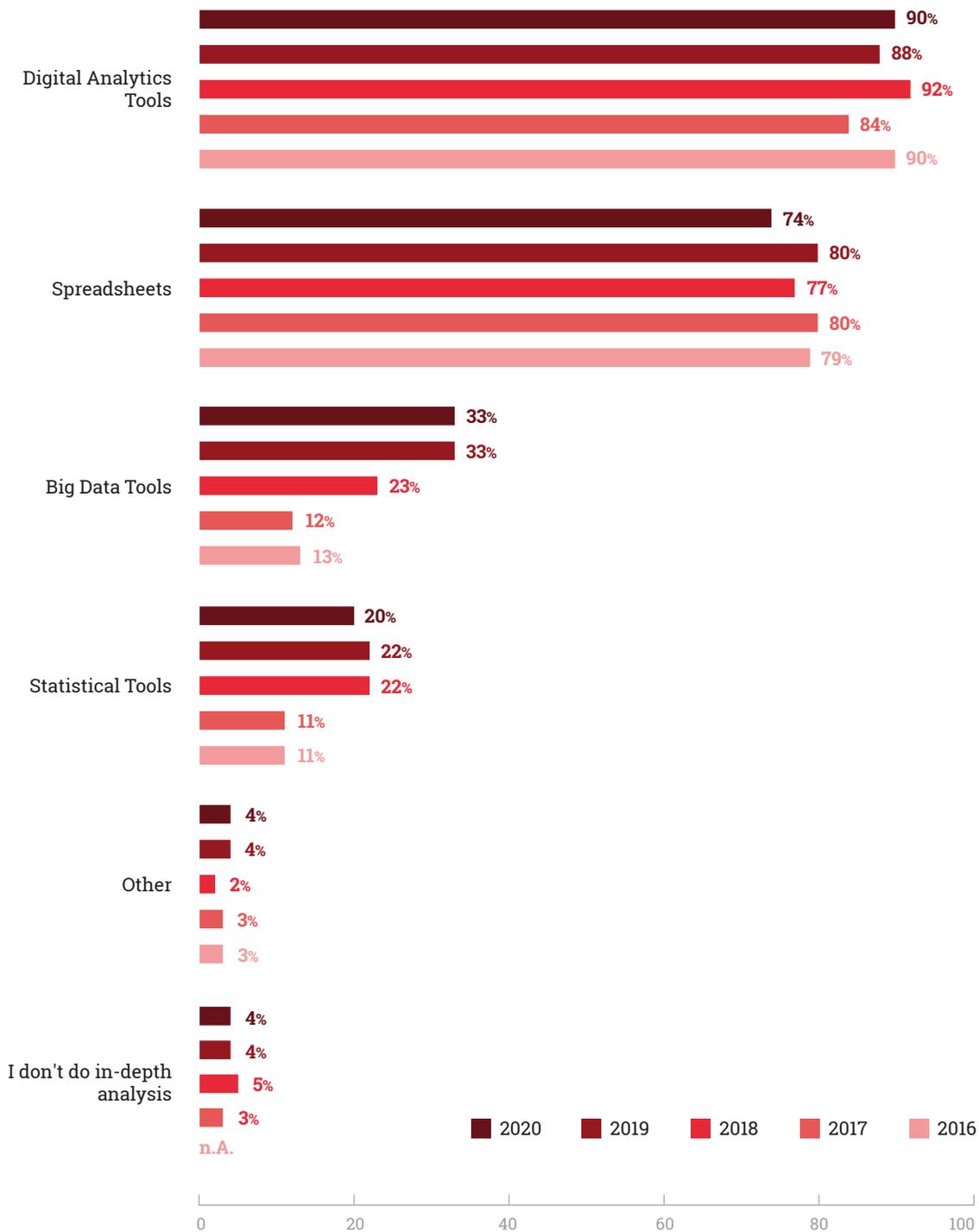


Do you use tag management systems to scale marketing and analytics pixels?



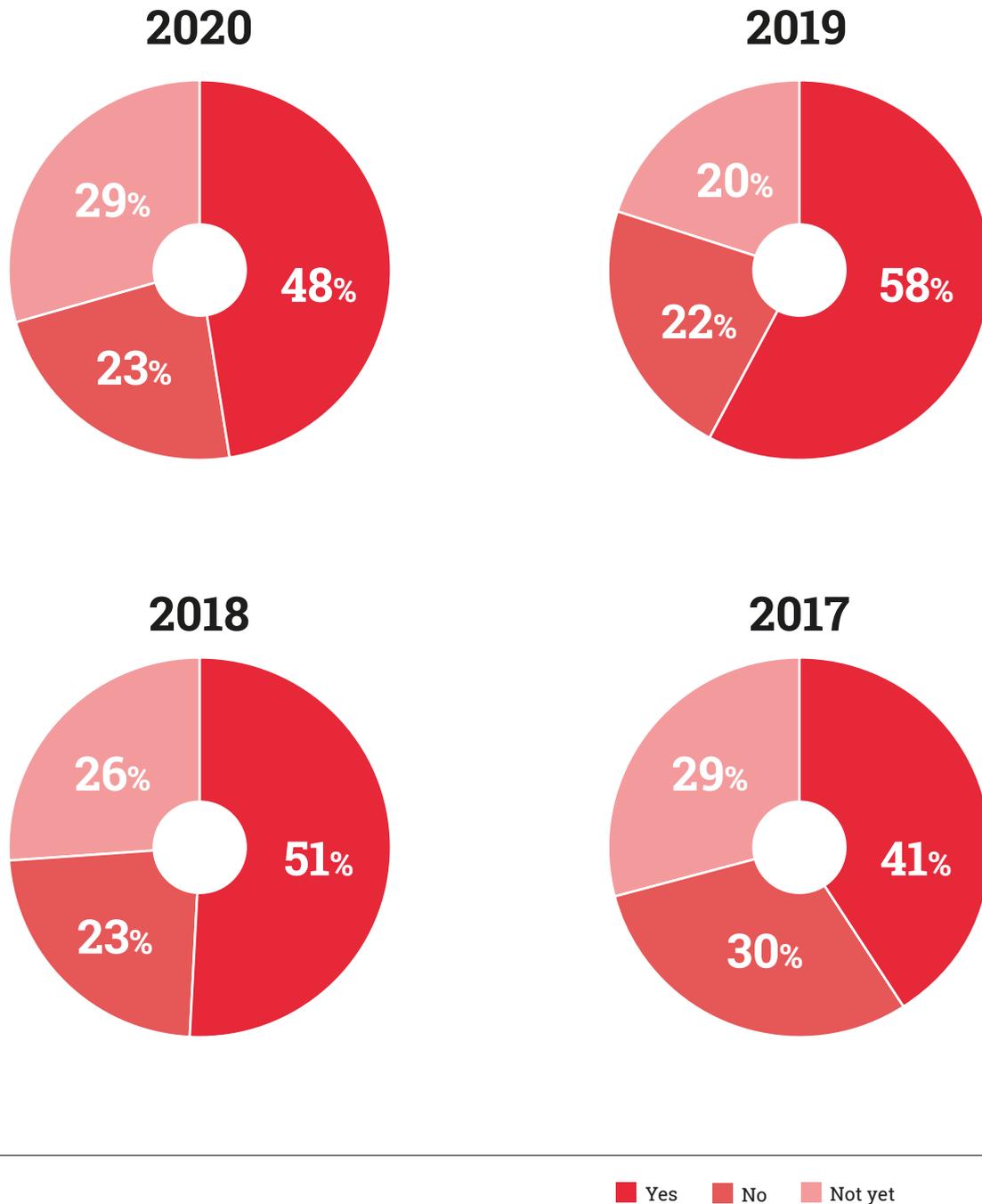
86% of the study participants use tag management systems to scale marketing and analytics pixels. This gives them many advantages, such as reduced dependency on IT resources and the ability to implement tags quickly and effectively independently of sprint cycles.

Which tools do you use for in-depth analysis?

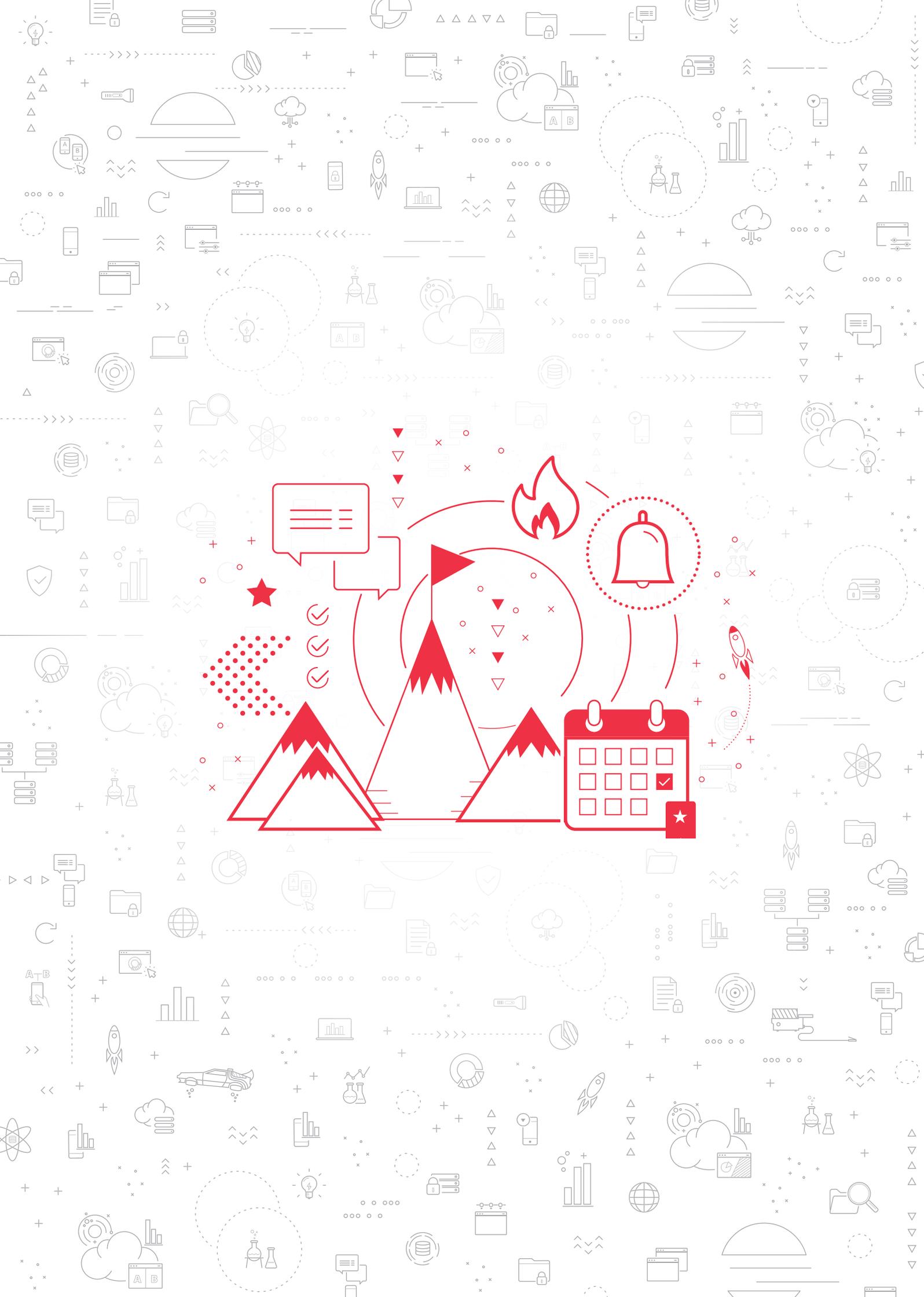


The tool landscape used for in-depth analysis of the data collected is subject to only minimal fluctuations compared to the previous year. Of the companies surveyed, 96% use different tools for the analysis of their measured data, and only 4% stated that they did not conduct any in-depth analyses. The analyses continue to focus on **web analysis tools** (90%) such as Google Analytics, Adobe Analytics or Webtrekk and are the most frequently mentioned method. In second place are **spreadsheets** (74%) such as Excel or Google Spreadsheets, which are used both on their own and very often in combination with web analytics tools. This demonstrates that tried and true methods are still being used for data analysis. **Big-data tools** (33%), like BigQuery or Jupyter Notebook, and **statistical tools** (20%), like SPSS and R., achieve similar figures as in the previous year, but still a high increase compared to the start of the survey. Although these methods are not yet so well established in the daily use of companies, they are still gaining in importance.

