

DIGITAL ANALYTICS & GOVERNANCE

2021 REPORT



ObservePoint

INTRODUCTION

In today's business climate, especially with the rise in online activity, digital analytics is more important than ever. To stay competitive and deliver amazing experiences to your customers, you need to be a data-driven business.

- But what does a data-driven business look like?
- What are the current roles and team configurations in the digital analytics space?
- What analytics solutions are companies using to improve their use of data?
- How are companies responding to privacy regulations?
- How much do companies trust their current digital analytics practices, and what can they do to improve those practices?

ObservePoint took to answering these questions and more in a recent survey of more than 650 digital analytics and governance professionals.

Continue reading to discover the findings.

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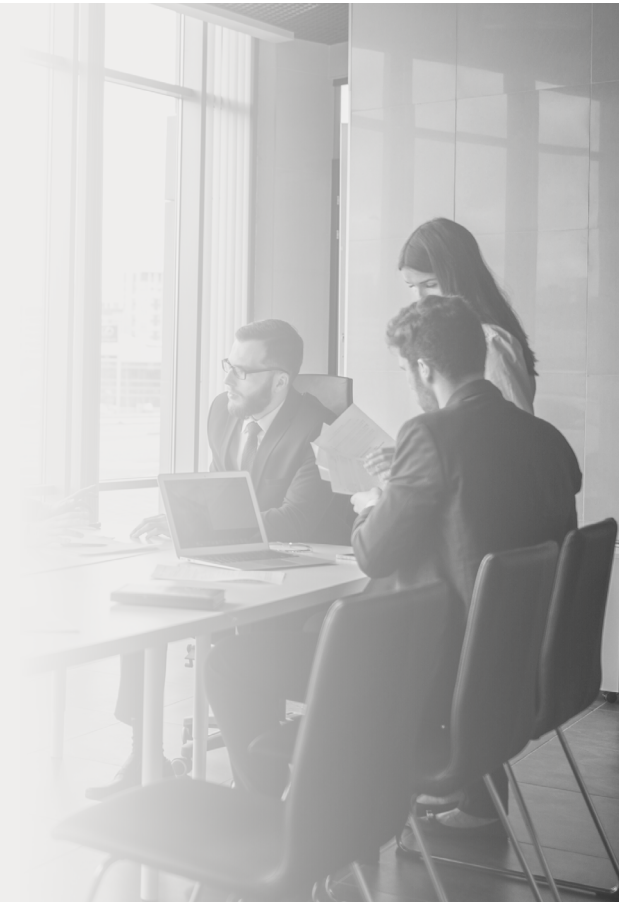
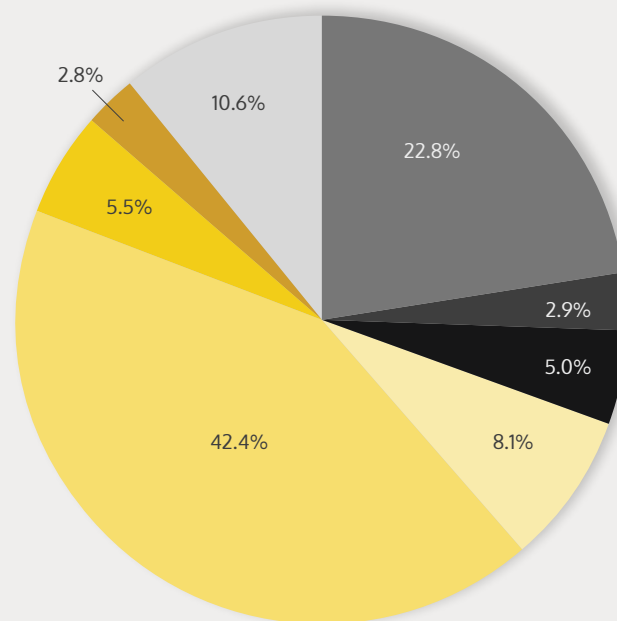


Who We Surveyed

Over 650 digital analytics and data governance professionals participated in the survey. Of those, a total of 70% identified specifically as analytics and marketing professionals.

Which department do you report to?

Marketing	42.4%
Analytics	22.8%
Other	10.6%
IT	8.1%
Product Management	5.5%
Implementation	5.0%
Engineering	2.9%
Quality Assurance	2.8%



We asked the participants to tell us their full titles, and, in line with the high percentage of marketers and analysts, the most common titles were:

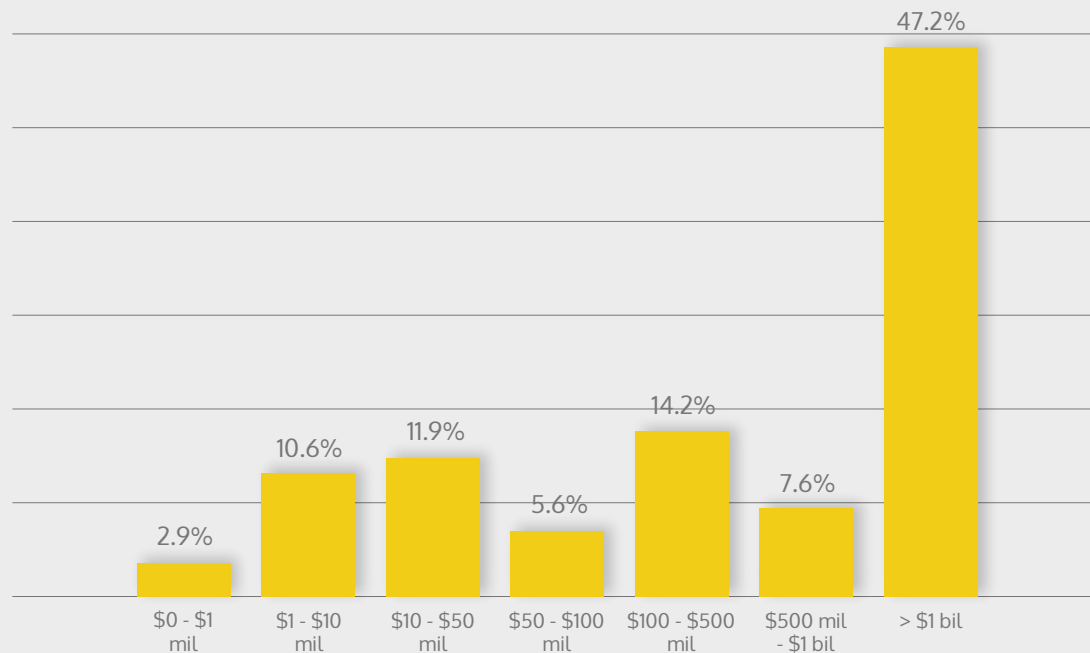
1. Digital Marketing Manager
2. Marketing Manager
3. Digital Analyst
4. Digital Marketing Specialist
5. Senior Analyst Analytics Technologies



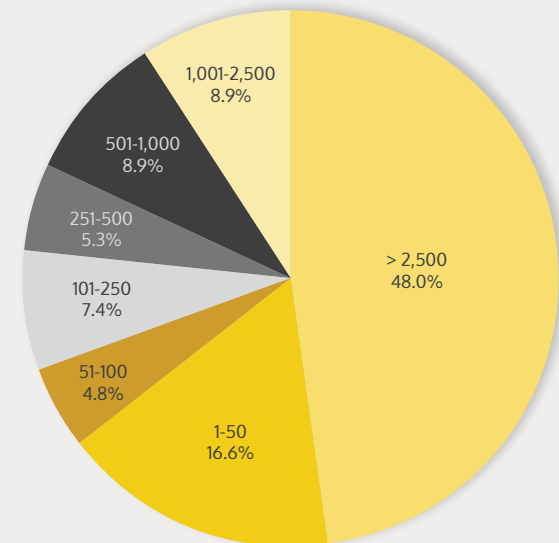
Company Profiles

Nearly 50%* worked for enterprise-level companies with more than 2,500 employees and over \$1 billion in revenue.

