

The Forrester Wave™: Web Analytics, Q2 2014

by James McCormick, May 13, 2014

KEY TAKEAWAYS

Adobe, AT Internet, IBM, And Webtrends Are Leaders In Enterprise Web Analytics

Forrester finds a mature market in which Adobe, AT Internet, IBM, and Webtrends lead the pack with strong web analytics offerings and strategies for the enterprise. Google is a Strong Performer with its premium product gaining support for easy-to-use features. SAS Institute is a Contender, offering a customer-intelligence-based alternative.

Web Analytics Remains Relevant As Digital Intelligence Strategies Mature

Digital strategy and execution are anchored in web analytics as firms develop broader intelligence approaches to tracking and interacting with users across multiple channels. Web analytics has kept pace with the digitally empowered customer supported by continuous investment by vendors in growing their products advanced analytics capabilities.

Enterprise Capabilities Are Key Differentiators In The Web Analytics Market

As web analytics technology matures and core functionalities are commoditized, users must look to the support for advanced requirements to differentiate leading vendors. Features such as predictive analytics, support for mobile applications, reach of partner programs, and ability to support customer implementation distinguish one vendor from the next.

Access The Forrester Wave Model For Deeper Insight Into Web Analytics Vendors

Use the detailed Forrester Wave model to view every piece of data used to score participating web analytics vendors and create a custom vendor shortlist. Access the report online and download the Excel tool using the link in the right-hand column under "Tools & Templates." Alter Forrester's weightings to tailor the model to your specifications.



The Forrester Wave™: Web Analytics, Q2 2014

The Six Providers That Matter Most And How They Stack Up

by [James McCormick](#)
with [Luca S. Paderni](#) and Emily Kwan

WHY READ THIS REPORT

In Forrester's 75-criteria evaluation of web analytics vendors, we identified the six most significant software providers in the category — Adobe, AT Internet, Google, IBM, SAS Institute, and Webtrends — and researched, analyzed, and scored them. This report details our findings and how well each vendor fulfills our criteria and where they stand in relation to each other, to help customer insights professionals select the right partner for their web analytics platform.

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Forrester conducted product evaluations in February 2014 and interviewed six vendor companies: Adobe, AT Internet, Google, IBM, SAS Institute, and Webtrends. Forrester also interviewed 14 end user companies.

Related Research Documents

[Digital Intelligence Replaces Web Analytics](#)
November 11, 2013

[How To Identify Digital Intelligence Requirements](#)
August 20, 2012

WEB ANALYTICS UNDERPINS DIGITAL INTELLIGENCE

The near universal adoption of web analytics ensures its continued place as the dominant method for measuring customer digital activity.¹ This despite the acknowledgment that traditional web measurement approaches simply aren't enough to meet the requirements of today's sophisticated, multichannel, real-time digital intelligence programs.² Web analytics is here to stay as a core component of digital intelligence, as it underpins its new sophisticated requirements for customer centricity and support for a growing ecosystem of digitally intelligent technologies and data management, making web analytics a necessary condition to any well-grounded digital intelligence effort. In particular, web analytics supports users' progression toward digital intelligence by supporting advanced development into:

- **Handling increasingly larger and complex enterprise data sets.** Collecting and managing large volumes of diverse digital data sources for syndication and integration with enterprisewide customer data is a baseline requirement for digital intelligence. Web analytics vendors have become best in class at collecting data from an ever-diversifying number of digital touchpoints (social, mobile, rich media, etc.) and have worked at providing flexible data warehouses to bring it all together. They have also invested in application programming interfaces (APIs) and services offerings to make this data available to the broader customer analytics ecosystem and, increasingly, have the capability of integrating offline data into their web analytics tools for multichannel analytics and reporting.
- **Developing and distributing actionable insights to the business user community.** Digital intelligence requires that analysis capabilities are not exclusive to technical staff and analysts but also meet the needs of the business community. Some web analytics vendors have focused on making insights from advanced analytics readily available to business users, while others have invested in stronger support for cross-channel attribution. The majority of the vendors in this Forrester Wave evaluation have improved the business relevance of their standard reports and do provide strategic and industry specific analysis. Vendors show varied degree of reporting capabilities for mobile, social, and mobile applications.
- **Supporting a sophisticated, customer-centric view of digital interactions.** Digital intelligence seeks to support the analysis of individual customer interactions in concert, rather than with discrete channel views. Web analytics vendors differentiate themselves by their ability to help organizations meet this need. All of the evaluated vendors have implemented unique visitor volume estimates in at least some of their reports, and most can accommodate varying levels of sophistication within cross-channel, cross-session funnels and visitor scenarios. Differentiation is mostly found in the vendor tools' ability to recognize individual visitors and associate them with previously unrecognized interactions trails.