Do you analyze the Digital Analytics data in combination with other internal or external data (e.g. offline sales data, competitor data)?



The trend of the last few years, which shows that the surveyed companies are increasingly analyzing their digital analysis data together with other internal or external company data, has unexpectedly not continued this year. In 2020, the proportion of companies that enrich their data with other sources is 48%, down by 10% points from the previous year. The share of companies that do not enrich their data has remained at a constant 23% for the last three years. The only increase this year was in the share of companies that do not yet enhance their digital analytics data with additional data but still plan to do so (29%).



TOP TOPICS OF 2020

Top Digital Analytics topics

Which Digital Analytics projects, topics and questions are you planning for in 2020?

34%

Data Integration

25%

Tracking & Data Quality

17%

Customer Journey Analytics

17%

Data Protection

15%

Analysis & Machine Learning

14%

Attribution

13%

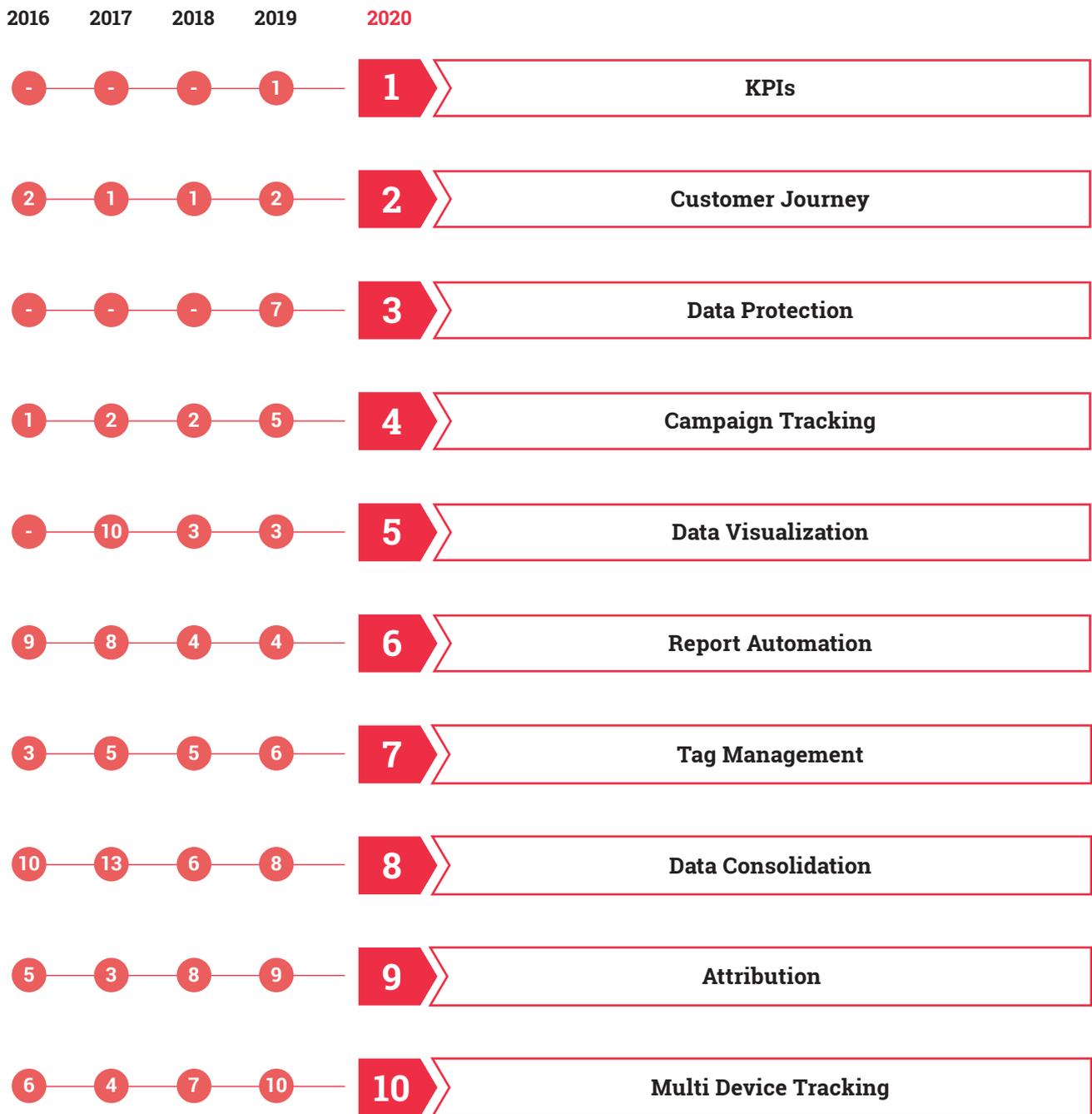
Visualization & Dashboards

This year again, the surveyed companies focus on providing a big picture of corporate data. **Data integration** (34%) plays a significant role to this end. This topic combines the aspects of data linkage, integration of different tools such as BigQuery as well as Big Data and Data Warehouse. For companies, it is therefore becoming more important to store all data in a centralized location in order to be able to access it across tools.

In second place among the top topics in 2020 is the topic of **tracking & data quality** (25%), which was already highly relevant for companies last year. In addition to the optimization of existing tracking, the study participants also focus on data collection in compliance with the GDPR. Simultaneously, a decrease or a limitation of data quality due to the new cookie policy of October 2019 is expected.

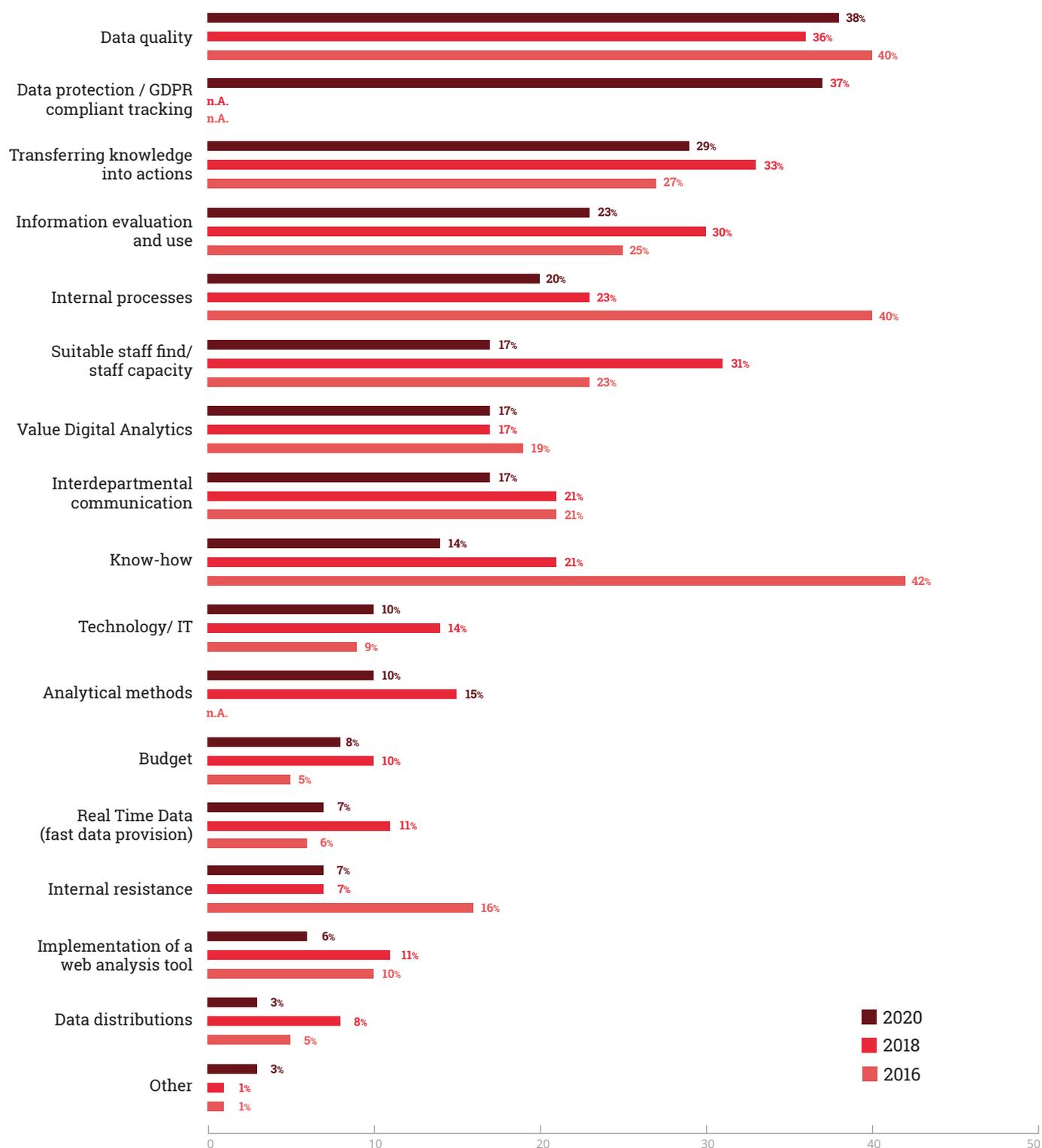
This year, the third place of the top topics is shared by **data protection** and **customer focus** (both 17%), both of which were clearly in the foreground last year. With regard to data protection, concerns are also frequently expressed about the adjustments due to the cookie policy, as many customers have to revise their consensus management. The topic of customer focus includes aspects such as looking at the customer's overall customer journey, customer segmentation and personalization based on this. Other topics that concern customers are Analysis & Machine Learning, Attribution and Visualization & Dashboards.

How strongly do you prioritise the following topics in 2020? (Mobile & App Analytics)



The aggregated consideration of the prioritized topics for 2020 again shows a high importance for the topic **KPIs**. Key performance indicators define the most important goals of companies or departments and help to monitor and improve performance. Customer Journey also remains one of the three most important topics on which companies are focusing this year. The complete mapping of the **customer journey** remains a priority, and it is essential for companies to measure all points of contact between customers and their brand or products. The third topic that companies are focusing on this year is **data protection**. This topic was already important to customers last year, but has recently gained in importance and is now among the top 3 prioritized topics. This development can be explained by topics like GDPR and new cookie policies. In October 2019, the European Court of Justice issued a new directive which states that cookies may only be set after users have given their express consent (opt-in). The trend development of the other topics has not changed much compared to previous years, so that the remaining ranking remains relatively similar.

What are the three biggest Digital Analytics challenges for your company in 2020?



The three biggest challenges that the respondents anticipate in 2020 are: **data quality** (38%), **data protection/GDPR-compliant tracking** (37%) and **transferring knowledge into actions** (29%). The latter two are noteworthy since they show double-digit increases from last year's levels. Data protection is especially interesting as it has become highly relevant in since it was first tracked in 2019. This reflects well the results of the previous question on the priority themes for 2020. In contrast, the challenges of **internal processes** (20%), **know-how** (14%) and **internal resistance** (7%) have visibly lost importance compared to the first year of the survey. This shows that the surveyed companies have addressed and narrowed down internal challenges regarding digital analytics at an early stage, so that internal aspects are hardly a challenge this year.

STRENGTHS, WEAKNESSES, OPPORTUNITIES & THREATS

Digital Analytics

When you think of your company, where do you see its strengths in Digital Analytics?

