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Conversion Rate Optimization Report 2015

In association with RedEye

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1. Executive Summary and Highlights

This is Econsultancy's seventh **Conversion Rate Optimization Report**, in association with **RedEye**.

The research, based on an online survey of nearly 900 client-side and supply-side digital marketers and ecommerce professionals, looks at the types of conversion strategies and tactics organizations are using, in addition to the tools and processes employed for improving conversion rates. As well as touching on the use and impact of personalization, the research covers different areas of best practice and identifies methods and techniques which are most valuable for improving conversion rates.

The aim is to provide data and a framework to help companies invest their time and resources as effectively as possible, by examining which methods and processes are most likely to yield results.

The six key factors contributing to CRO success

The research revealed the following **key factors** contributing to improvement in and increased satisfaction with conversion rates:

- **Multivariate testing** (MVT) continues to be method bringing the most significant improvement and increased satisfaction rates, consistent with last year's results.
- The vast majority (84%) of organizations combining A/B testing with **web personalization** had increased conversion rates as a result.
- Organizations with **dedicated resource** are 16-20% more likely to see improvements in conversion rates.
- Companies adopting a **structured approach** to improving conversion rates are almost 20% more likely to see improvements and are twice as likely to be satisfied.
- Running **3-5 website tests per month** appears to be the optimal amount for improvement and increased satisfaction. Running less than three or more than five tests sees satisfaction and improvement rates begin to fall.
- As was the case last year, there's evidence that improvement and satisfaction increase as the **number of testing methods** used increases. However, even among companies using more than seven methods, only 41% are satisfied with conversion rates.

While there is no definite recipe for success, the list above highlights some of the areas organizations should focus on in their bid to improve conversion rates.

Process and resourcing improvements pay off as marketers are more satisfied with conversion rates

This research shows that organizations are more likely to have the right processes in place and adopt a structured approach to conversion rate optimization (CRO) than at any time since the launch of our inaugural survey in 2009.

Almost half (46%) of client-side respondents say their companies now have more than one person directly responsible for improving conversion rates, the highest proportion since 2009. Additionally, over three-fifths (64%) feel they have 'quite a lot' or 'a great deal' of control over their conversion rates, the highest percentage in the last six years.

When it comes to having a structured approach to improving conversion rates, a third (33%) of client-side respondents believe this is in place within their organizations. Although this means that seven in ten companies are still not taking a structured approach towards their conversion rates, the proportion of those who do increased by 10% in the last 12 months and reached an all-time high.

There are increasing signs of successful CRO implementations and the rewards are also considerable. When asked about their degree of satisfaction with conversion rates, over a quarter (27%) of companies said they were ‘very’ or ‘quite’ satisfied, up by 23% compared to last year. Close to three-quarters (73%) of companies have seen their conversion rates improve over the last 12 months and 73% have seen a ‘significant’ or ‘small’ increase in sales conversions since 2014.

Companies are making progress with personalization, but a lack of strategy looms large

Personalization continues to be a key focus for companies, and this research sheds some light on what is currently being done and where companies are hoping to head with their personalization efforts. Since last year’s survey, there has been a 10% increase in the proportion of companies saying they are engaging in some form of personalization.

Nearly half (46%) of companies surveyed consider website personalization to be a ‘highly valuable’ method for improving conversion rates and a similar proportion (48%) rate it as ‘quite valuable’. Additionally, compared to 2014, this method was deemed ‘highly valuable’ by 12% more organizations. Despite this, only around a fifth (22%) of those surveyed currently use website personalization to improve conversion rates.

As was the case last year, the complexity of implementing website personalization properly is partly causing this low uptake. The method is considered to be the most difficult to implement for improving conversion rates, with 36% of companies rating it ‘very difficult’ – 71% more than the second most difficult method, multivariate testing. Encouragingly, the proportion of those rating it as ‘very difficult’ has slightly declined in the last 12 months, from 39% in 2014 to 36% this year.

Personalization requires data, and collecting that data in a way that allows it to be deployed effectively is part of the challenge. Interestingly, only half of responding companies (52%) have a ‘defined strategy’, which straddles both online and offline channels, for this type of data collection.

Another issue is that there appears to be some disconnect between strategy and actual impact: the channels through which companies are most likely to personalize are not necessarily the channels which trigger the most significant uplifts in conversion rates. For example, in the case of search engine marketing and mobile apps, 37% and 27% respectively have experienced major uplifts, but only a minority (17% and 7% respectively) undertake personalization through these channels.