- **Supporting real-time actionability to influence outcomes.** Digital intelligence delivers the direct application of digital analytics at the speed that modern marketing activities demand. Most web analytics vendors have recognized this need, yet actionability of web analytics insights remains one of the biggest differentiating capabilities. Top vendors in this Forrester Wave evaluation now support predictive analytics within their web analytics tools. And while the term “real-time” is often used in relation to digital data availability, only a few vendors really do provide sub-minute access to visitor data needed to support near real-time re-marketing requirements; even fewer provide the sub-second availability of data to support a growing requirement of in-session targeting and optimization use cases.

Support For Digital Intelligence Differentiates Web Analytics

Since our previous Forrester Wave evaluation in 2011, enterprise users have demanded, on one hand, greater support for multichannel tracking, reporting, and data management; balancing, on the other hand, increasingly strict requirements for data privacy and portability. The relative performance of the vendors in this year’s evaluation reflects the ability of their web analytics technology and services approaches to strike the optimal balance between these conflicting needs. With this in mind, users should evaluate vendors based on their ability to support an organization’s current and future digital intelligence requirements (see Figure 1).

Figure 1 Digital Intelligence Separates Web Analytics Vendors

Core functionality category	Areas of consistent competence across vendors	Where to look for differentiation	Evaluation questions to consider
Data management and availability	<ul style="list-style-type: none"> • Ability to append external data • Filtering of unwanted data • Custom variables • Data warehouse 	<ul style="list-style-type: none"> • Anonymous data association • Data portability • Predictive analytics 	<ul style="list-style-type: none"> • Can the product associate previously anonymous visitor data once the visitor becomes known? How? • What level of capability exists to port the data to another system? • Does the product use predictive algorithms to forecast and model mathematical ranges against campaigns and strategies?
Reporting and analysis functionality	<ul style="list-style-type: none"> • Calendar customization • Reporting on multiple measurement views • Reporting on data from additional digital channels • Segment management 	<ul style="list-style-type: none"> • Industry-specific reporting and benchmarking • Path analysis • Mobile applications 	<ul style="list-style-type: none"> • Does the vendor offer productized support for specific vertical industries (e.g., reports and benchmarking)? • How does the product support the analysis of visitor navigation through websites and other channels? • How robust is the product's support for tracking use of mobile applications?
Integration support	<ul style="list-style-type: none"> • Ingesting other sources of data • Marketing applications 	<ul style="list-style-type: none"> • Application programming interfaces (APIs) • Partner program 	<ul style="list-style-type: none"> • Does the product offer bidirectional APIs for integration with other applications? • How extensive is the technology and service partner program?
Services and support	Service levels	<ul style="list-style-type: none"> • Technical support availability • Product performance • Post-implementation managed services 	<ul style="list-style-type: none"> • When is live phone technical support available, and in which geographies and languages? • What volume of quarterly server calls is currently handled? • How robust is the vendor's managed services post-deployment services (e.g., data cleansing, operations management, report creation, account management, etc.)?

WEB ANALYTICS EVALUATION OVERVIEW

To assess the state of the web analytics market and see how the vendors stack up against each other, Forrester evaluated the strengths and weaknesses of top web analytics vendors.

Evaluation Criteria Focus On The Needs Of The Enterprise

After examining past research, user need assessments, and vendor and expert interviews, we developed a comprehensive set of evaluation criteria. We evaluated vendors against 75 criteria, which we grouped into three high-level buckets:

- **Current offering.** To assess product strength, we evaluated each offering against six dimensions: data handling; metrics, dimensions, and correlations; reporting and analysis; application usability and administration; integration; and service and support.
- **Strategy.** We compared the product and corporate strategies of each vendor in the context of Forrester's forward-looking vision for the enterprise web analytics market to assess how well each vendor is positioned for future success.
- **Market presence.** To benchmark the relative size of the vendors' web analytics businesses, we evaluated each company's financial strength, installed base of clients, and employee base. We paid particular attention to the revenue generated by enterprise clients, and to staff that are specifically related to the vendors' web analytics businesses.