The complexity of the companies surveyed is reflected in these answers. To make it easier to understand, the data collected has been aggregated, which brings certain areas to the fore. The complexity of the companies surveyed is reflected in these answers. To make it easier to understand, the data collected has been grouped together, which highlights certain areas. A quarter of those surveyed cite **customer-oriented analyses and customer segmentation** as one of the strengths of digital analytics for their own company. This provides transparency about user behavior in order to create the best possible user experience for users. It also enables different users to be segmented and targeted. Furthermore, 21% of the study participants continue

to mention **data-driven decisions** as a strength of digital analysis. The goal is to create a sound data basis in order to be able to make well-founded, data-driven decisions based on it. A further advantage, which is seen by the 20% of respondents from Digital Analytics, are the **technical requirements and tools**. Companies perceive the available web analytics tools as very powerful and they praise the fully integrated full stack solutions. Finally, the aspect of **analysis and reporting** is also mentioned as a strength of Digital Analytics. A structured evaluation of data is important in order to show correlations and to quickly understand data. It also allows trends to be made visible and data to be further processed.

DATA-DRIVEN DECISIONS:

Clears hierarchy opinions on data-driven decisions

Making decisions based on data

Importance of digital measures can be discussed

Basis of online marketing

Qualified decision support for new projects

Passing on to management for decision-making processes

TECHNICAL REQUIREMENTS & TOOLS:

Use of powerful tools for extraction, consolidation and analysis

Full Stack Solution fully integrated

Global consistency of data acquisition

Accurate tracking

Good infrastructure and basis for data acquisition

ANALYSIS & REPORTING:

Making connections visible and showing values

Data can be quickly collected at a glance

Data can be easily reused

Campaign evaluation

Recognition of trends

Group-wide analysis options

CUSTOMER-ORIENTED ANALYSES & CUSTOMER SEGMENTATION:

Creates transparency about user and customer behavior

Targeting of different segments

Information about users that is not available in analogue form

Fast and comprehensive information about user behavior, marketing success and user intervals

We can offer our users and customers the best possible user experience

Making data usable for personalization

When you think of your company, where do you see its weaknesses in Digital Analytics?

There is also a high variance in the answers to the question of weaknesses of digital analytics within companies. Although the topic of **internal processes and structures** has become less important compared to the previous year, it is still seen as a weakness by the companies surveyed. It has been pointed out that many employees lack an understanding of the data and that there is still no data-driven corporate culture. The **data quality and availability** of the collected data is also

perceived as a weakness. It is often considered critical that too little data or certain aspects are not tracked at all, or that inconsistent tracking has been implemented. Furthermore, the weakness of building up the necessary **expertise** internally still exists. On the one hand, there are too few trained personnel and too little budget for further training, and on the other hand, the level of knowledge within the company is too diversified.

INTERNAL PROCESSES & STRUCTURES:

Digital thinking and behavior must be brought even more into the company

Many people do not understand the meaning and importance of data

Low value of digital analytics

No data culture and no orientation towards KPIs

DATA QUALITY & AVAILABILITY:

Inconsistent data collection on different sites

Difficulty to access raw data

Error in tracking

Lack of quantity of data

KNOW-HOW:

Not everyone masters the required functionalities

Not enough manpower

Too complex for decision-makers

Expertise must first be built up

Complicated entry for employees without previous knowledge

Time bottlenecks due to lack of personnel

DATA-DRIVEN DECISIONS:

Organization is not data-driven

Implementing actions from the data

Applying the training

There is still a long way to go before the existing data is used really efficiently and we know what is meaningful

Deriving the operational effects

Despite the data, good decisions are still being made

Where do you see opportunities for Digital Analytics inside and outside of your company?

When evaluating the overall responses of opportunities for digital analytics within and outside the participating companies, a possible increase in **sales and budget optimization** was noted. Through the data collected, companies hope to improve their products and services and tailor them more closely to customer needs. In this context, **data-driven action**, especially marketing control, is mentioned as a further opportunity for digital analytics. In this regard, companies are interested in using the data to create a sound basis for decision-making,

especially with regard to marketing measures. The topic of **personalization and customer-oriented action** is also perceived by the companies surveyed as an opportunity for digital analytics, as they want to better understand their customers and their customer journey and act accordingly. As a further opportunity, the study participants mentioned various aspects that can be summarized under the term **analysis & reporting**. In this context, machine learning was frequently mentioned, thus offering the opportunity for more comprehensive analyses.

SALES INCREASE & BUDGET OPTIMIZATION:

Product development based on digital analytics

Exploiting market potential

Developing new business areas

Improving services

Budget optimization

Optimizing future measures based on historical data

Additional services

DATA-DRIVEN ACTION:

Optimization of the media mix and utilization of potentials

Detailed evaluation and analysis of online marketing activities

Data-driven marketing and personalized customer approach

More integrated use of data and derivation of granular measures

Great importance of data-supported decisions in marketing

Making better decisions and making successes/failures measurable

PERSONALIZATION & CUSTOMER-ORIENTED ACTION:

Personalized offers for customers

Tracking the customer journey and identifying potential

Better evaluation of channels via a holistic customer journey analysis

Being able to address customers more specifically

Building customer segments across silos

Better understanding of customers and products

ANALYSIS & REPORTING:

Data visualization

Machine Learning

Integration with BigQuery

Real-time evaluation of data

Linking with other disciplines such as digital marketing and machine learning

Automation with machine learning and artificial intelligence will continue to advance

Making more accurate predictions

What threats do you anticipate for Digital Analytics? Which topics can hinder further development?
 Please consider the risks both internally and externally.

As in recent years, one of the biggest risk factors perceived by companies is the topic of data **protection/ePrivacy**. New regulations result in increased expenditure for companies, meaning that they have to invest more time to implement the regulations both legally and technically. As users themselves are increasingly dealing with this issue, the handling of **technical hurdles** such as cookie or ad blockers is increasingly brought forward. The topic of **resources** is mentioned as a further risk.

These include the aspects of know-how, personnel and available budget. It is often stated that there are too few experts in the field of digital analytics and this represents a risk due to the increasing complexity of the topic. The fourth risk factor, as already mentioned in other answers, is perceived as the risk of **decreasing data quality and data availability**. Due to the new guidelines, many of the companies surveyed fear a sharp decline in data quality and a resulting poorer data basis.

DATA PROTECTION/EPRIVACY:

Legal frameworks are becoming increasingly tight

Data protection can severely restrict tracking

Data protection is one of the greatest risks for further developments

Uncertainty regarding data protection (GDPR, ECJ ruling, etc.)

Data protection and ITP make it difficult to collect valid data and make decisions based on it

When it comes to data protection, we may have to reduce the risk by opting in to the basis (number of sessions) for our tracking

TECHNICAL HURDLES:

Intelligent Tracking Prevention (ITP) through browsers

Blocking tracking as a hurdle

Too few possibilities to evaluate the customer journey across devices

Linking to other data sources is difficult

Missing/too slow adaptation to changing circumstances, both on the part of the tool providers and within the company

RESOURCES:

Low budget

Lack of resources

Lack of analytics know-how

Finding suitable employees

Buying tools, but no experts in the topic in your own company

DECREASING DATA QUALITY & AVAILABILITY:

Different measurement methods and ambiguity

Poor raw data

Handling of still incomplete data

Data protection and ITP make it difficult to collect valid data and make decisions based on it

Loss of confidence in data in case of poor data quality

Limitations in data collection

SUMMARY OF THE SWOT ANALYSIS



S

STRENGTHS

- | Customer-oriented analyses & customer segmentation
- | Data-driven decisions
- | Technical requirements & tools
- | Analysis & reporting



W

WEAKNESSES

- | Internal processes & structures
- | Data quality & availability
- | Know-how
- | Data driven decisions



O

OPPORTUNITIES

- | Sales increase
- | Data-driven action
- | Personalization & customer-oriented action
- | Analysis & reporting



T

THREATS

- | Data protection/ePrivacy
- | Technical hurdles
- | Resources
- | Decreasing data quality & availability

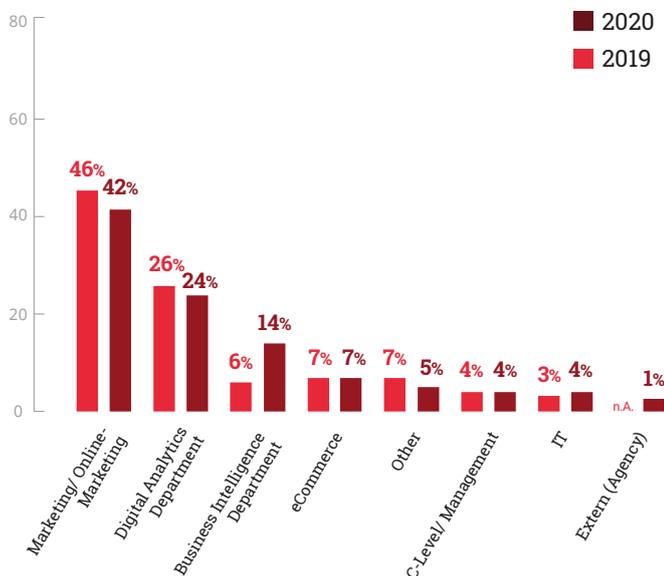
RESPONSIBILITY & BUDGET

Digital Analytics

Which department is responsible for Digital Analytics in your company?

In 46% of the companies surveyed, the **(online) marketing department** is responsible for digital analytics. This represents an increase of 4 percentage points compared to the previous year. In 26% of the companies, digital analysis is implemented in a company-owned **digital analytics department**, similar to last year. The **business intelligence department** is responsible for digital analytics in only 6% of the companies surveyed, a drop of 8 percentage points on the previous year. It can be seen that the companies prefer a visible separation of the areas of digital analytics and business intelligence. None of the companies mentioned that they outsource the department to an **external company (agency)**. Among the remaining companies, responsibility continues to be split between departments such as **eCommerce**, **IT** or the **management level** and only minimal changes compared to the previous year can be seen.

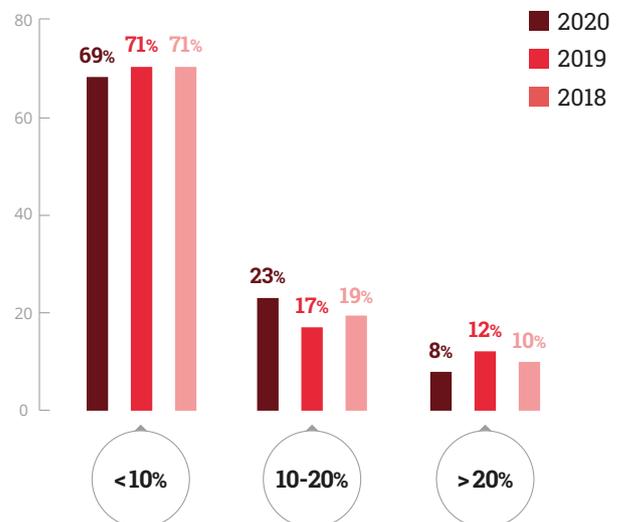
Who is responsible for Digital Analytics in your company?



What percentage of the marketing budget will be allocated to Digital Analytics in 2020?

Digital analysis will continue to play an important role in marketing in 2020. With regard to the distribution of the marketing budget, it should be noted that almost two-thirds of the companies surveyed estimate that less than 10% of the budget is spent on digital analytics, which shows a slight decrease compared to the previous year. 23% of companies state that they allocate 10-20% of their marketing budget to digital analysis activities. This is an increase of 6 percentage points over the previous year. A loss compared to the previous year, however, is reflected in the fact that only 8% of the companies surveyed spend more than 20% of their marketing budget on digital analytics.

What percentage of the budget will be allocated to Digital Analytics?



How will your company's 2020 Digital Analytics budget change compared to the prior year?