Company Revenue

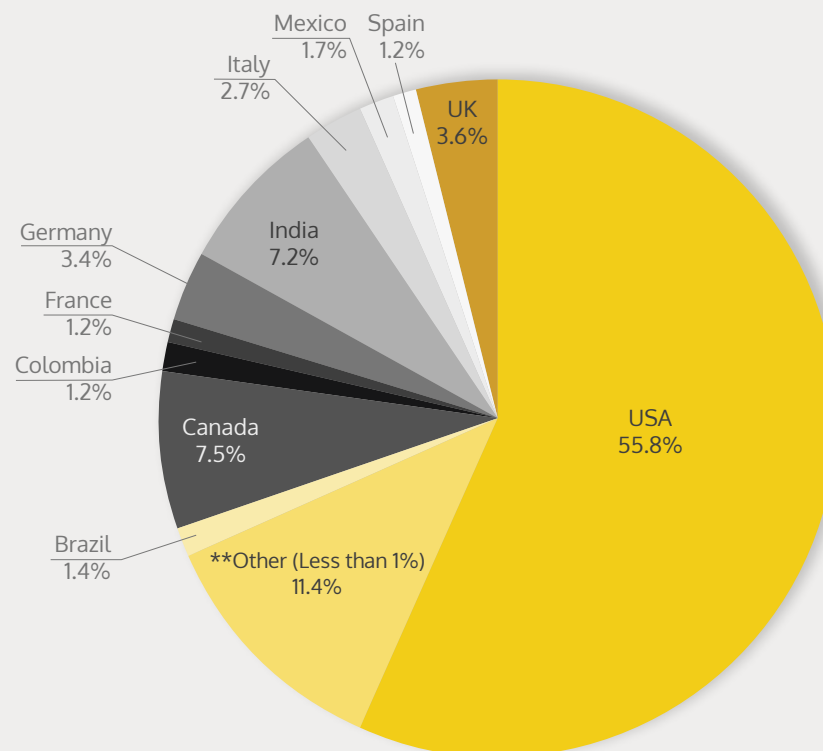


Number of Employees



*46 respondents did not provide employee data & 43 did not provide revenue data

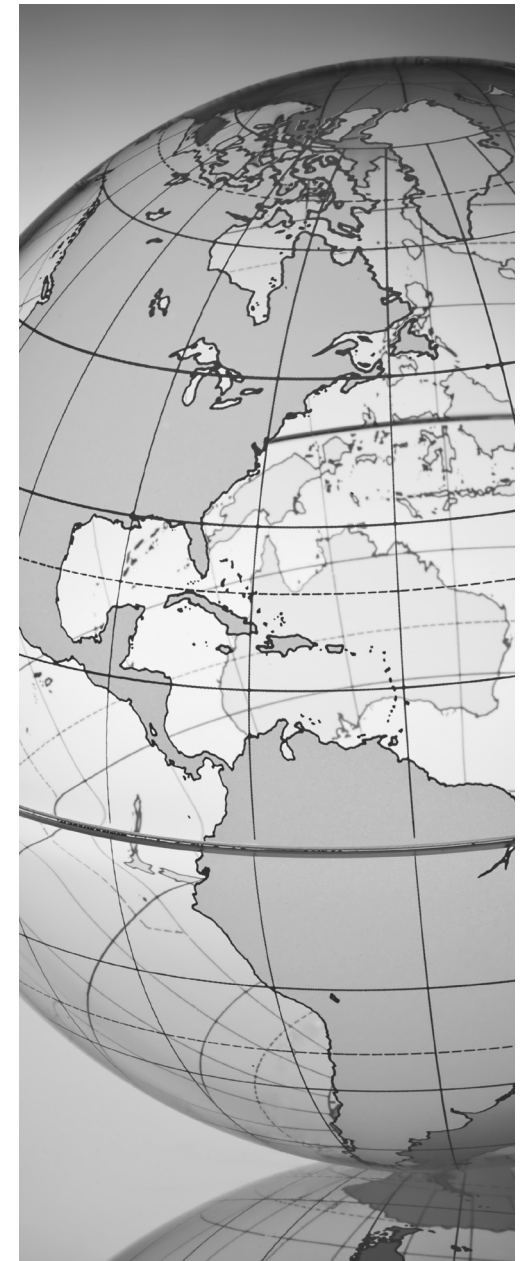
Countries



*262 respondents did not provide their country information

**There were 33 countries that each made up less than 1% of the total. We combined these into the category "Other."

55.9%* of the respondents resided in the United States. The countries with the next highest representation were Canada (7.5%), India (7.3%), and the UK (3.6%).



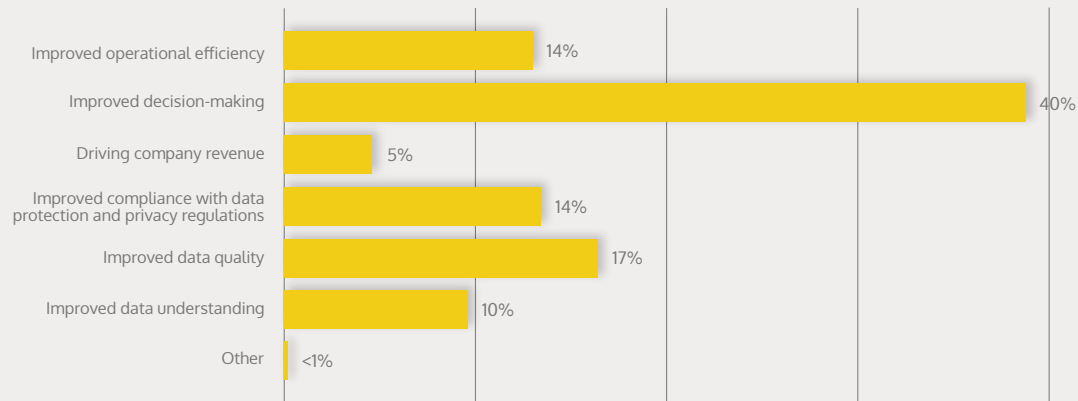
1. Business Services
2. Software
3. Retail
4. Banking/Financial
5. Manufacturing



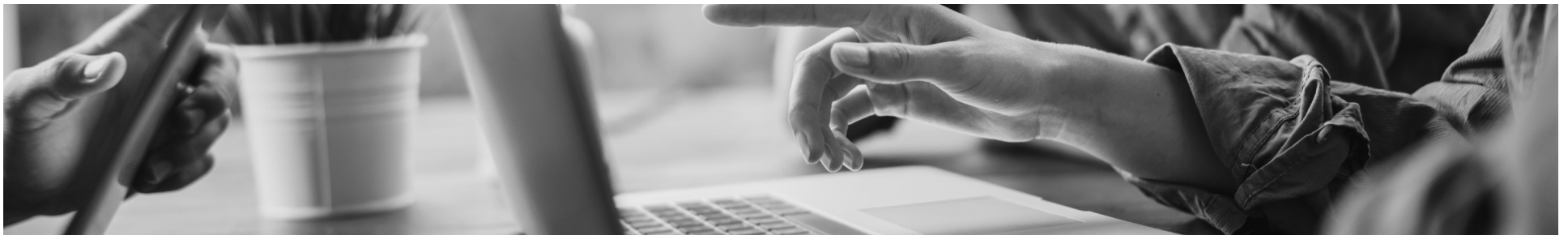
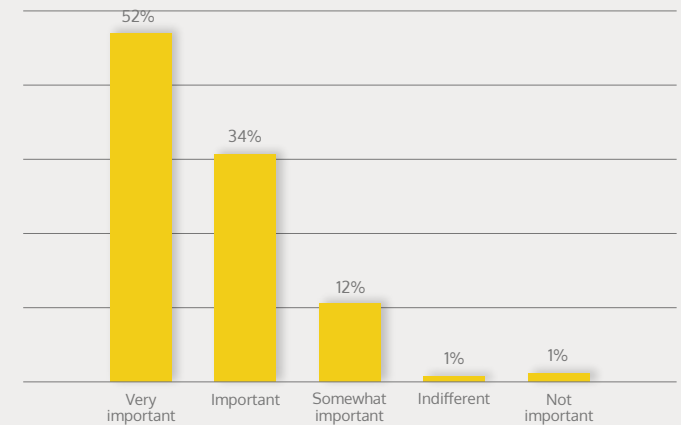
Perceived Importance & Benefits of Data Governance

86% of the survey participants responded that data governance was either important or very important in meeting their organization's financial, growth, and other business goals. When asked what they felt was the greatest benefit of data governance, **40.42% responded that improved decision-making was the most important benefit.**

What do you see as the most important benefit of data management/governance?