Evaluated Vendors Have Healthy Businesses And Are Committed To Web Analytics

Forrester included six vendors in the final assessment: Adobe, AT Internet, Google, IBM, SAS Institute, and Webtrends. Each of these vendors has (see Figure 2):

- **A significant base of enterprise-class clients.** This Forrester Wave evaluation is designed to identify web analytics vendors that meet the demanding requirements of enterprise-class businesses. All vendors evaluated have capabilities appropriate for large enterprises and demonstrate this capacity by the number of enterprise clients they serve.
- **A healthy, sizable business.** Forrester considered firms that were profitable, demonstrated a significant growth in the number of enterprise web analytics customers, and exhibited corporate revenues of \$20 million or more.
- **Invested in the future success of the product.** Vendors demonstrating a continued and sizable investment in staff to support web analytics (i.e., account management, marketing/product strategy, engineering/product development and services) were considered for inclusion in this Forrester Wave.

Figure 2 Evaluated Vendors: Product Information And Selection Criteria

Vendor	Product evaluated	Product version evaluated	Date evaluated
Adobe	Adobe Analytics Premium	Spring 2014 release	Q1 2014
AT Internet	Analyzer III	October 2012 release	Q1 2014
Google	Google Analytics Premium	Continuous changes throughout the year	Q1 2014
IBM	IBM Digital Analytics	Version 14 (January 2014 release)	Q1 2014
SAS Institute	Adaptive Customer Experience (ACE)	Version 6.1 (April 2013 release)	Q1 2014
Webtrends	Analytics On Demand	October 2013 release	Q1 2014
	Segments	October 2013 release	
	Streams	April 2013 release	
	Action Center	July 2013 release	
	Webtrends Explore	January 2014 release	

Vendor selection criteria

A significant base of enterprise-class clients. This Forrester Wave™ evaluation is designed to identify web analytics vendors that meet the demanding requirements of enterprise-class businesses. All vendors evaluated have capabilities appropriate for large enterprises and demonstrate this capacity by the number of enterprise clients they serve.

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Source: Forrester Research, Inc.