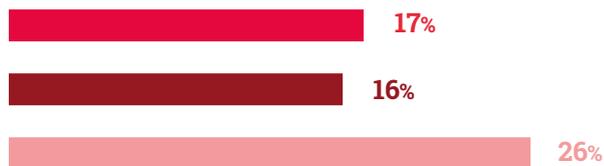
Remains the same



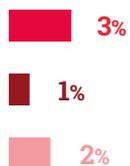
Increases by more than 10%



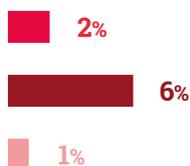
Increases by up to 10%



Decreases by more than 10%



Decreases by up to 10%



■ 2020 ■ 2019 ■ 2018



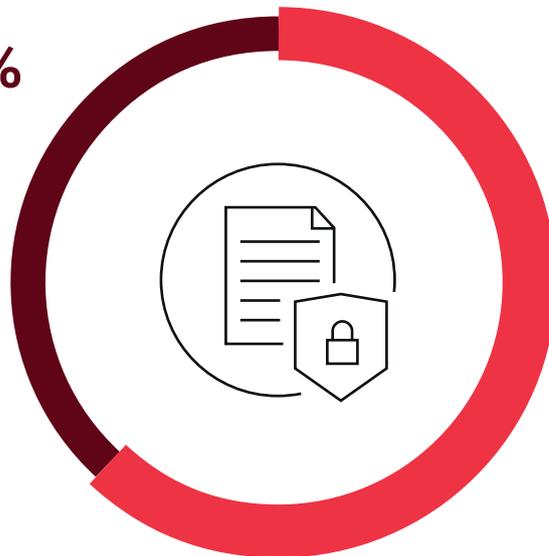
More than half of the companies surveyed plan to keep their Digital Analytics budget for 2020 unchanged from that of the previous year. This development could already be observed in the trend study from 2019. 17% of the companies reported a budget increase of up to ten percent and another 26% are planning a budget increase of more than ten percent. However, the proportion of those companies surveyed in the trend study that would like to increase their budget has been steadily decreasing since 2018. This shows that there is an interaction with the proportions of those who plan to keep their budgets the same, thus confirming that many companies have reached their limit budget after the budget increase of recent years. Nevertheless, few of the companies surveyed plan to reduce their digital analytics budget. Only a total of 5% of the companies plan to reduce this budget in 2020, either by up to 10% or more than 10% compared to 2019.

DATA PROTECTION

Digital Analytics

Have you adjusted your tracking setup due to the European Court of Justice (CJEU) Planet49 judgment (i.e. no cookie storage without active consent)?

38%
NO



62%
YES

On October 01, 2019, the European Court of Justice passed the decision that no cookie storage may take place without the active consent of the user and that no pre-selection of settings may be made for the user. This decision is intended to protect the privacy of users and provide more transparency and decision-making power over the use of their own data. **This change forces many companies to adjust the tracking setup of their website.** The analysis of this question shows that 62% of the companies surveyed have adjusted their tracking setup after the decision, while 38% have not. In what way did you adjust your tracking setup?



In what way did you adjust your tracking setup?

Explicit consent built-in
(tracking deactivated by default)



Mix consent built-in
(first-party-tracking enabled by default; third-party-tracking disabled by default)



Implicit consent built in
(tracking activated by default)



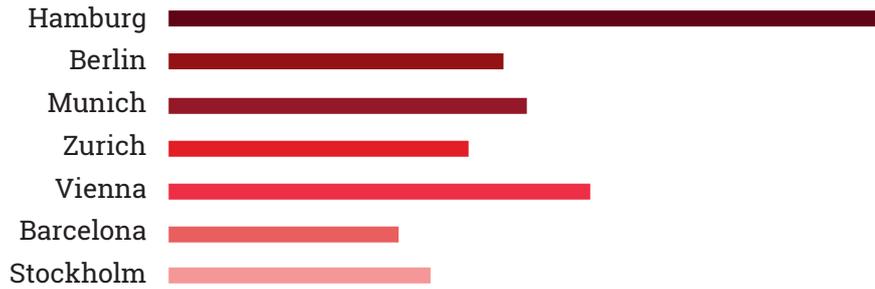
0 10 20 30 40 50

In addition to the question as to how many companies have adapted their tracking setup to comply with the new cookie policy, the way in which these adaptations have been implemented is also important to consider. Nearly one out of two of the companies surveyed decided to implement an **explicit consensus** on their website. This means that no tracking is possible until the user explicitly agrees to the use of cookies. Approximately one third of the companies switched to a **mix consensus**, where first-party tracking is activated by default and third-party tracking is deactivated until the user agrees. The remaining 19% of the companies use an **implicit consensus**, whereby all tracking is activated by default.

RECRUITING - EMPLOYEES

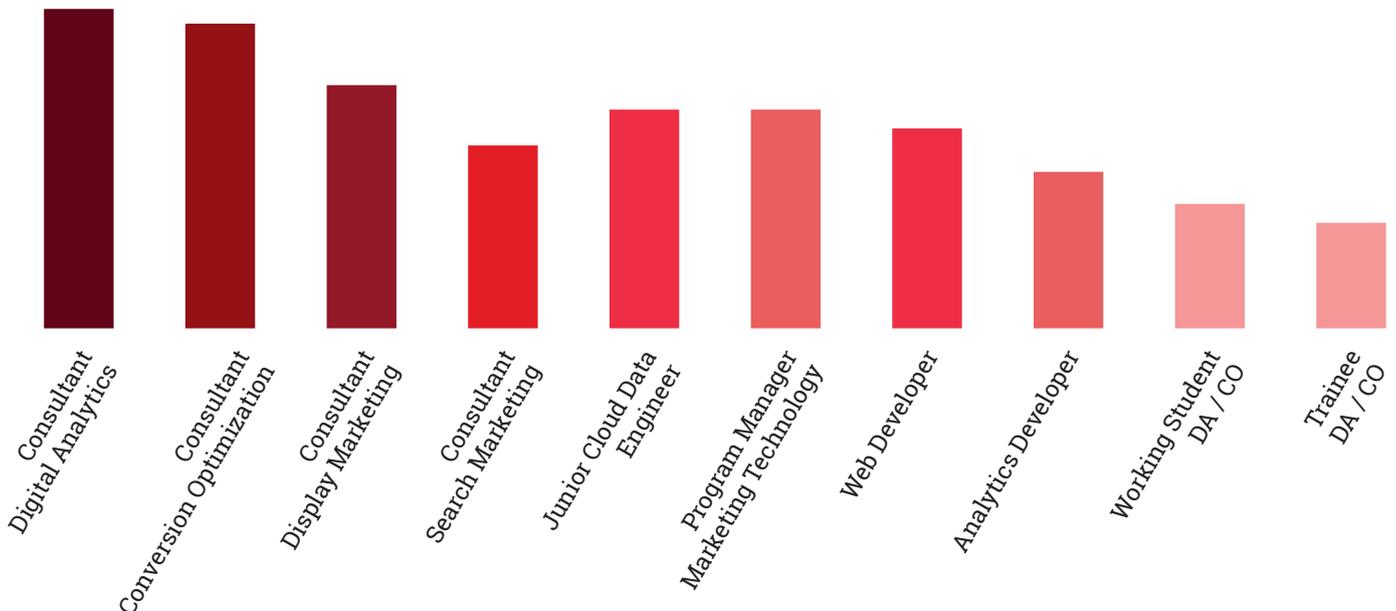
Careers | Departments | Offices

Which Trakken offices are currently looking for new colleagues?



We work in a very fast-paced, exciting industry with constant new challenges. Whether **Digital Analytics**, **Cloud-Technology**, **Marketing Technology** or **Data Science** and **Conversion Optimization** – the environment and the requirements are always changing. We meet these challenges at our offices in some of the most exciting European cities.

Which departments have vacancies at the moment?



For more information visit: trakkenwebservices.com/company/career/

CONVERSION OPTIMIZATION

Results in detail

For the third time now, the trend study also includes questions on the analysis of the specialized field of **conversion optimization**. While last year's survey results could already be analyzed with a comparison to the previous year, this year it was now possible to observe exciting trend developments within the past two years. In addition, the broad representation of **participating industries, including media/content, e-commerce, travel/tourism, IT services, finance, telecommunications and energy**, provides a varied overview of the core topics for 2020. Almost three quarters of the participating companies are part of an in-house team in their respective company, while the other part consists of companies in the service sector.

The main responsibility for the Conversion Optimization task area has shifted slightly compared to the previous year. Despite a decline, the main responsibility is still determined by the **marketing department with about 50%, while in-house CO departments or cross-departmental teams will increasingly take over responsibility in 2020**. The increasing integration of the specialist area in companies continues to have a **positive effect on budget allocation**. More than 40% of companies plan to increase the budget allocated to Conversion Optimization in 2020, while just under 60% are sticking to last year's investments.

In 2020, **classic A/B testing is still the most frequently chosen test procedure of the respondents**. The share of this group continued to increase compared to the previous year, as did more complex procedures such as **multivariate testing and personalization**, which are still used much less than classic A/B testing, but their use is increasing noticeably.

The development of the average number of tests performed per month is exciting. However, this is not so much due to a planned reduction of test activities, but rather the result of the fact that **Conversion Optimization has now reached the broader mass of companies**. One main reason for this is the fact that companies are developing the topic independently with their own knowledge and ideas, although with longer start-up times.

Testing in the area of checkout has become increasingly important. The survey results on high testing frequency in this area of the site have remained fairly constant, while more and more companies are now also „occasionally“ setting up tests there. Tests on the **homepage** also continue to have a high priority compared to the previous year, despite the often greater distance to main KPIs such as „orders“. **4 out of 5 companies use digital analysis as a data basis** for test concepts, making this data source the most used option in 2020 as well. Here and in the use of best-practice experience, an increased use can be observed compared to previous years. In addition, the share of **mouse-tracking and heat maps** as well as **competitor analyses, personas** and **usability labs** has risen significantly.

With regard to the importance of different device types, it can be seen that **desktop and mobile still play the most important role** in A/B testing. Tablet devices, on the other hand, have lost some of their importance, and a good half of all respondents stated that testing on **mobile apps** has not yet taken place. The use of certain testing tools shows a clear change in the corporate world. For the first time since this year, **over one in two companies is using Google Optimize as a testing tool**, which is probably also due to the tool's past functional enhancements.