How does your organization view the importance of data management/governance in meeting the organization's financial, growth, and other business goals?

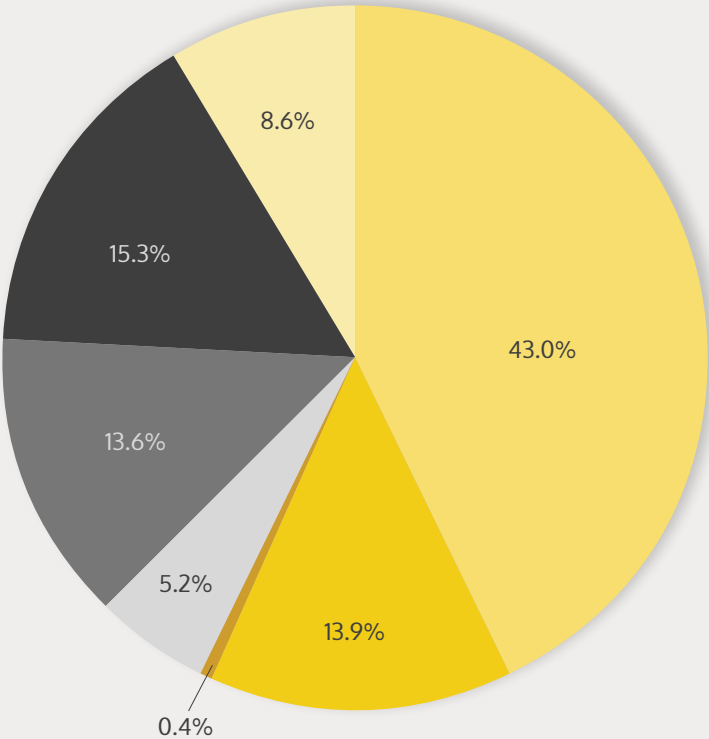


We compared the responses for those that said data governance was important or very important in their organization to the reasons they believed it was so crucial. 43% of those that believed data governance was important or very important also said data governance was key because it helped improve decision-making. This means that the inverse could also be true: **for those that believe that improving decision-making for their organization is a key element of growth, investing in data management and governance is—or should be—a high priority.**

Perceived Importance of Data Governance vs. Data Governance Benefits

*Only "Important" or "Very Important" Responses Included

Improved decision-making	43.0%
Improved data quality	15.3%
Improved operational efficiency	13.9%
Improved compliance with data protection and privacy regulations	13.6%
Improved data understanding	8.6%
Driving company revenue	5.2%
Other	0.4%



Challenges of Data Governance

Nearly 46% of respondents replied that their **greatest challenge with data governance** was either **spending too much time cleaning their data (22.6%)** or **a lack of human resources (23.3%)**. We discovered that **only 14% of our respondents had matured to using an automated data governance solution**, which could be one of the reasons those two challenges were ranked so high.

Cleaning and vetting data is a full-time job and limited and non-exhaustive due to its manual nature. An automated data governance solution reduces the man hours and manpower it requires to improve data governance and data quality by automating QA efforts and ensuring that an organization's data is being collected correctly. The relatively low number of participants using an automated solution could explain the high number of respondents facing two of the most frequent challenges of manual data governance.



14%
of respondents leverage a
data governance platform

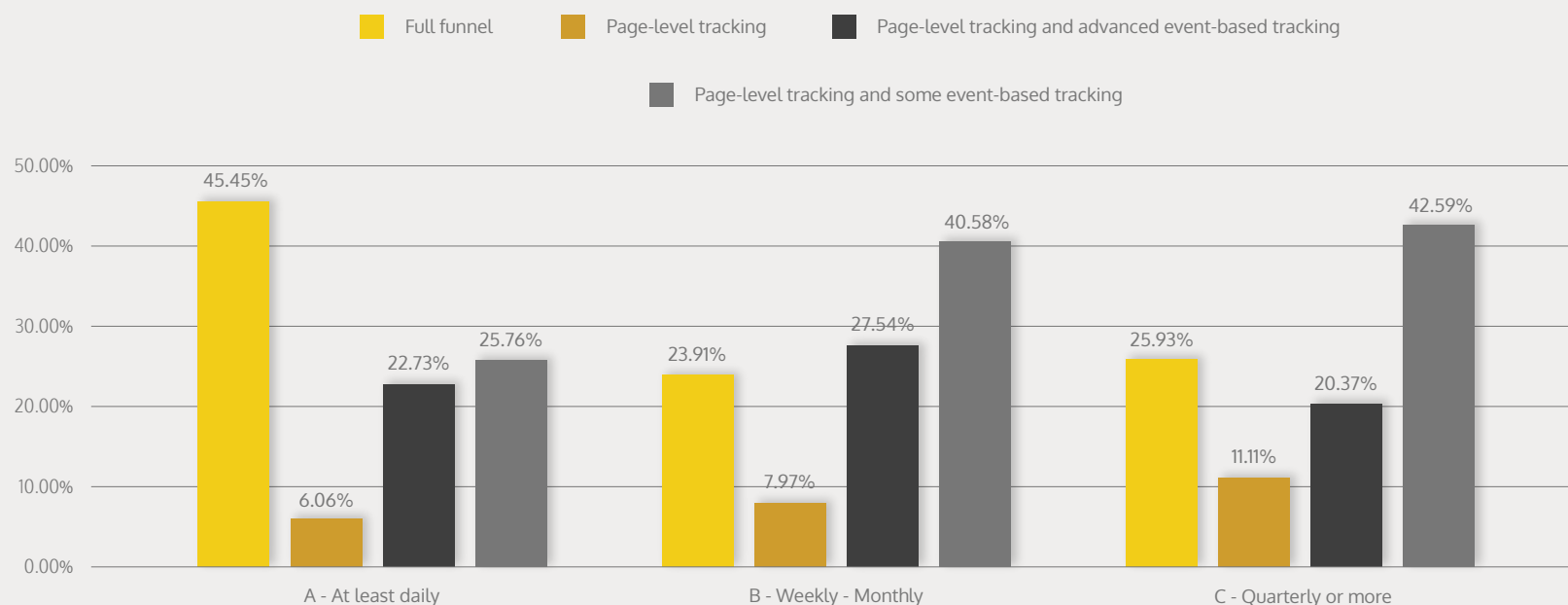


Discover how [Exture reduced their QA time](#) by more than 75% with ObservePoint.