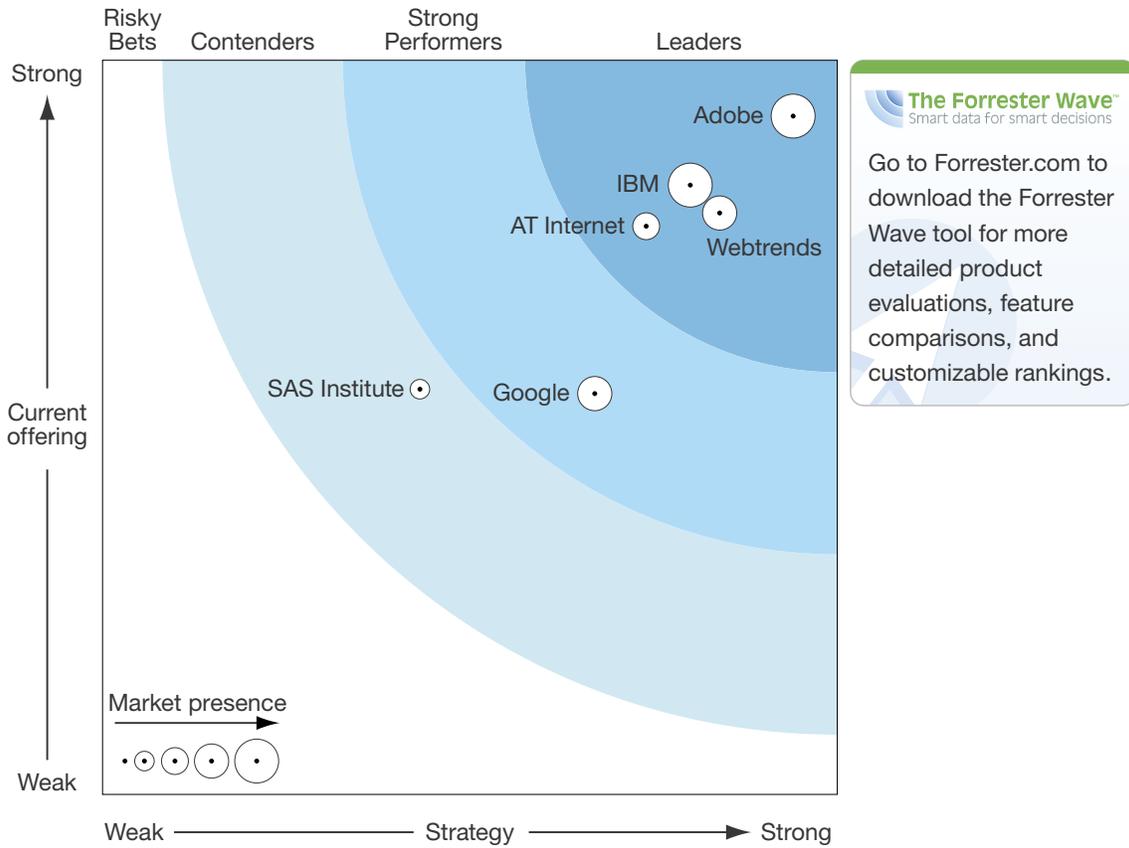
MULTIPLE ENTERPRISE OPTIONS ARE AVAILABLE IN A MATURE MARKET

The evaluation uncovered a market in which (see Figure 3):

- **Adobe, AT Internet, IBM, and Webtrends lead the pack.** Leaders have succeeded in a maturing market due to their strong focus and commitment to building enterprise capabilities into their web analytics products. Adobe has packaged web analytics into a broader digital analytics offering that is a constituent of a broader digital marketing ecosystem. AT Internet is a newcomer to the Leader category with its continued focus on the European markets while building a presence in the high-growth areas of Russia, Latin America, and Southeast Asia. IBM positions web analytics part of a broader analytics capability that underlies marketing, commerce, and customer experience platforms. Webtrends has sought to enhance the value of web analytics by democratizing data and insights via APIs and real-time data streams.
- **Google offers a competitive option to enterprise platforms.** Forrester's evaluation found one Strong Performer: Google. With its premium web analytics product, Google has maintained its focus on ease of use while ensuring rapid time-to-value.
- **SAS Institute offers an alternative solution for existing customers.** Forrester's evaluation found one Contender: SAS. With its strength in customer analytics, SAS offers a web analytics alternative for its existing customer base.

This evaluation of the web analytics market is intended to be a starting point only. We encourage clients to view detailed product evaluations and adapt criteria weightings to fit their individual needs through the Forrester Wave Excel-based vendor comparison tool.

Figure 3 Forrester Wave™: Web Analytics, Q2 '14



Source: Forrester Research, Inc.

Figure 3 Forrester Wave™:Web Analytics, Q2 '14 (Cont.)

	Forrester's Weighting	Adobe	AT Internet	Google	IBM	SAS Institute	Webtrends
CURRENT OFFERING	50%	4.62	3.87	2.73	4.15	2.76	3.96
Data handling	15%	4.46	4.25	1.99	4.57	3.94	4.19
Metrics, dimensions, and correlations	10%	5.00	3.80	2.12	5.00	4.20	4.12
Reporting and analysis	30%	4.60	3.95	2.75	4.53	3.01	3.99
Application usability and administration	15%	4.00	3.80	3.20	2.40	1.40	3.60
Integration	20%	5.00	3.83	2.98	4.40	2.40	4.30
Service and support	10%	4.68	3.30	3.18	3.68	1.58	3.22
STRATEGY	50%	4.70	3.70	3.35	4.00	2.16	4.20
Product strategy	50%	4.40	3.70	3.00	4.40	3.60	4.30
Corporate strategy	15%	5.00	3.00	3.00	5.00	2.40	4.30
Cost	0%	0.00	0.00	0.00	0.00	0.00	0.00
Quality of references	35%	5.00	4.00	4.00	3.00	0.00	4.00
MARKET PRESENCE	0%	4.55	2.25	3.58	4.25	1.60	3.30
Company financials	50%	4.70	1.70	3.30	4.30	1.60	3.40
Installed base	25%	4.40	3.20	3.00	3.40	1.60	3.00
Employees	25%	4.40	2.40	4.70	5.00	1.60	3.40

All scores are based on a scale of 0 (weak) to 5 (strong).

Source: Forrester Research, Inc.