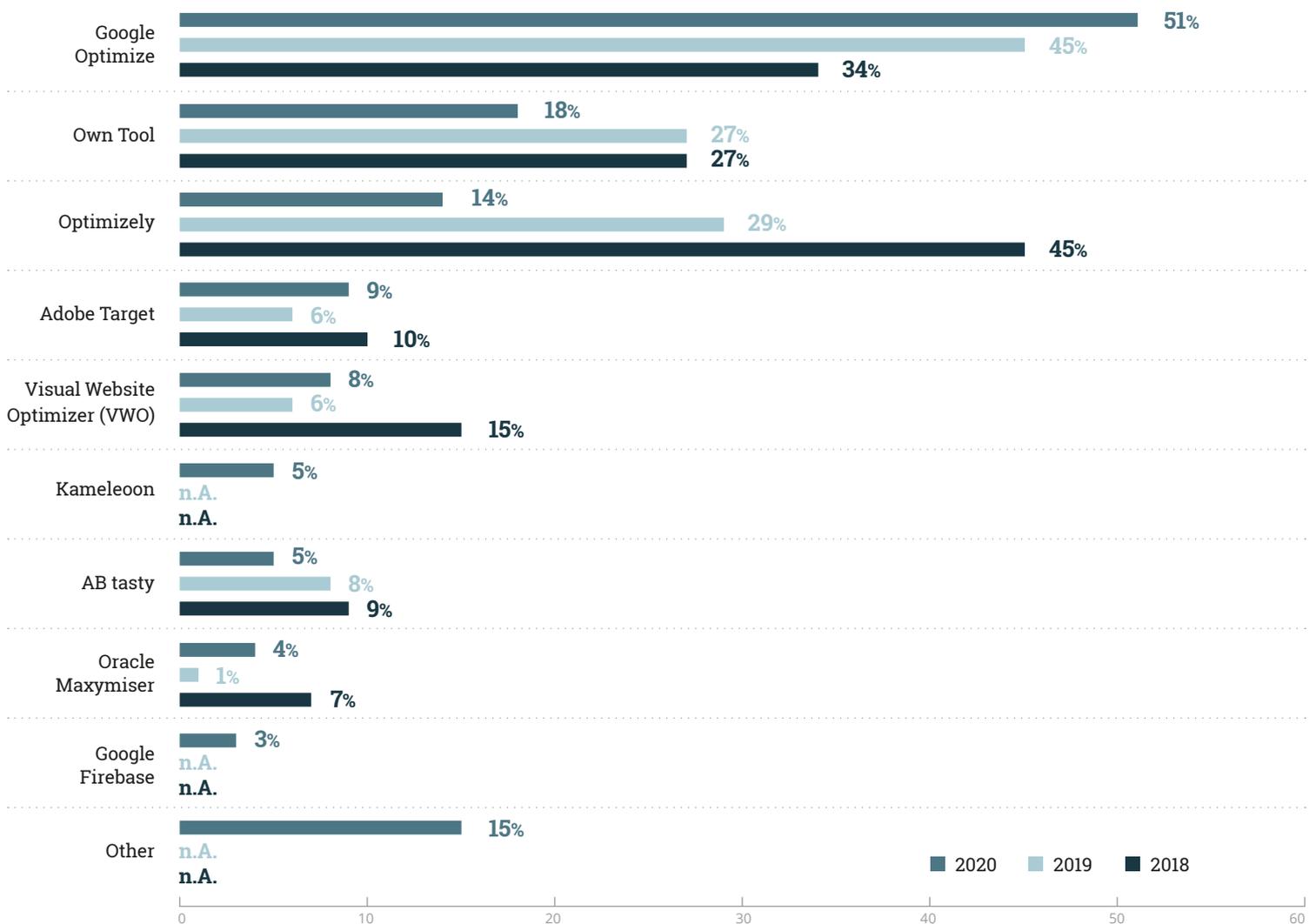
Sales-relevant KPIs such as transactions and turnover will again be the focus of Conversion Optimization in 2020 in relation to the most frequently used targets. But especially the so-called micro-conversions, e.g. clicks on a certain element, are experiencing a strong increase in their importance and are therefore ranked second directly between the sales-relevant KPIs.

This year's top 3 topics are the same as last year. Thus, the topics **User Experience, Mobile Optimization and Personalization** are unbeaten at the top. With regard to the most relevant challenges that have become more important for companies this year, **data quality** and **tracking** rank in the upper range.

TEST CONCEPTS, TOOLS & KPIS

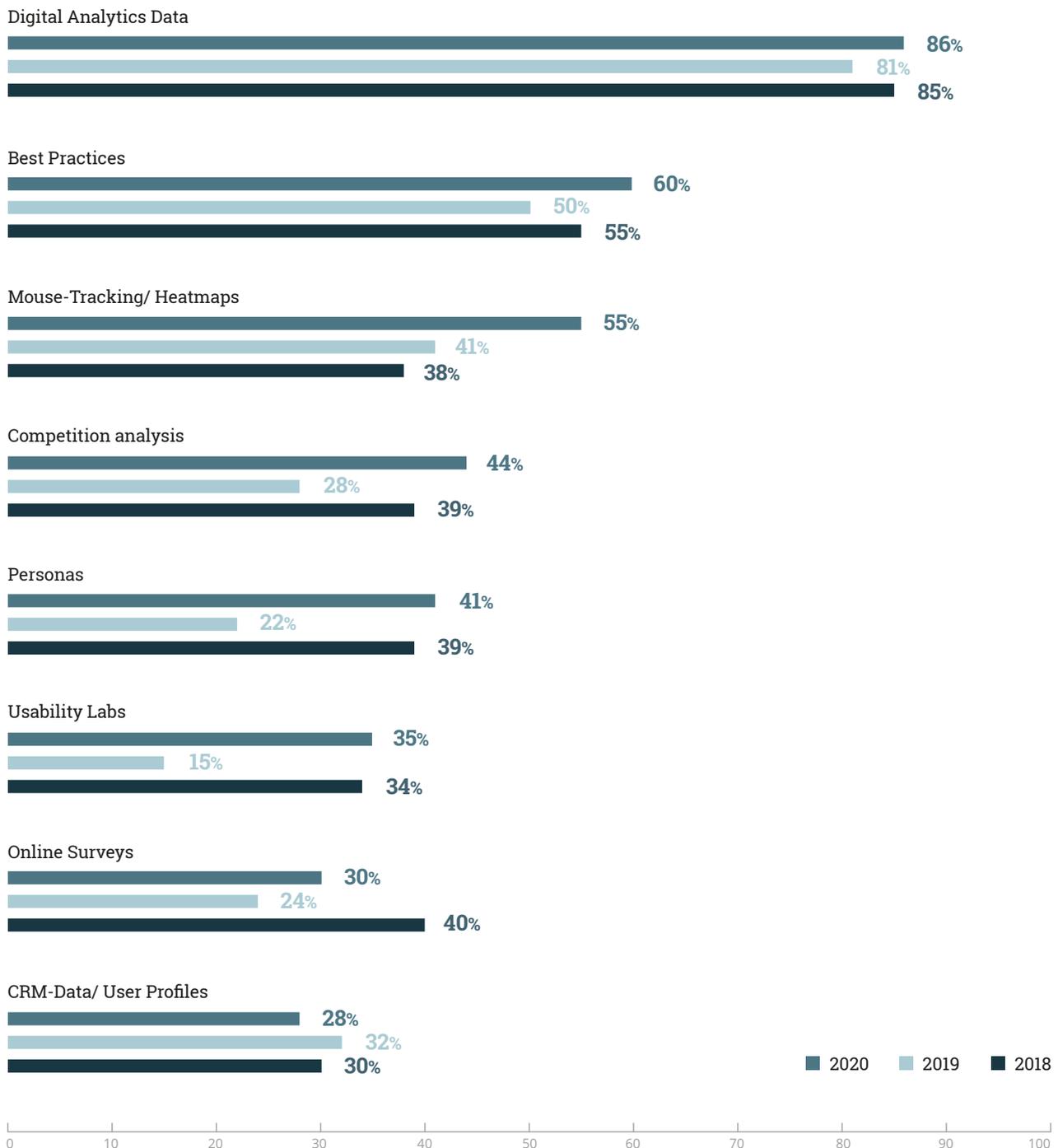
Conversion Optimization

Which tools do you use to run your tests?



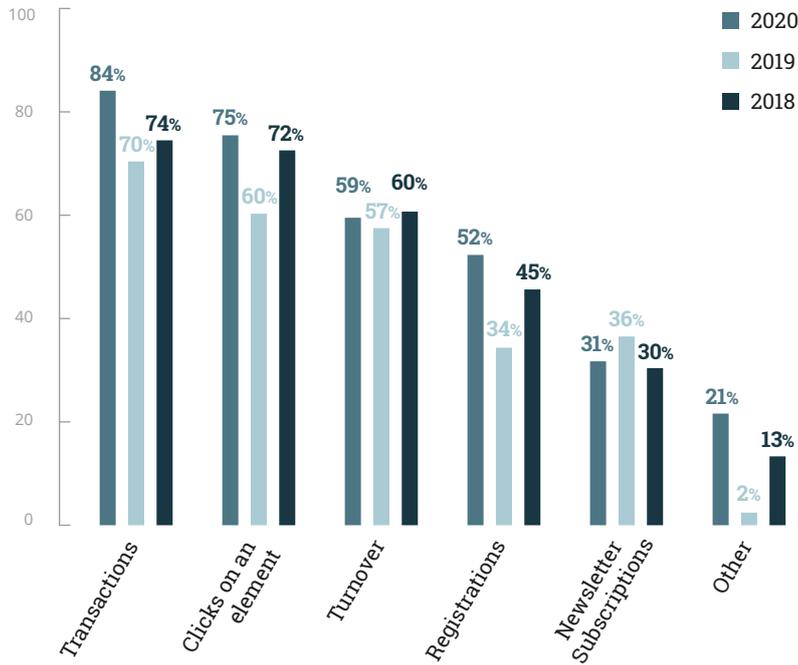
This year's survey shows a major change in the use of the various testing tools and a difference can be seen when compared to the previous year. Compared to the previous year, **Google Optimize** has achieved a 51% share with an increase of 6 percentage points compared to 2019, making it the most used testing tool. This is followed by the use of **in-house testing tools** (18%), which ranked second in the survey but recorded a decline of 9 percentage points compared to the previous year. **Optimizely** is in 3rd place with 14%. However, when compared to the previous year, Optimizely has suffered significant losses and was only able to maintain a third of its share compared to 2018. Other tools were also mentioned by the study participants, but in contrast to the tools mentioned above, these tools only have a small share.

Which data sources do you use for the design of your tests?



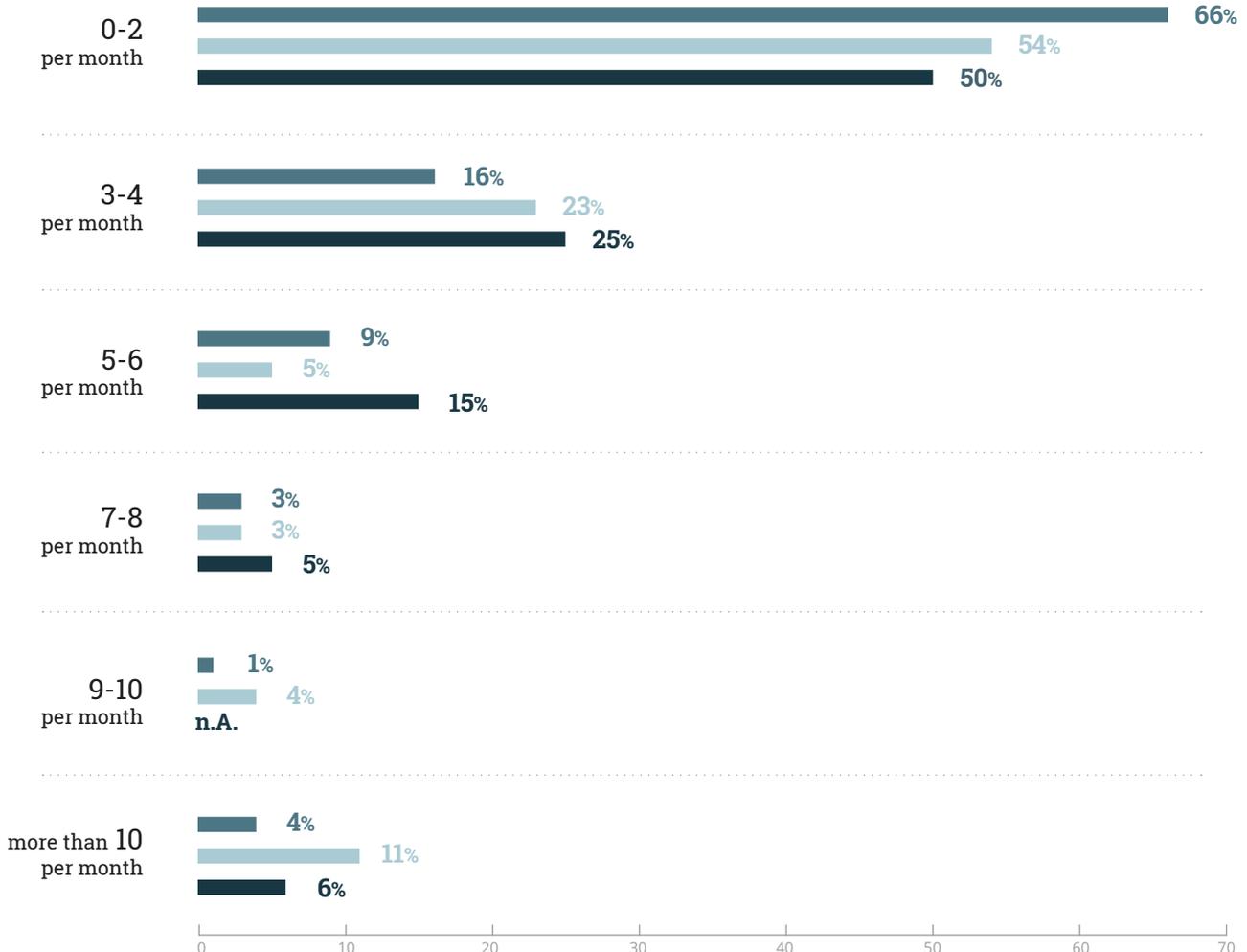
Digital Analytics is again providing the data basis for the Conversion Optimization area at four out of five companies this year. At 86%, this data source is still well ahead of all other possible options. **Best practice experience** (60%) also continues to rank high as the basis for test design, although it is well behind Digital Analytics data. Furthermore, more than half of the companies surveyed use **mouse-tracking/heatmaps** (55%) as a data source for test design. This share has risen significantly compared to the previous year, as has the share of **competitor analyses, personas** and **usability labs**, bringing these sources back to the level of 2018.