More Robust Tracking Measures = More Frequent Testing

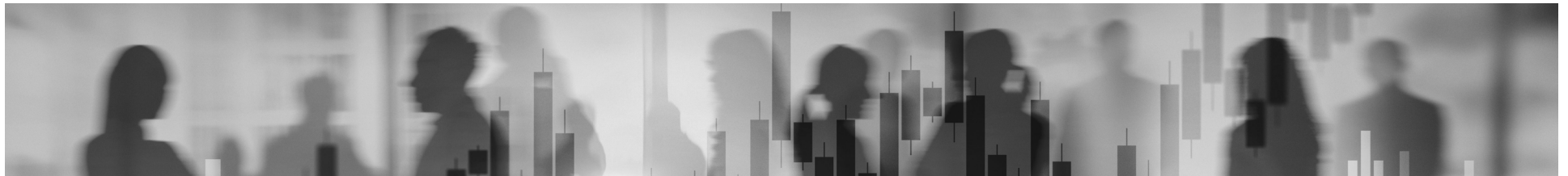
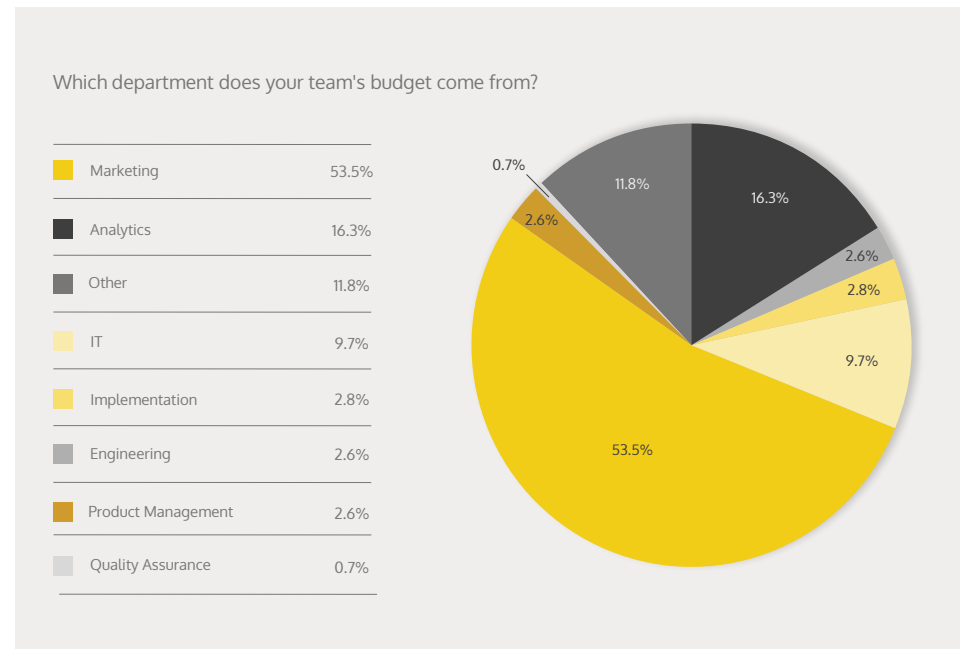
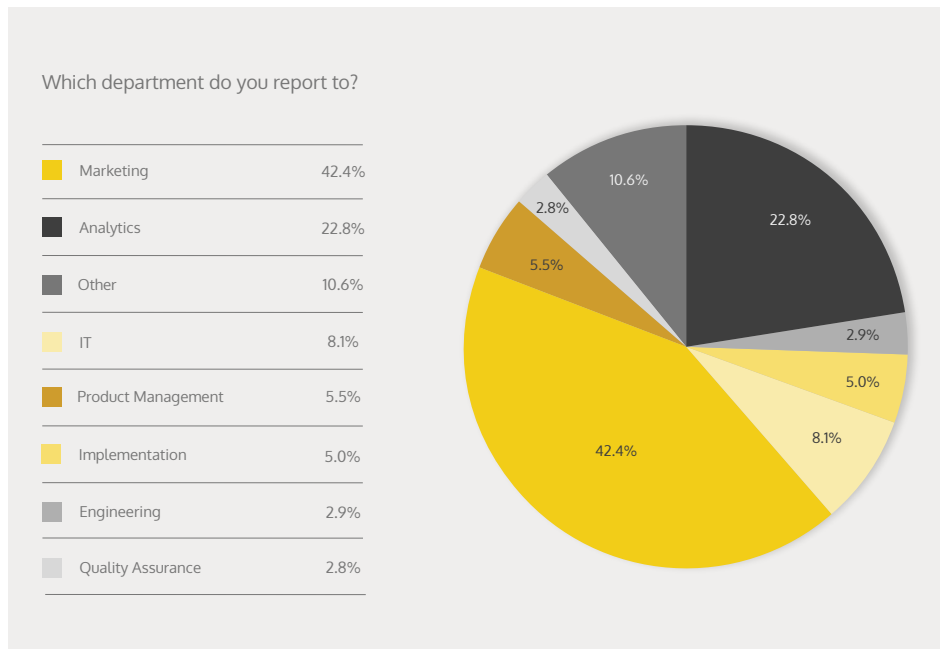
In the survey, we asked how robust respondent's tracking measures were as well as how often they tested their tracking. We found that those with more mature tracking measures were also more likely to test more frequently. This implies that **those who are more mature in their tracking are also putting more emphasis on data validation and ensuring the tracking measures they have in place are working properly and providing them the data they need and expect.**

Tracking Capabilities vs. Testing Frequency



Marketing & Analytics Departments

65.2% of respondents either reported to the Marketing department (42.4%) or the Analytics department (22.8%). Marketing is still by far the most dominant department, but **the Analytics department appearing as the definitive second shows that the Analytics department is becoming more and more of its own entity and a central part of organizations.** When it comes to budgets, Marketing's slice of the pie increases to 53.5% whereas Analytics shrinks to 16.3% though still ranking second. This suggests once again that though Marketing is still the dominating force when it comes to teams working with analytics and data collection, the Analytics department is truly becoming its own entity.



MarTech Solutions

When asked how many MarTech technologies they had in their stack, 71% responded that they used between 0-20 technologies.

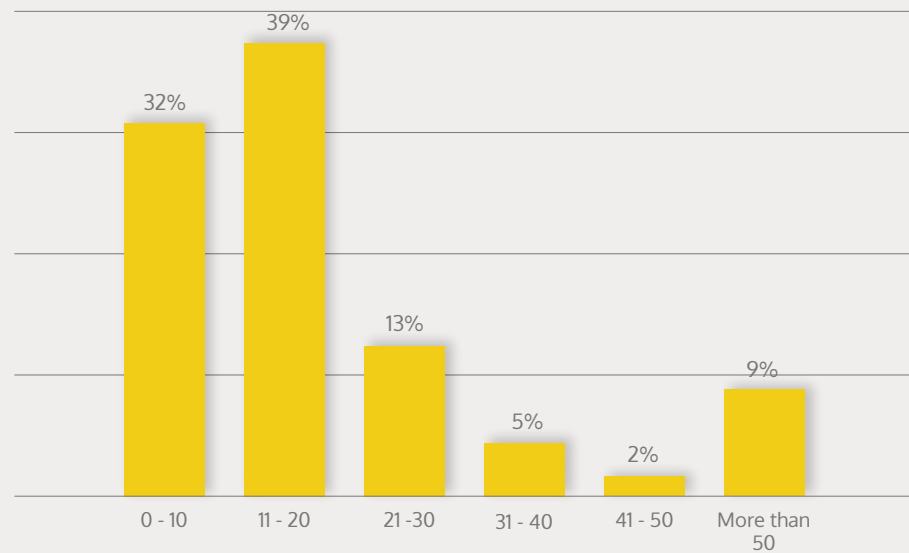
According to chiefmartech.com, the average enterprise-level company in 2020 used [120 MarTech technologies](#) on average. 57% of those we surveyed had more than 1,000 employees and, according to this metric, most likely had more than 50 technologies.

We ran an ObservePoint Audit on the homepages of those companies reporting less than 10 technologies in their MarTech stack, and found that **36% actually had 11 or more** and **15% had 20 or more** technologies, on their homepage alone.

Scott Brinker suggests that in surveys, technology usage is often [“underreported by half.”](#) One of the major factors could be that users themselves don’t know all of the technologies on their site, particularly if they don’t engage with them day-to-day.

Gaining a comprehensive understanding of the technologies on any given site can help analysts and marketers eliminate waste, decrease page load times, and see what unapproved or piggybacking tags might be jeopardizing their data privacy initiatives.

How many technologies are in your marketing technology stack?