VENDOR PROFILES

Leaders Support Digital Intelligence Needs Within The Enterprise

- Adobe.** Adobe dominates the market with the largest number of enterprise web analytics clients. To simplify its proposition, and to meet the evolving needs of its customers, Adobe recently packaged SiteCatalyst with Discover, Genesis, Data Warehouse, Report Builder, Dynamic Tag Management, and Insight into a combined Adobe Analytics Premium offering, which itself is a component of the Adobe Marketing Cloud. The recent acquisition of Satellite to boost its tag management capabilities, and the large team it maintains to support the product, demonstrates Adobe's high level of commitment to this space.³ Adobe has set high expectations with its vision of making sophisticated analytics available and valuable to all marketers. Reference customers have expressed their approval of the Marketing Cloud vision but are cautious of Adobe's ability to deliver against it. To maintain its leadership position, Adobe must make advanced analytics more accessible to business users.

- **IBM.** IBM's continued focus on enterprise web analytics clients has helped the vendor maintain its position versus other Leaders in this Forrester Wave. Web analytics is a key tenet of IBM's digital and customer analytics capabilities, which support cross-channel engagement tracking through all of IBM's marketing, commerce, and customer experience platforms. Based on the acquired Coremetrics platform, the vendor has continued to strengthen digital analytics by continuing to build out core analytics and data collection capabilities, supporting stronger integration of behavioral analytics, eCommerce platforms, and the newly acquired Xtify mobile analytics solution.⁴ While IBM's focus on the enterprise has served it well, some web analytics customers feel the licensing model makes it difficult to invest more on it, and the messaging to their specific needs is diluted within a broader enterprise communication. IBM should focus on ensuring it does not leave portions of its traditional web analytics customer base feeling ignored.
- **Webtrends.** Among the evaluated vendors, Webtrends has one of the largest web analytics businesses by revenue, and it is a Leader thanks to its emphasis on product innovation, customer support, and partnerships ecosystem. Web analytics is core to Webtrends' business, as well as its strategy to help customers deliver optimized digital customer experiences across multiple channels. Webtrends has continued to strengthen its core offering, improving existing capabilities and developing new ones like its real-time data streaming service. Webtrends is also investing in integrations with other tools, like online testing, and via technology and agency partnerships. To maintain its position as one of the Leaders, Webtrends must continue to develop new, high-value capabilities and partnerships that will provide clear differentiation in a mature and competitive market.
- **AT Internet.** AT Internet has continued its upward trajectory with its focus on technical innovation, fueled by its recent and successful fundraising efforts. It is the newest entrant into the Leaders category despite being the smallest, by overall revenue, of the vendors in this Forrester Wave. Web analytics makes up the majority of the vendor's business and is the basis for its digital intelligence strategy, which is built on data collection, data aggregation, data mining, and distribution and performance initiatives. AT Internet primarily targets Europe, Russia, Latin America, and Southeast Asia to sustain its growth. To maintain its momentum, AT Internet must continue to make itself globally relevant by growing its footprint within existing and new markets, and focusing efforts on making advanced analytics more accessible to the business user.

Strong Performer Democratizes Web Analytics

- **Google.** Google is gaining momentum among enterprise web analytics users with its premium product. Google Premium's simple user interface is now available for business users globally. Google Premium seeks to improve its enterprise credentials by providing limited use of its cloud data warehousing platform at no extra fee, building out cross-platform connections with other Google products (such as Google Display Network, AdWords, etc.), and providing tag management capabilities. To build on its early success, Google must continue to develop enterprise features and functions, find a way of handling personally identifiable information (PII) data directly, and grow its professional and managed services offering.

Contender Seeks To Make Web Analytics Part Of Customer Analytics

- **SAS Institute.** SAS is in the process of bringing its strength in customer data analytics to bear within a digital intelligence context. To this end, SAS is building its digital ecosystem and has renewed investment in its digital development team. The team's focal point is on delivering digital intelligence solutions versus web analytics, and SAS considers its existing customer analytics strength to be a key differentiator in the market. Customer analytics teams seeking to build out digital analytics capabilities will find Adaptive Customer Experience (ACE) compelling, not least because the product leverages SAS's Visual Analytics module, which existing customers will be familiar with. To strengthen its offering, SAS must shift the requirements of the ACE product to cater more to the needs of the web analytics professional.