Which KPIs form the basis of your tests?



Transactions are, as in previous years, the most essential metric for measuring the success of the AB Tests. In addition to transactions (84%), three-quarters of the respondents named **clicks on an element** (e.g. CTA) as well as **sales** (59%) in the following places. With regard to KPIs such as **sales** or **newsletter registrations**, no major deviations can be observed compared to previous years. An exception is the metric **registrations** (52%). This shows an increase of 18 percentage points compared to the previous year. This shows that customer loyalty is becoming increasingly important for companies. In an overall view, the selection of suitable target metrics is concentrated on the five KPIs mentioned above, as the **other** area only accounts for a share of 21%.

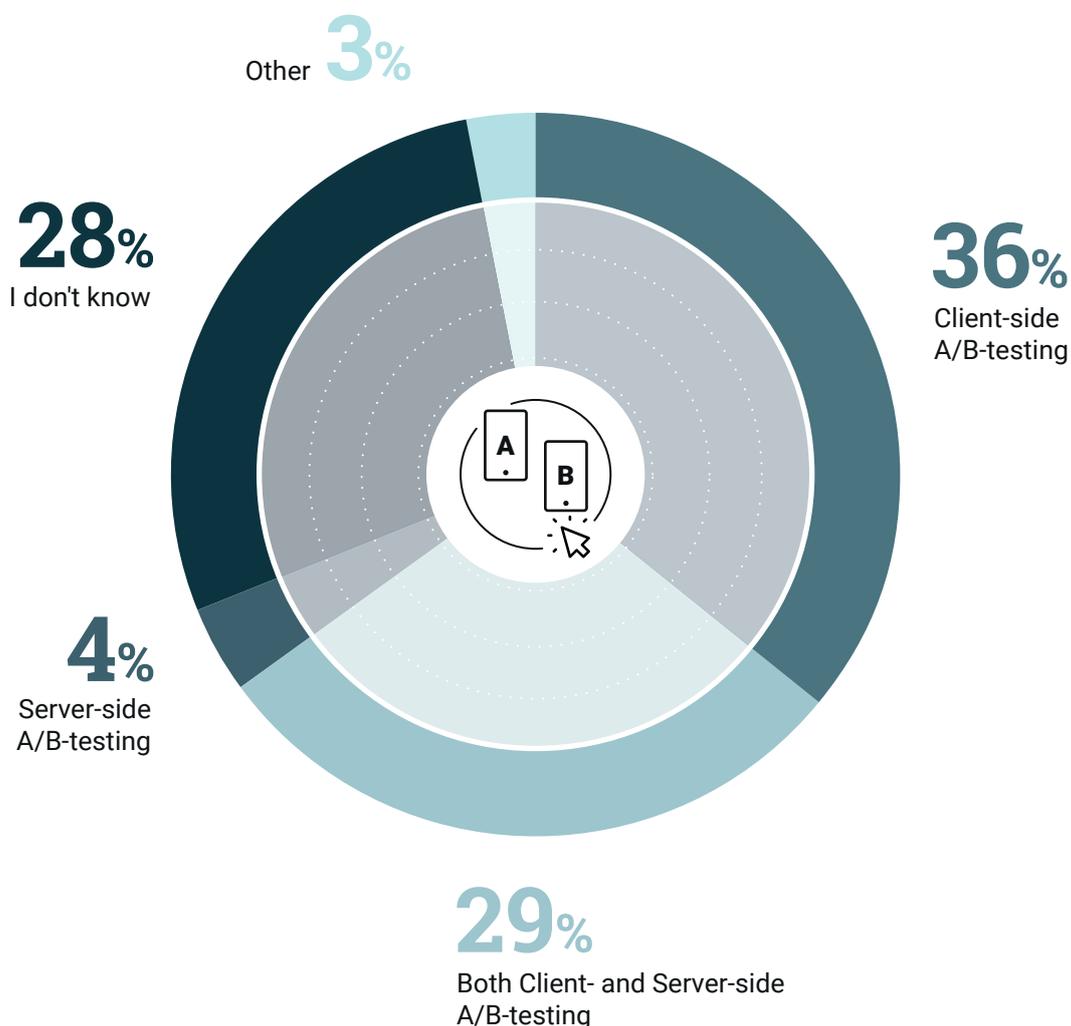
On average, how many tests do you run per month?



One exciting development is the question of how many tests the respondents perform on average each month. The proportion of those who carry out 0-2 tests per month has increased significantly compared to the previous year (2020: 66%, 2019: 54%). In contrast, the proportion of those who test more frequently per month has decreased in almost all intervals over the past year.

This result probably has less to do with the fact that respondents are actively planning to reduce their testing activities compared to 2019. Rather, this result is due to the fact that conversion optimization has become a topic of interest to the broad mass of companies. Many companies now start with their own knowledge, their own ideas and their own team and therefore need some lead time to reach a higher number of tests per month.

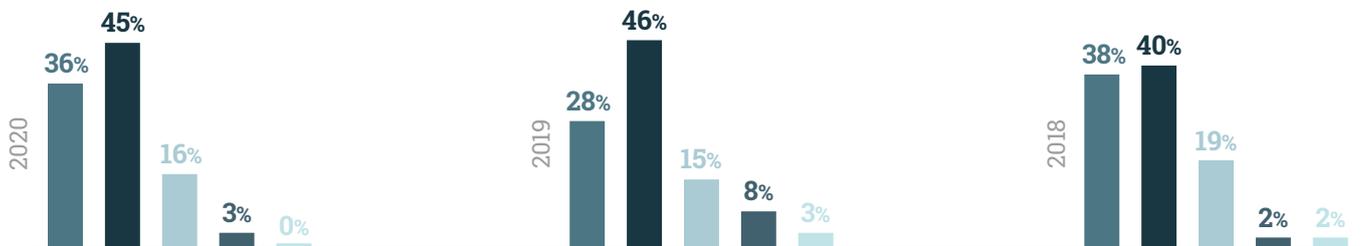
How do you implement your A/B-testing?



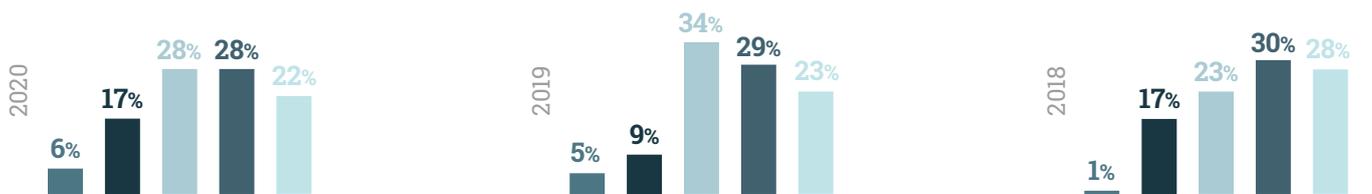
A/B testing can be performed on both the client and server side. With server-side testing, the big advantage is that there are no flicker effects in the front-end, but this requires internal IT resources. The advantage of client-side A/B testing is that testing can be performed quickly and independently of internal resources. Currently, **client-side A/B testing** enjoys the greatest popularity with 36% of the companies surveyed. About 29% of the study participants already use the possibility to **combine client- and server-side testing**, whereas only 4% of the companies prefer pure **server-side testing**. About 28% of the respondents do not know how their testing tool is integrated. This information is particularly relevant for people who are involved in the direct implementation of the tests.

How often do you use the following testing procedures?

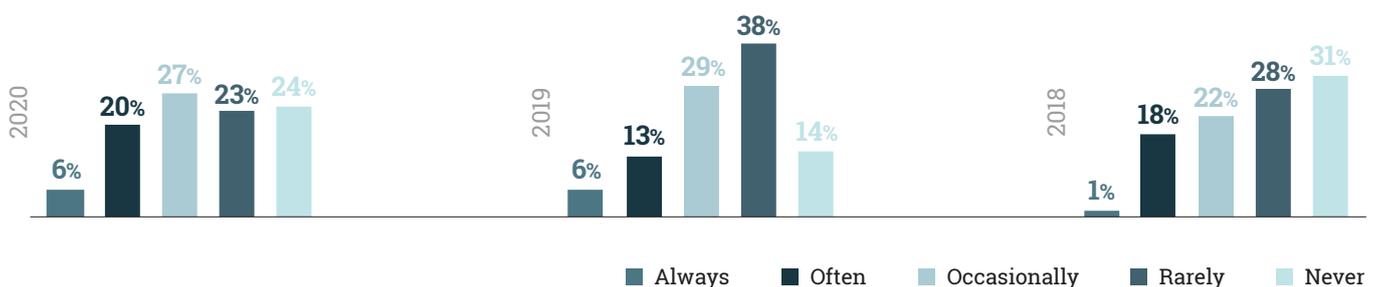
A/B Testing



Multivariate Testing



Personalization



■ Always ■ Often ■ Occasionally ■ Rarely ■ Never

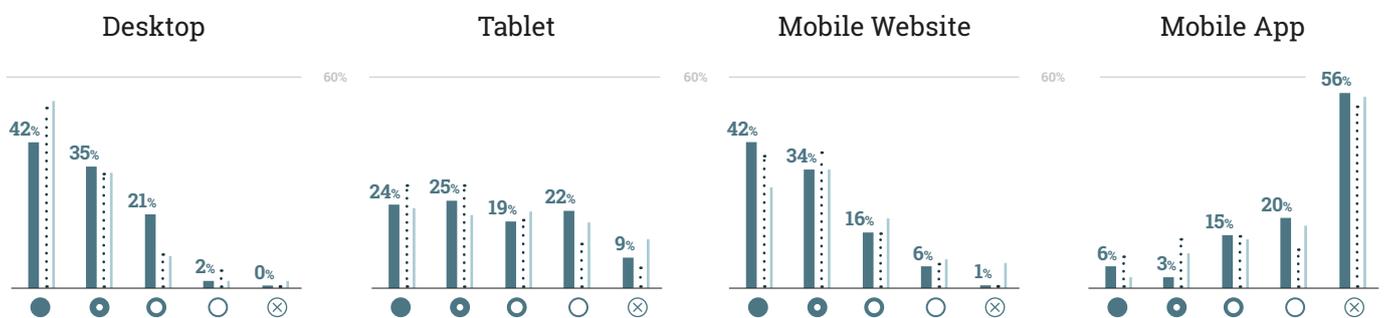
Classic **A/B testing** is still the most frequently chosen test procedure, which is „often“ used by 45% of the companies surveyed. In 2020, as much as 36% of those surveyed said they „always“ used the procedure, in 2019 this figure was still below the 30% threshold. More complex procedures, such as **multivariate testing** and **personalization**, are used less frequently in companies, but with an increasing trend compared to the previous year. This trend towards the use of more complex procedures was already apparent in last year’s survey. Nevertheless, a large proportion (77% and 74% respectively) of the statements for both methods in 2020 are still distributed among the categories „occasionally“, „rarely“ or „never“.

How often do you run tests on the following pages?