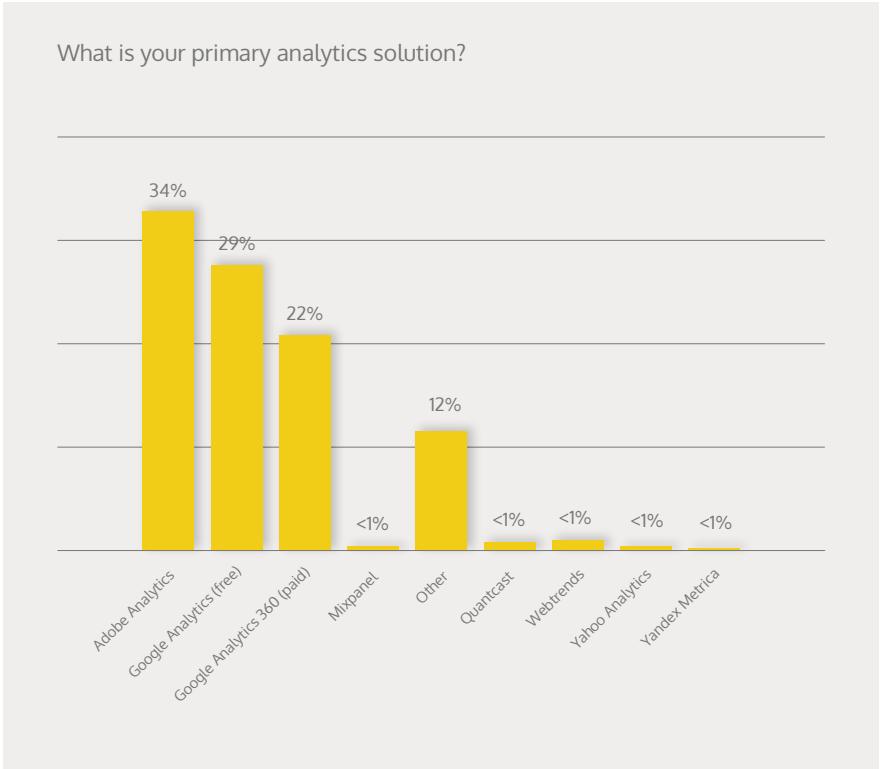
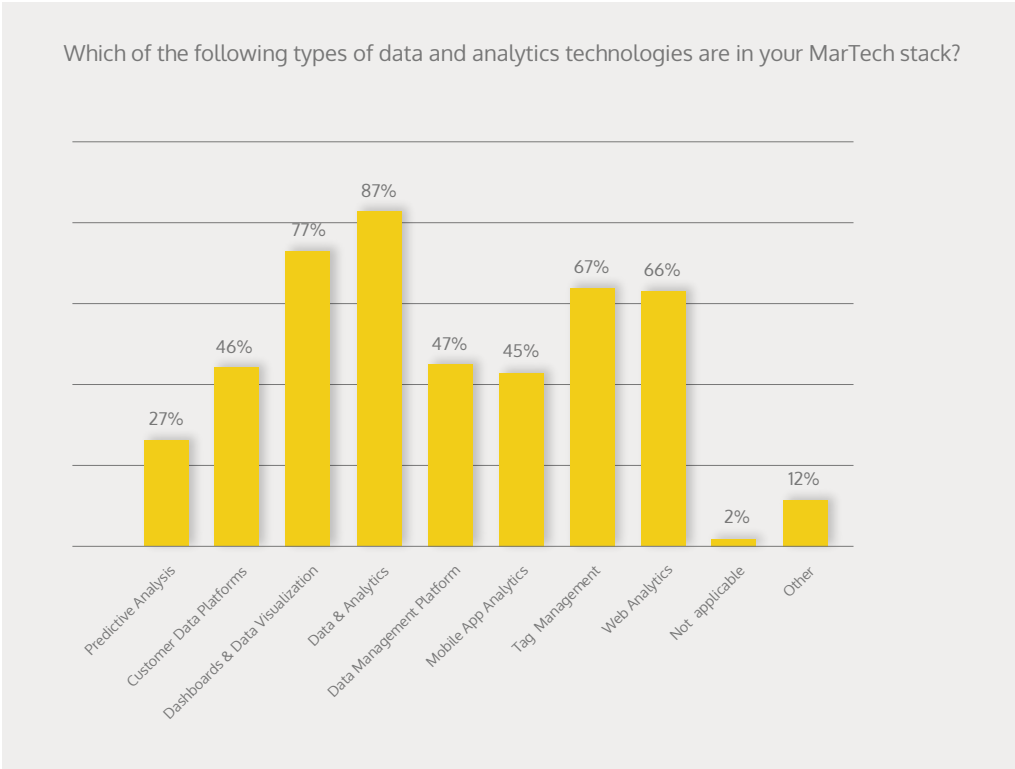
Do you really know what technologies are on your site?

Discover how [Technology Governance](#) by ObservePoint can help you understand what technologies are on your site and ensure your data collection tools and processes are executing as planned.



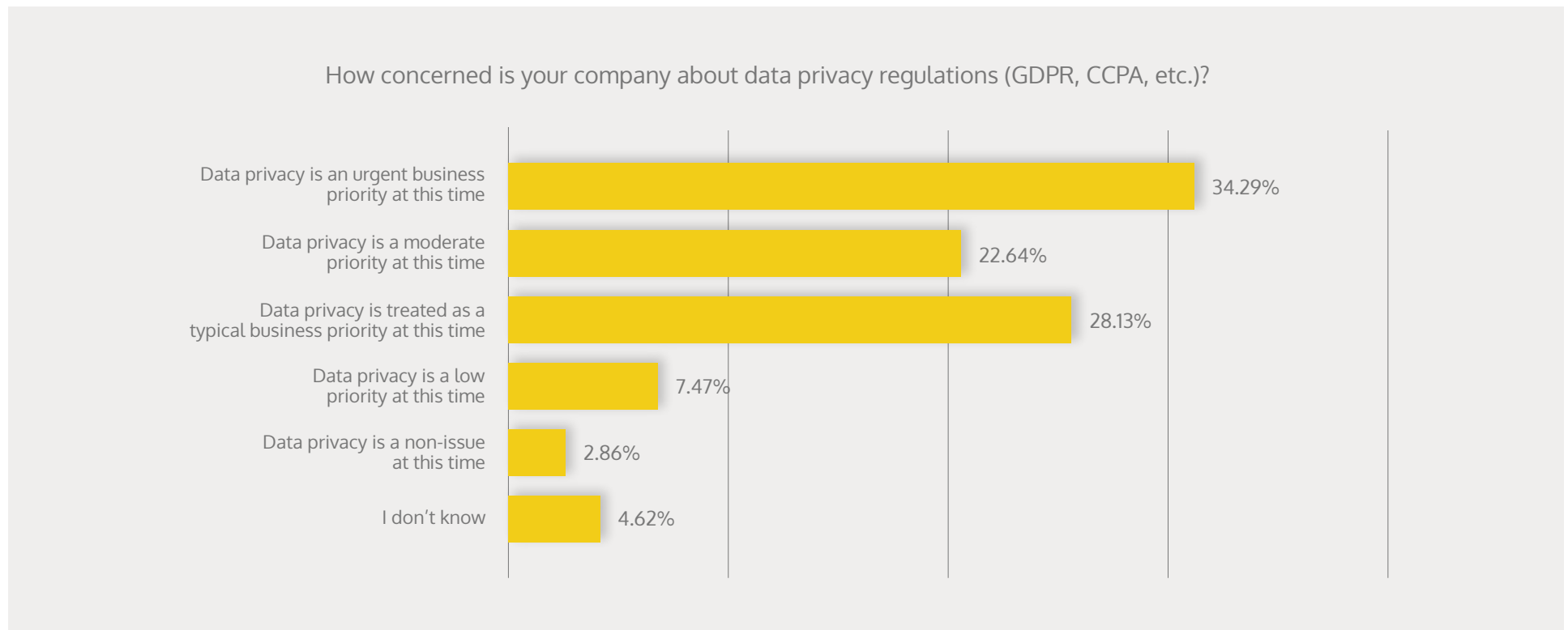
After asking how many technologies they used, we asked respondents what types of technologies they had. In this question, we allowed for more than one response. The number one technology, with 87%, was a data and analytics solution.

When we asked what their primary analytics solution was, the most common response was Adobe Analytics (34%), closely followed by Google Analytics (29%), and Google Analytics 360 (22%).



Data Privacy is a Priority

We asked the respondents how concerned their company was with data privacy regulations. **85% of respondents said that it was a priority for their organization, and 34% said that it was an urgent business priority.**

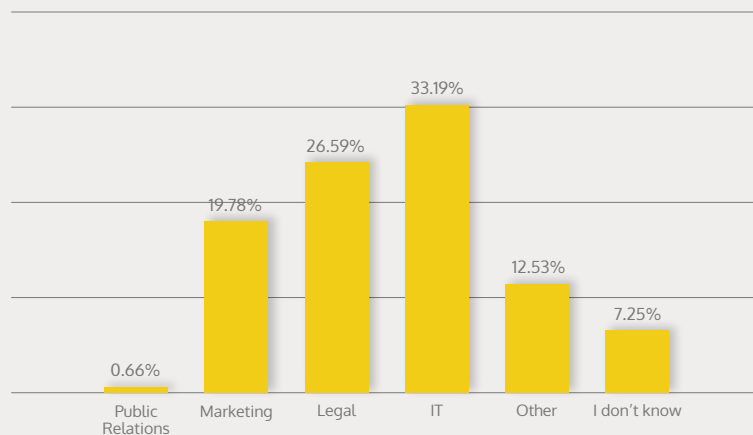


According to a recent [blog post](#), Forrester predicts that this sense of urgency will only increase for organizations across the globe in 2021. They stated, "Regulatory and legal activity related to employee privacy will increase 100%... One in four CMOs will invest more in technology to collect zero-party data... [and] CCPA 2.0 will pass and spur the introduction of federal privacy legislation in the US."