SUPPLEMENTAL MATERIAL

Online Resource

The online version of Figure 3 is an Excel-based vendor comparison tool that provides detailed product evaluations and customizable rankings.

Data Sources Used In This Forrester Wave

Forrester used a combination of four data sources to assess the strengths and weaknesses of each solution:

- **Vendor surveys.** Forrester surveyed vendors on their capabilities as they relate to the evaluation criteria. Once we analyzed the completed vendor surveys, we conducted vendor calls where necessary to gather details of vendor qualifications.
- **Product demos.** We asked vendors to conduct demonstrations of their product's functionality. We used findings from these product demos to validate details of each vendor's product capabilities.

- **Customer reference calls.** To validate product and vendor qualifications, Forrester also conducted reference calls with 3 of each vendor's current customers.
- **Customer reference online survey.** To establish a level of customer satisfaction across a number of categories including product functionality, flexibility, usability, services, responsiveness and support, and application reliability, Forrester also conducted an online survey of a minimum of 10 of each vendor's current customers.

The Forrester Wave Methodology

We conduct primary research to develop a list of vendors that meet our criteria to be evaluated in this market. From that initial pool of vendors, we then narrow our final list. We choose these vendors based on: 1) product fit; 2) customer success; and 3) Forrester client demand. We eliminate vendors that have limited customer references and products that don't fit the scope of our evaluation.

After examining past research, user need assessments, and vendor and expert interviews, we develop the initial evaluation criteria. To evaluate the vendors and their products against our set of criteria, we gather details of product qualifications through a combination of lab evaluations, questionnaires, demos, and/or discussions with client references. We send evaluations to the vendors for their review, and we adjust the evaluations to provide the most accurate view of vendor offerings and strategies.

We set default weightings to reflect our analysis of the needs of large user companies — and/or other scenarios as outlined in the Forrester Wave document — and then score the vendors based on a clearly defined scale. These default weightings are intended only as a starting point, and we encourage readers to adapt the weightings to fit their individual needs through the Excel-based tool. The final scores generate the graphical depiction of the market based on current offering, strategy, and market presence. Forrester intends to update vendor evaluations regularly as product capabilities and vendor strategies evolve. For more information on the methodology that every Forrester Wave follows, go to <http://www.forrester.com/marketing/policies/forrester-wave-methodology.html>.

Integrity Policy

All of Forrester's research, including Forrester Waves, is conducted according to our Integrity Policy. For more information, go to <http://www.forrester.com/marketing/policies/integrity-policy.html>.

ENDNOTES

- ¹ During the research into the rapidly evolving tag management vendor landscape, surveyed users informed Forrester that web analytics was the most prolifically deployed technology for supporting marketing and analytics requirements. See the August 15, 2012, “[Understanding Tag Management Tools And Technology](#)” report.
- ² Traditional web analytics techniques were not designed for the breadth of channels, devices, and speed that fuels today’s digital interactions. The underlying design of web analytics is fundamentally inadequate to accommodate emerging channels, sophisticated consumers, technical challenges, and the democratization of analytics within data-driven enterprises. See the November 11, 2013, “[Digital Intelligence Replaces Web Analytics](#)” report.
- ³ In 2013 Adobe acquired Satellite, a tag management technology platform, from a company called Search Discovery. Adobe has incorporated the technology into its Adobe Marketing Cloud platform. Source: John Mellor, “New Tag Management Technology Coming To The Adobe Marketing Cloud,” Digital Marketing Blog, July 31, 2013 (<http://blogs.adobe.com/digitalmarketing/digital-marketing/new-tag-management-technology-coming-to-the-adobe-marketing-cloud/>).
- ⁴ IBM acquired Xtify in October 2013. Xtify offers a cloud-based mobile messaging tool intended to help organizations drive mobile sales and in-store traffic with personal offerings to customers. Source: “IBM Acquires Xtify To Help Digital Marketers Reach Mobile Customers,” IBM press release, October, 3, 2013 (<http://www-03.ibm.com/press/us/en/pressrelease/42064.wss>).

About Forrester

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- Data-driven insight to understand the impact of changing consumer behavior.
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As a data-driven marketer, you're responsible for capturing, managing, analyzing, and applying customer knowledge and insight. You draw from all sources of customer data, marketing automation technology, and customer analytics to improve marketing and business performance.

« CHARLES IBRAHIM, client persona representing Customer Insights Professionals