The importance of landing pages as the primary testing place has decreased compared to 2019. Although 37% of respondents „often“ test there and 39% „occasionally“, but only 8% „always“. In contrast, 14% „always“ perform tests on product pages, meaning that there still seems to be a great potential for optimization. Compared to the previous year, the homepage has hardly lost any of its importance as a test point, although experience shows that it is usually very far away from measuring the main KPIs such as orders. There is a positive development in tests in the checkout area. This is a topic that, despite the often above-average technical complexity, more respondents are now venturing into. A total of 79% test at least „occasionally“, „often“ or „always“ in this part of their website, where often still undreamt-of uplift potentials are hidden. As in the previous year, tests on the overview pages, in the newsletter or on content pages are regarded as significantly less attractive.

How often do you test the following devices?

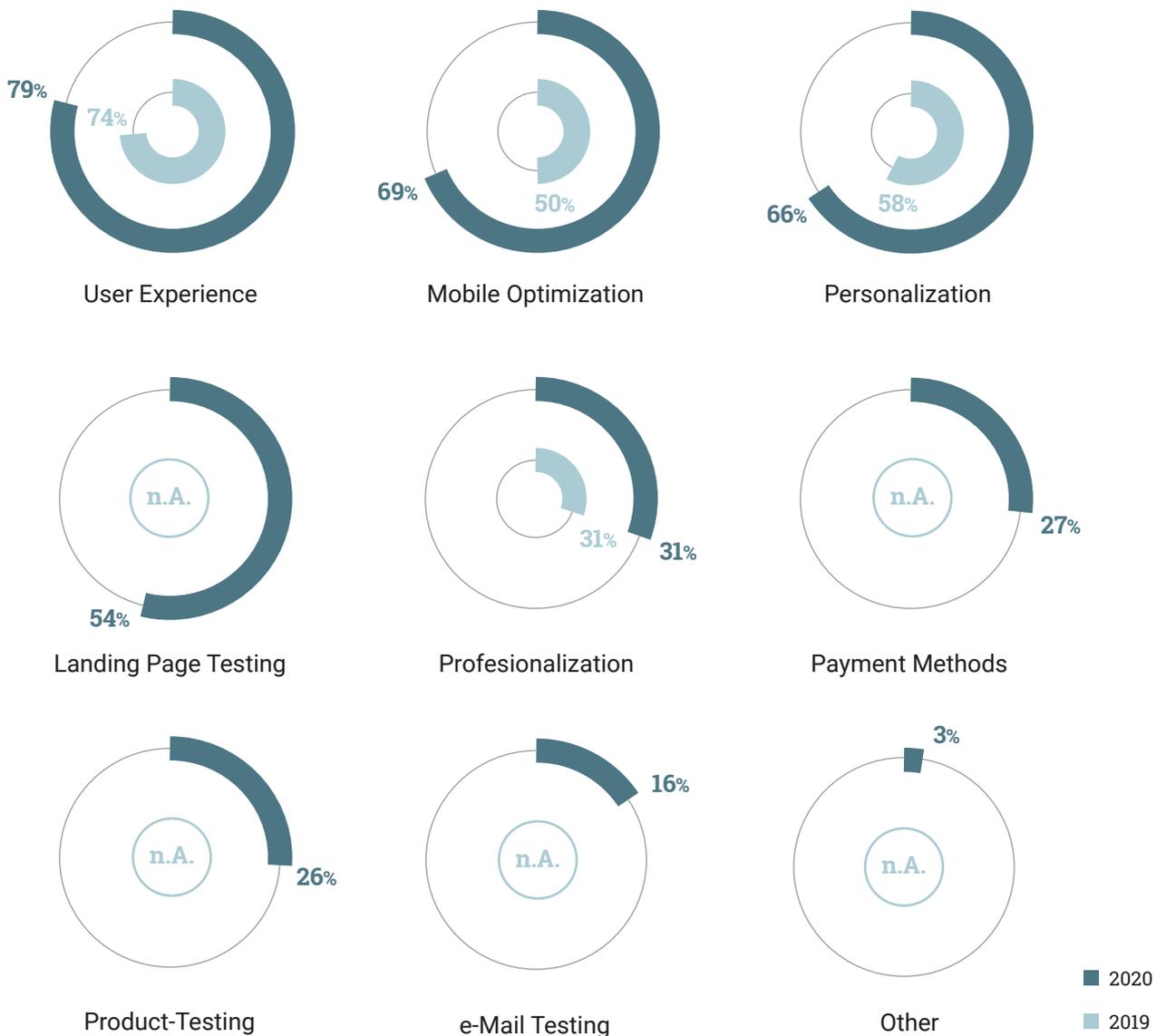


The results show that **desktop** and **mobile website** still play the most important roles in AB testing. 70% of respondents test „always“ or at least „often“ for desktop or mobile websites. For the latter, this figure has even increased compared to the previous year, so that desktop and mobile websites are now used to the same extent for testing. While testing for **tablets** is carried out at least „occasionally“ or „rarely“, **mobile apps** have so far played no role in testing, as a good two thirds of all respondents „never“ or only „rarely“ test on this platform.

TOP TOPICS 2020

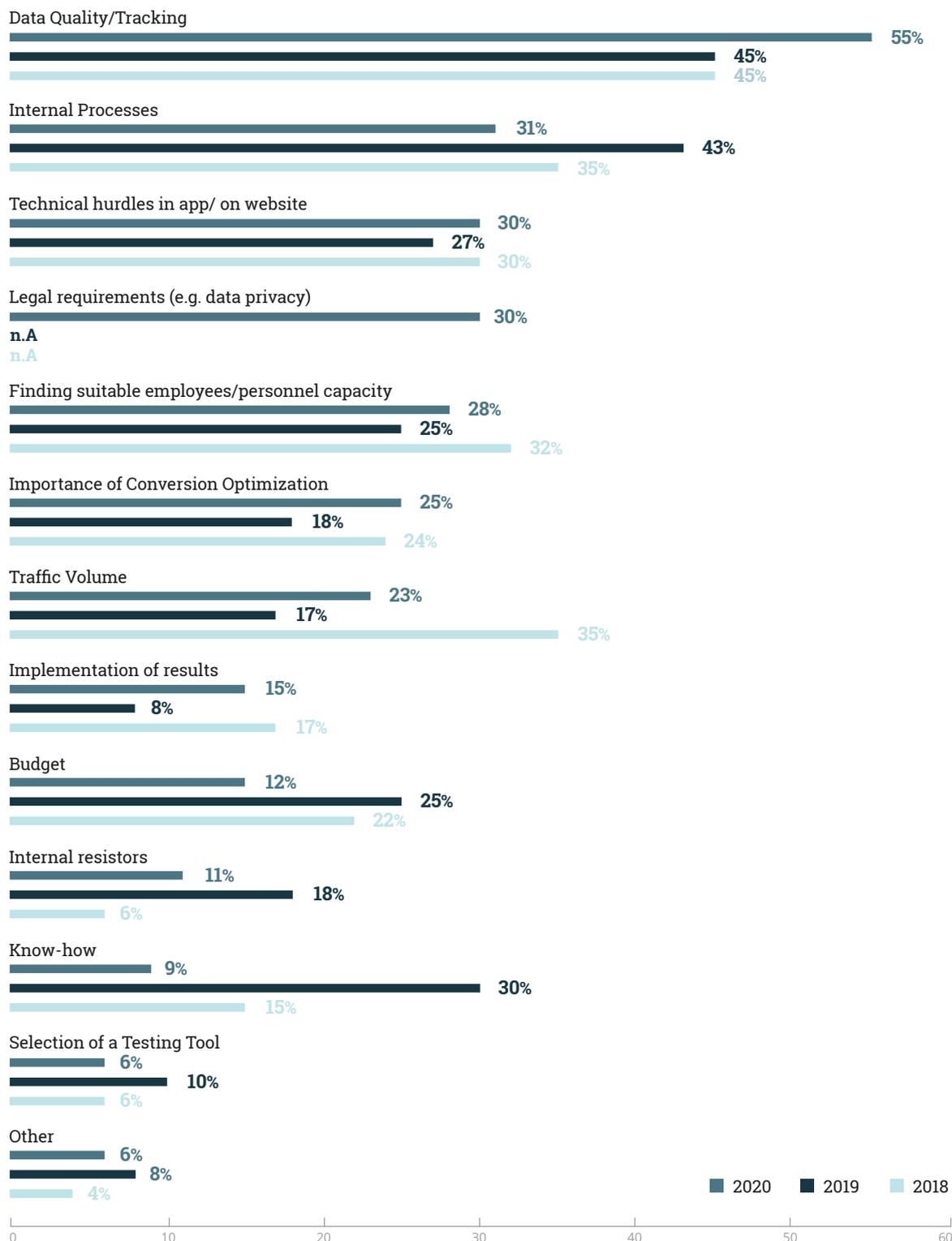
Top Conversion Optimization topics

Which of the following Conversion Optimization projects, topics and questions are you planning for in 2020?



As in the previous year, **user experience** is the most important topic for respondents with regard to conversion optimization (2020: 79%; 2019: 74%). This is followed by the question about **Mobile Optimization**, which increased by 19 percentage points compared to the previous year to a share of 69% and thus replaced **personalization** (2020: 66%; 2019: 58%) as the second most important topic. This is followed by the topics **Landing page Testing** (54%), **Payment Methods** (27%) and **Product Testing** (26%), which were surveyed for the first time this year. In the area of **professionalization**, which was also surveyed in 2019, a stagnation in terms of share can be seen (31% in both years).

What will be the three biggest Conversion Optimization challenges in your company in 2020?

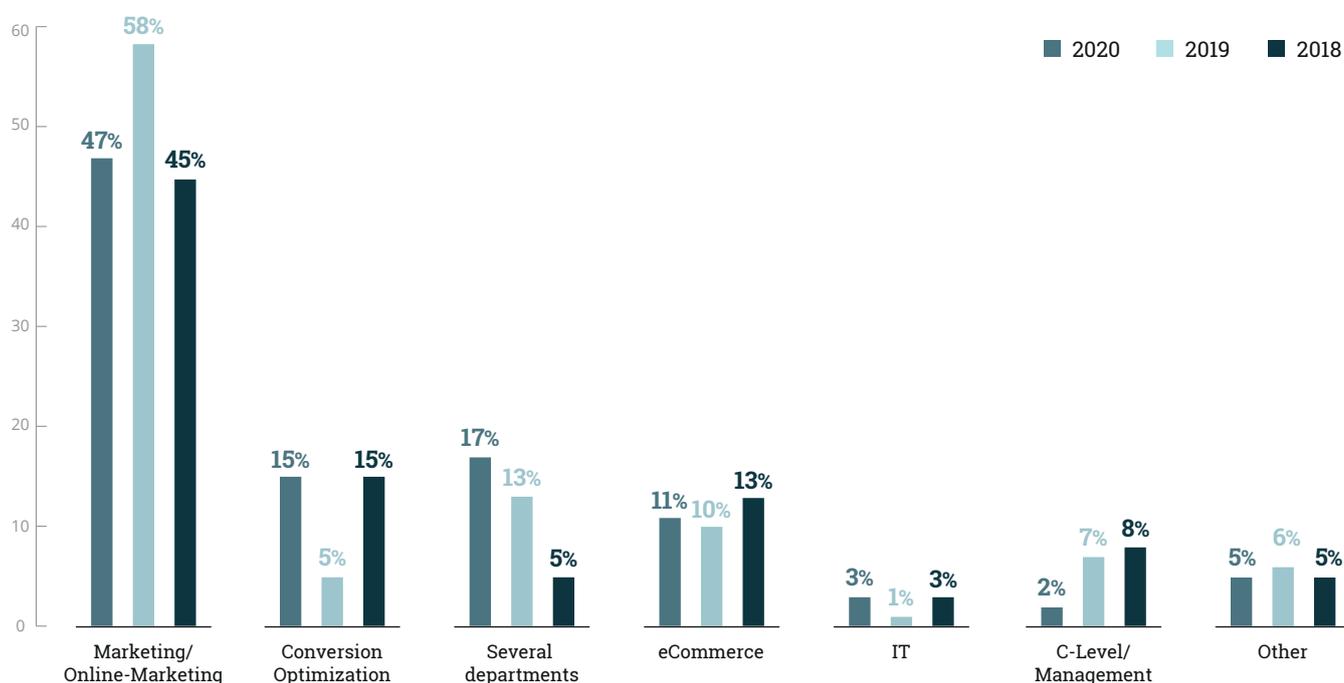


The challenges in Conversion Optimization are diverse. The relevance of **data quality and tracking** has increased significantly compared to previous years and represents the greatest challenge for more than half of the companies surveyed. For about 30% of each company, **technical hurdles, legal requirements or finding suitable employees** are also of central importance. **Internal processes** for testing also pose a challenge for one third of those surveyed, although this point has lost its relevance compared to 2019, as have the available budget and the **necessary expertise**.