Data Privacy Efforts

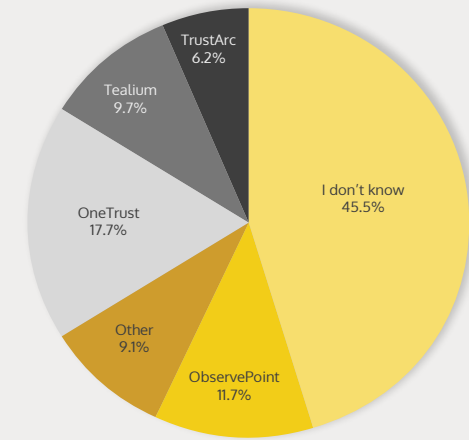
However, despite data privacy being a priority to the majority of organizations, **there is no real consistency for how privacy teams are set up, what departments they report to, or the tools they use to comply with privacy regulations.** In almost all the questions about privacy, there was a surprisingly high number who responded, "I don't know," particularly when asked about the tools they use to ensure privacy. In fact, more than half of respondents (54%) said they didn't know what tools their organization used to ensure data privacy and, 25% said they didn't know what data privacy processes were in place.

What team/department is responsible for your company's data privacy efforts?

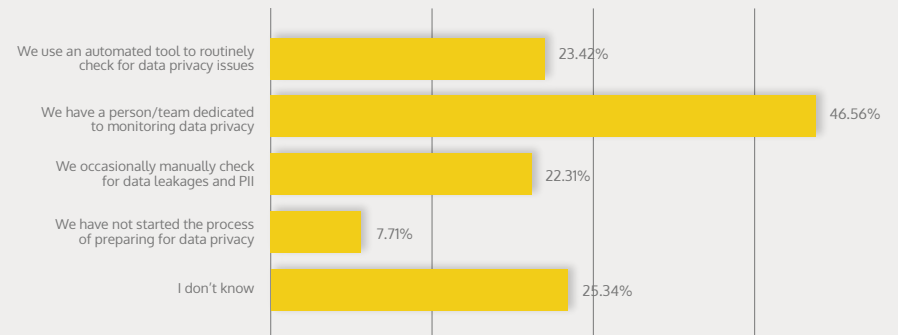


Privacy Compliance by ObservePoint performs automated audits to identify all the tech collecting data on your site and helps you ensure compliance to digital standards and government regulations for customer data. Click [here](#) to discover what Privacy Compliance can do for you.

What tools, if any, do you use to ensure data privacy?

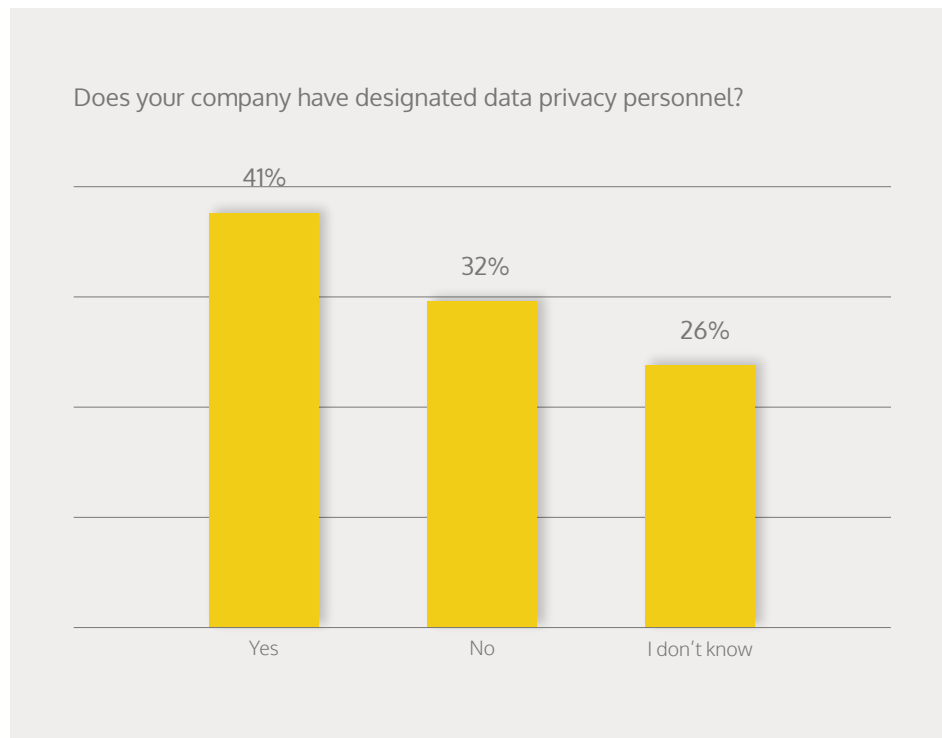


What processes have you put in place to ensure your customer data is protected?



Designated Privacy Personnel

Less than half of respondents (41%) said that they have designated data privacy personnel. Of those who said they did have designated privacy personnel, we asked what their titles were. The word cloud on the next page is a visual of all the answers we received. **There were over 80 different titles which varied greatly** from analyst to developer to IT manager to legal representative to privacy officer, spanning multiple departments and teams with very little consistency.

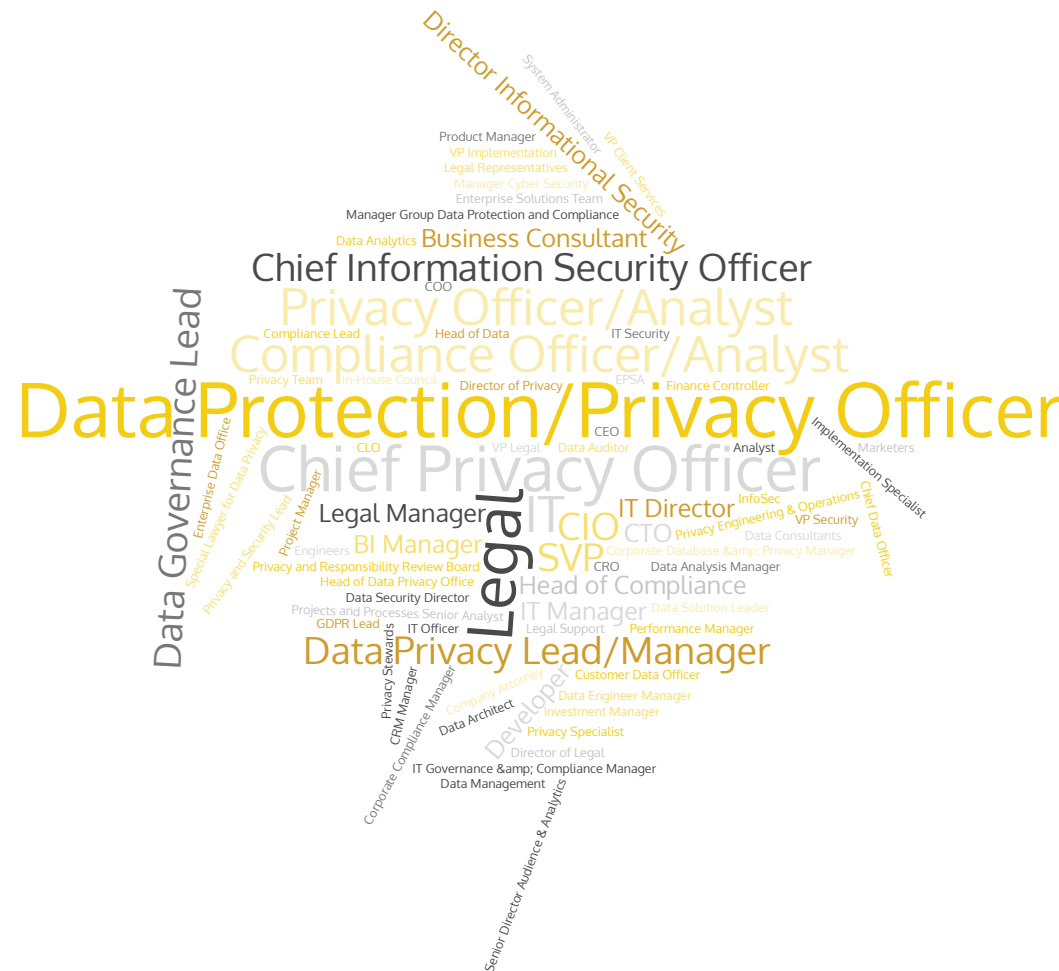


Some of the titles we received were actually names of departments. In fact, the 3th highest answer was simply, "Legal," most likely referring to the Legal team or department in their organization. For smaller companies, designated personnel may not seem like a major concern currently. However, according to the GDPR requirements, "All organizations, regardless of the type or size, that handle EU residents' personal information should have someone in the organization who is tasked with monitoring GDPR compliance." Additionally, if organizations meet the following criteria, they are required to hire a designated DPO:

- **Public authority** — The processing of personal data is done by a public body or public authorities with exemptions granted to courts and other independent judicial authorities.
- **Large-scale, regular monitoring** — The processing of personal data is the core activity of an organization who regularly and systematically observes its “data subjects” (which, under the GDPR, means citizens or residents of the EU) on a large scale.
- **Large-scale, special data categories** — The processing of specific “special” data categories (as defined by the GDPR) is part of an organization’s core activity and is done on a large scale.