RESPONSIBILITY & BUDGET

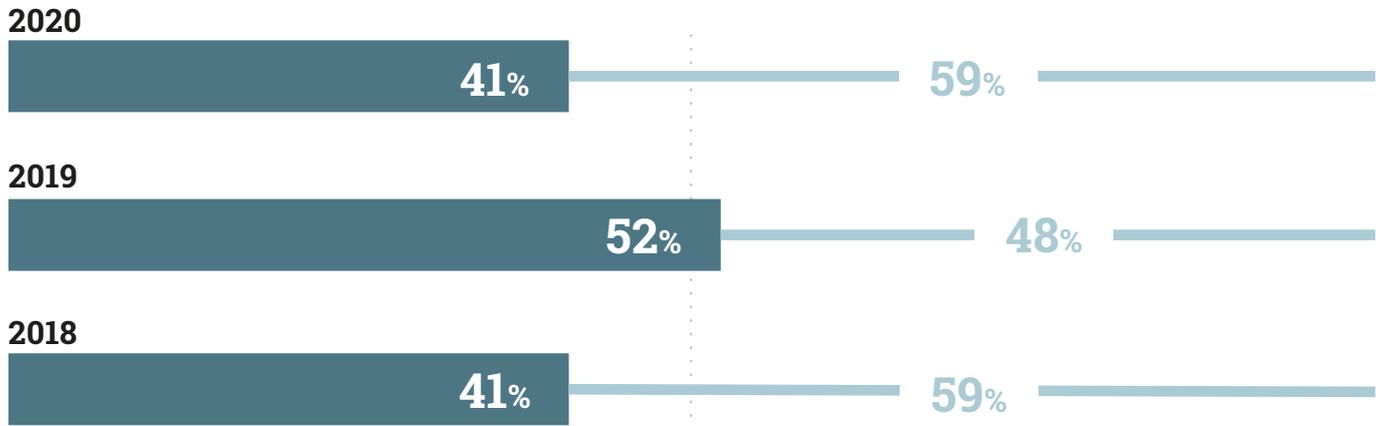
Conversion Optimization

Which department is responsible for Conversion Optimization in your company?



As it could be seen in previous years, the Conversion Optimization area is largely handled by the Marketing department (2020: 47%; 2019: 58%; 2018: 45%), although a decline of 11 percentage points can be seen compared to the previous year. In addition, it can be seen that the responsibility for conversion optimization is increasingly distributed among different departments (2020: 17%; 2019: 13%; 2018: 5%). Even though the proportion of company-owned Conversion Optimization Teams decreased last year (10% points), it has risen again to the level of 2018 (15%). In contrast, the share of IT seems to stagnate (2020: 3%; 2019: 1%; 2018: 3%) and management is increasingly relinquishing responsibility for conversion optimization (2020: 2%; 2019: 7%; 2018: 8%).

Do you work with an external agency for your conversion optimization projects?



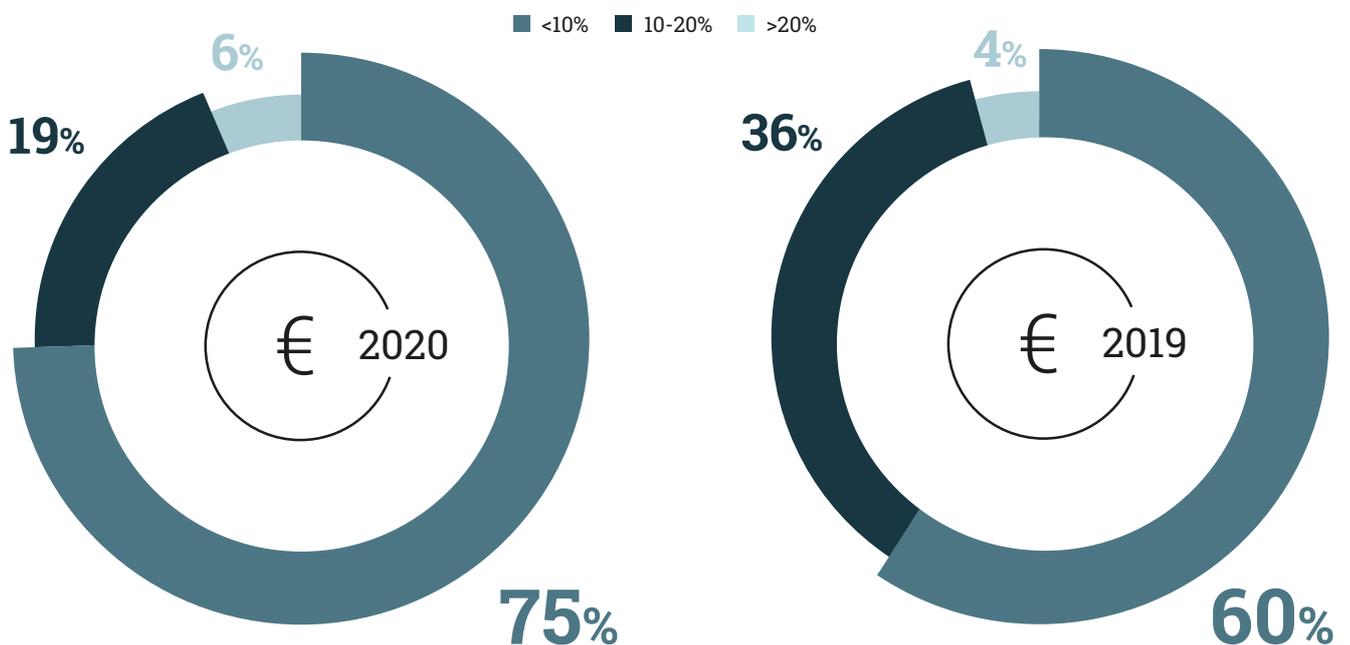
Yes, we work together with an external agency.

No, we do everything in-house.

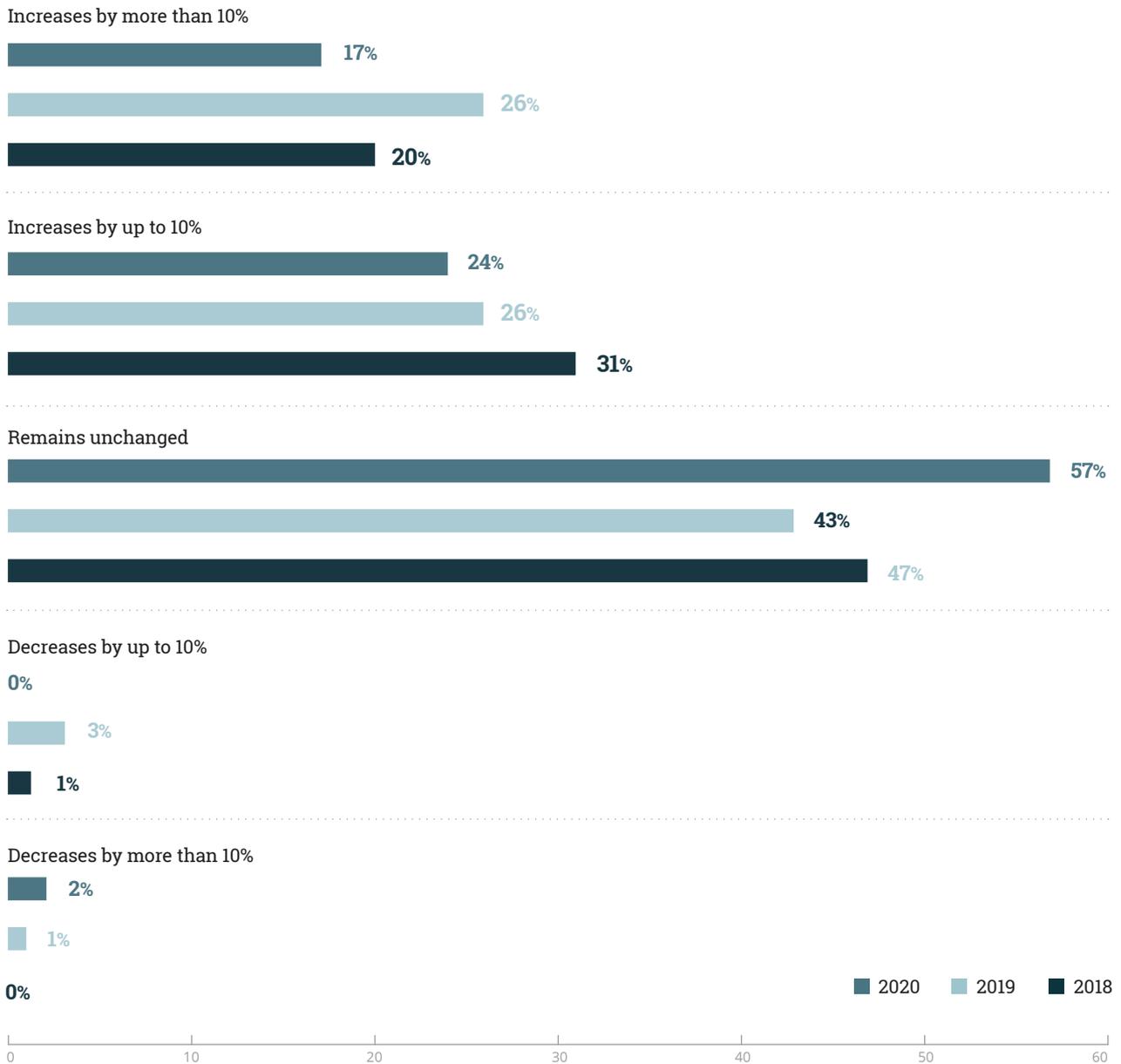
Numerous projects in the field of conversion optimization are implemented with the support of external agencies. However, a decline of 11 percentage points compared to the previous year can be observed (2020: 41%; 2019: 52%). In 2020, 59% of the companies surveyed implement their conversion optimization projects in-house and only 41% of the companies use the support of external agencies.

What percentage of the marketing budget will be spent on Conversion Optimization in 2020?

Compared to the total marketing budget, only a small portion of it is available for conversion optimization. It is noticeable that the 2020 budget is slightly lower than in the previous year. For about three quarters of all respondents, the testing budget is less than 10% of the total marketing budget for 2020, and only one quarter have more than this 10%, which is a significant decrease compared to the previous year. In 2019, around 40% of all respondents still classified the budget for conversion optimization as more than 10% of the total marketing budget.



How will your company's 2020 Conversion Optimization Budget change compared to the prior year?



With an increase of 14 percentage points, 57% of the respondents stated that they had the same budget for 2020 as in the previous year for the area of Conversion Optimization. In contrast, a decrease can be seen with regard to groups planning to increase their annual budget for 2020. While a stronger decline is seen in companies whose budget increases by more than 10% compared to the previous year (-9 percentage points), a smaller decline is seen in companies whose budget increases by up to 10% (-2 percentage points). It is noticeable that the latter group has been steadily decreasing in relation to 2018, while the group that increases its budget by more than 10% increased significantly last year, but this year is back at a similar level as in 2018.

Furthermore, only 2% of the companies surveyed stated that they would reduce their Conversion Optimization Budget for 2020. This shows that the study participants plan to keep or increase their budget for 2020 much more frequently, while only a few companies plan to reduce their budget.

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