Top 5 Privacy Titles:

1. Data Protection/Privacy Officer
2. Chief Privacy Officer
3. Legal
4. Compliance Officer/Analyst
5. Privacy Officer/Analyst



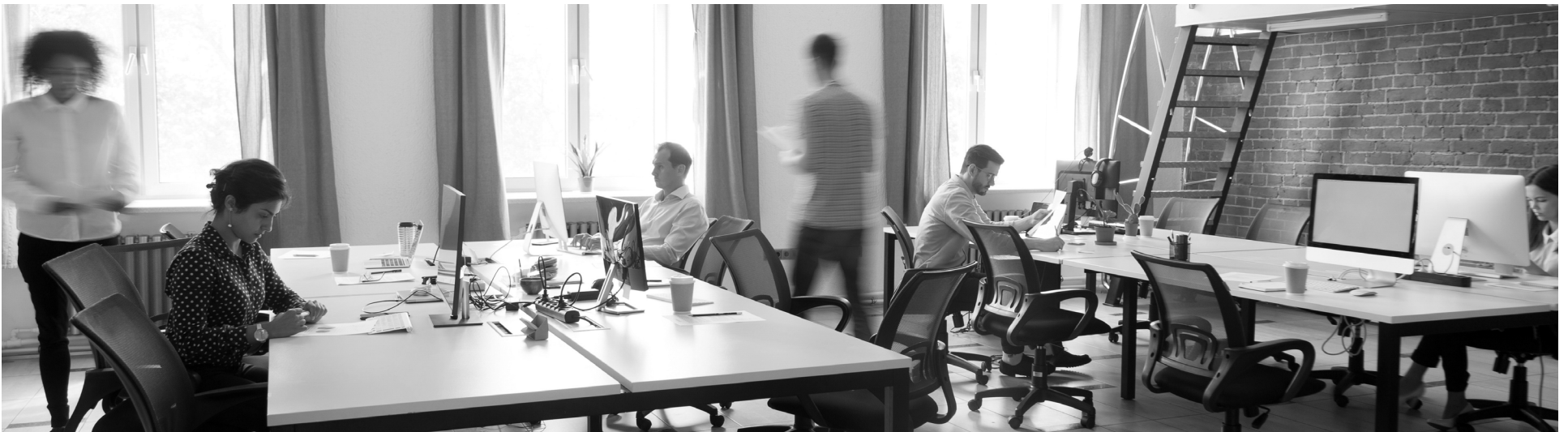
Data Privacy Landscape

The data privacy landscape doesn't just consist of GDPR and CCPA anymore, but has recently been joined by regulations such as the [Virginia Consumer Data Protection Act](#), Brazil's [LGPD](#), and many others.

For marketers and analysts, data privacy is becoming the new normal with many high risks for those who are not compliant, including data leaks, steep fines, loss of trust from customers and prospects, PR disasters, etc. The audience we surveyed are regularly involved in data collection posing these risks, but the majority (59%) don't know who is in charge of taking care of data privacy concerns (see page 18).

Even with the high stakes, data privacy is still a relatively new and massive undertaking for many companies, which could explain why there is still so little consistency and so many unknowns. But this has to change quickly.

Establishing a chain of command for privacy—particularly in assigning a DPO—as well as employing a Consent Management Platform (CMP) and other privacy tools are key steps in creating concrete systems to mitigate the risks associated with data privacy.



What tools do you use to manage your tracking codes?

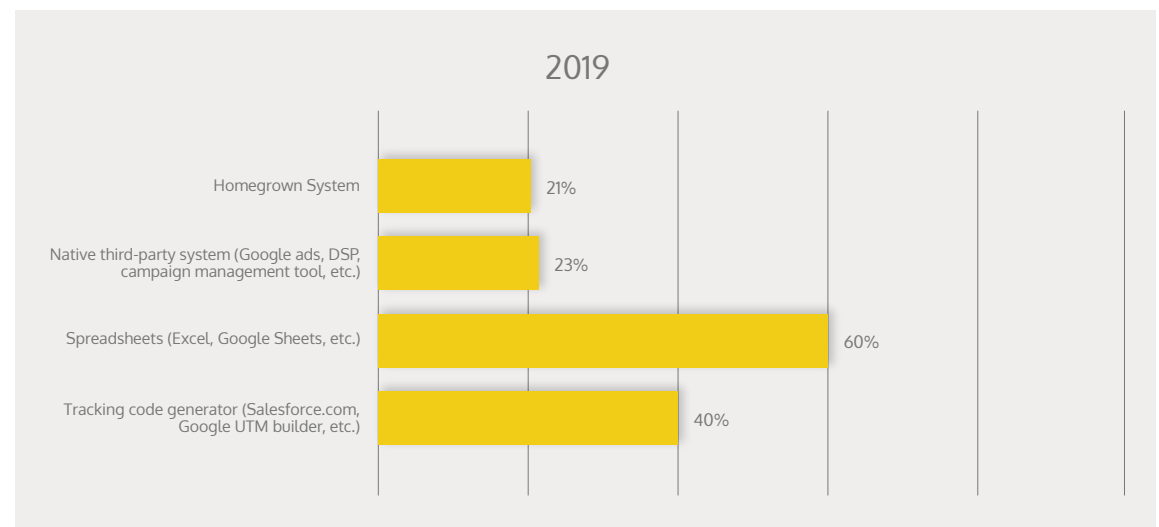
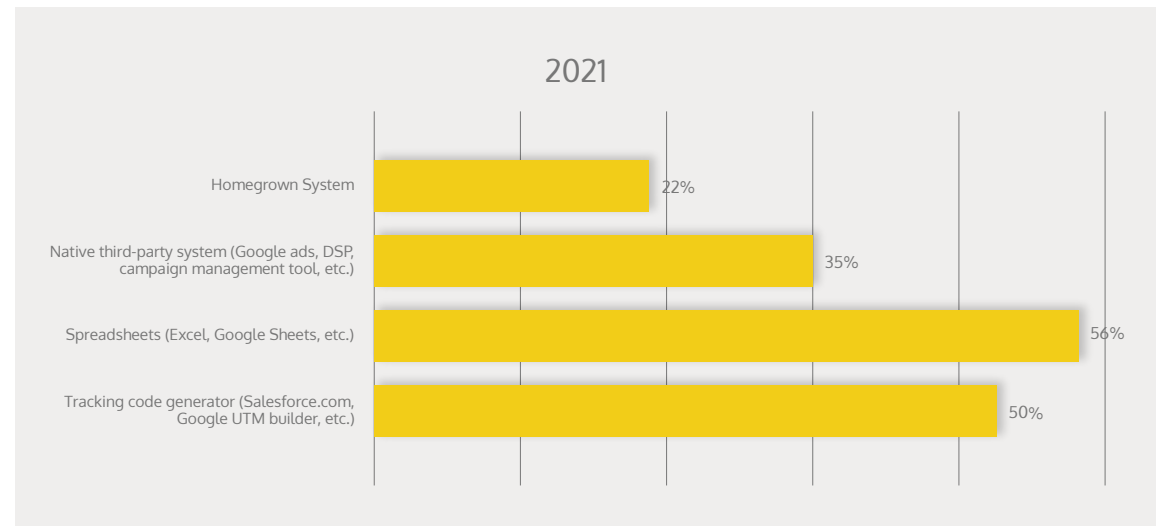
In 2019, we asked this same question to a similar audience. In both questions, respondents were allowed to choose more than one answer. In the end, we found that most people are still using spreadsheets to manage their tracking codes.

In 2019, 60% of respondents said they used spreadsheets and only 23% used a third-party solution. In 2021, 57% said they use spreadsheets and the adoption of third-party solutions rose to 35%.

This suggests that the trend is shifting, glacially, away from manual methods and towards more automated tracking code management. But the fact that spreadsheets are still the most common tool in 2021 demonstrates the **need for more widespread adoption of third-party solutions**. This will help reduce the number of broken links, missing data, human errors, as well as the number of man-hours involved in generating and managing tracking codes.

Ready to dump the spreadsheets?

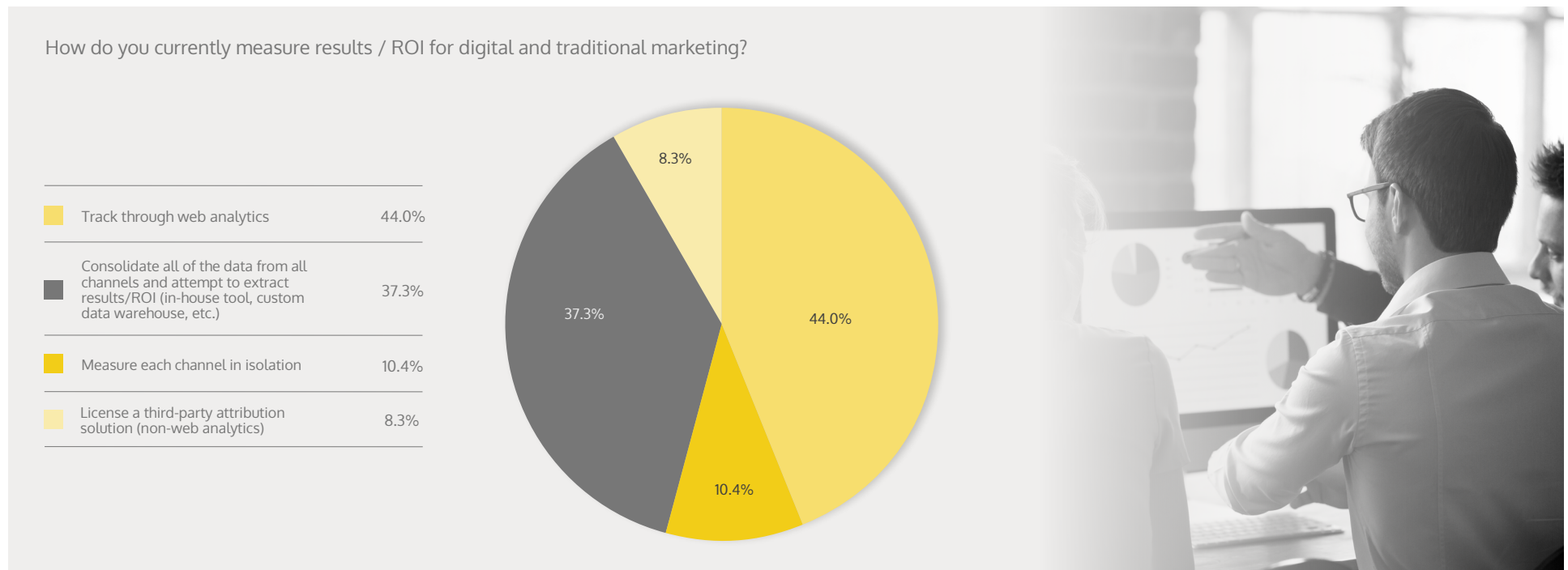
[Learn](#) how Campaign Performance can help you standardize, generate, and manage your tracking codes all in one simple interface.



How do you currently measure results / ROI for digital and traditional marketing?

The highest percentage of respondents (43.98%) said that they use their web analytics tool for measuring results and ROI. The second most frequently used tool, at 32.27%, was an in-house tool or a custom data warehouse. This implies that, currently, most teams are making do with the tools they already have instead of investing in third-party solutions. However, web analytics is not meant to do attribution or measure ROI and is limited by only tracking web channels. By only measuring the attribution of web channels, analytics teams are missing out on the rich insights provided by offline data.

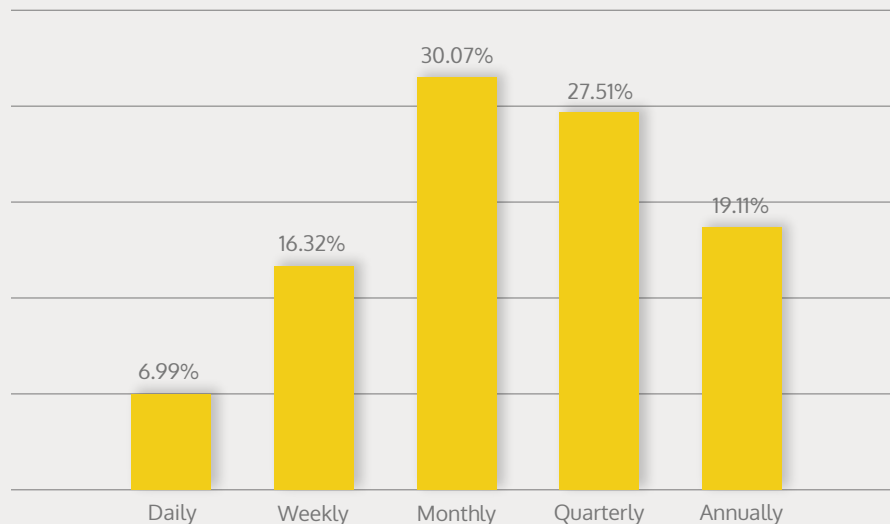
There could be many reasons why teams haven't adopted third-party solutions. It could be that they don't feel the solutions available in the current market fit their needs or their budget limitations, etc. But, a third-party attribution solution could help solve some of the frustration caused by siloed data and manual attribution methods by standardizing tracking upfront and streamlining the process of combining online and offline data.



How often do you reevaluate channel investments?

The majority of people reevaluate their channel investments monthly with the trend leaning heavily towards less frequent reevaluation than more frequent. This implies that marketing and analytics teams aren't using attribution to be nimble and make real-time decisions, most likely because with most systems it isn't possible. With more updated solutions, fitted to marketers needs and with the assistance of real-time data, these teams might be able to make more immediate shifts and change.

How often do you reevaluate channel investments (budgets, resource allocation, etc.) across the entire customer journey in light of changing channel data and attribution insights?



Looking Forward

The trends we have seen suggest that in the near future the importance of data management and data governance will only increase, particularly as it applies to privacy. In addition, as more companies, enterprise and start-ups alike, understand the connection between data governance and better decision making, the adoption of data governance processes and tools is likely to increase as well.

When it comes to privacy and the expansion of data privacy laws and regulations, we anticipate that more organizations will place a higher priority on compliance. Most likely with the demand for more aid in the privacy space, we will see more dedicated privacy personnel and more widespread adoption of the growing number of privacy tools. Privacy is also going to require a lot of agility for analytics and marketing teams. To be agile, the industry and organizations alike must start implementing a standardized construction of privacy teams and processes to meet customer and government demands without overwhelming other business priorities.

We should also see an upward shift in the number of marketing teams adopting third-party solutions for managing campaigns and tracking codes. The trend has been moving up in the past few years, but the hope is that in the next few years we will see a dramatic decrease in the number of teams using spreadsheets and manual methods to handle these tasks. In addition, we'll likely see more teams adopting attribution solutions and moving away from using web analytics and homegrown solutions to measure ROI.

Overall, the future looks promising for the analytics industry. And those organizations that find a way to streamline and expedite privacy processes while still focusing on being data-driven are likely to be the organizations that drive ahead of the competition in the coming years. Part of that process will be discovering and implementing new tools and frameworks that will help simplify the complexity of privacy compliance.

About ObservePoint

[ObservePoint](#) brings insights, automation, and compliance to the chaos of customer experience data with their Data Governance solutions: Technology Governance, Privacy Compliance, and Campaign Performance. These solutions empower insights-driven companies to trust their data with automated analytics testing, protect customers with compliance monitoring, and improve experiences with validated, data-driven insights.