1.1. About Econsultancy

Econsultancy's mission is to help its customers achieve excellence in digital business, marketing and ecommerce through research, training and events.

Founded in 1999, Econsultancy has offices in New York, London and Singapore.

Econsultancy is used by over 600,000 professionals every month. Subscribers get access to research, market data, best practice guides, case studies and elearning – all focused on helping individuals and enterprises get better at digital.

The subscription is supported by digital transformation services including digital capability programmes, training courses, skills assessments and audits. We train and develop thousands of professionals each year as well as running events and networking that bring the Econsultancy community together around the world.

Subscribe to Econsultancy today to accelerate your journey to digital excellence.

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2. Introduction by RedEye

This is the seventh year of running this survey in association with Econsultancy and for the first time we are really starting to see maturity in advanced areas of conversion rate optimization. It's great to see that what was once a niche area of digital marketing has become a mainstream focus as demonstrated by the resource, time and money now dedicated to it. Whilst this is fantastic for those of us that have been championing its merits for all these years, it brings with it new challenges that we have to be aware of, as we would expect of any maturing industry.

Satisfaction rates at record high despite improvement rates flattening out

Improvement rates have plateaued over the last three years (one percentage point change over this period) but satisfaction shows significant increase, which begs the question, why are people so satisfied with this lack of improvement?

With constant increases in online traffic and the corresponding increases in companies serving those new eyeballs, many companies have become accustomed to conversion rates dropping. Testing now seems to be less about getting ahead of the competition and more about keeping up with them. At the same time, companies are starting to be braver in their testing and as a result accept that not all of these more daring tests will work. They are prepared and even satisfied when this happens. Whereas previously failed tests were considered unacceptable, now they're part of the process.

This is a real reflection of the growing maturity of the industry accepting that we've probably eaten all the low-hanging fruit and need to start getting braver and smarter in our future developments.

What is the optimum number of tests?

One area that has been going up consistently year on year is the number of tests being run, which, until this year, had been linked with improved performance. For the first time this year we see a correlation between those doing the most tests and not having the best results.

In fact, we seem to have found that an ideal point of 3-5 tests per month produces the best results with satisfaction levels dropping when the number of monthly tests is lower than three or greater than five. Again, this is very much part of the maturing stage of the industry.

As resource has increased and tools are widely accessible and easier to use, the number of tests was naturally going to increase. Now we can start to see the optimum level based on results and not hindered by available resource or usability of the product. We can begin to let the data inform the strategy, not just budgets or capabilities – it's finally a debate of quality versus quantity.

Methods used

So, if increasing the number of tests is no longer the simple route to improving satisfaction, what is? One area that stands out (as it did last year) is the variety of methods used and how combining a number of different techniques appears to give the best result.

The more methods companies are able to use, the higher the improvement and satisfaction scores. One has to assume this will reach a saturation point (as we've seen with the quantity of tests) but in the short term, it feels like the companies investing the most time and budget into trying different conversion techniques are seeing the best results.

The continued rise of web personalization

Web personalization is the conversion technique most likely to be added next year. It will be interesting to see, as this method becomes more popular, how the satisfaction figures stack up for it.

Testing of mobile apps was added to the survey for the first time this year. While the number of respondents is naturally low, the signs are that those trying it are seeing high satisfaction rates. This fits with the idea that this new area should mature in the same way we've seen with website testing.

People are still key

Companies with at least one person directly responsible for conversion rate optimization are 16-20% more likely to see improvements in conversion rates. This certainly supports the idea that resourcing is key and could potentially be a barrier for companies that are not able or willing to have this dedicated resource. It again highlights that if companies are struggling for resource they need to outsource to fill the gap, otherwise they risk not maximizing the impact of conversion techniques and falling behind their competitors.

Alongside this resource is the need for a structured approach to improving conversion rates. We see companies that have this structured approach in place being up to 20% more likely to see improvements and twice as likely to be satisfied.

If you combine these two key factors with the continued issue of available budgets (31% still say it's the biggest barrier to improving conversion rates), we see that whilst the market is maturing, some classic growth issues still exist and need addressing.

I'd like to thank everyone who has taken part in the survey this year. We are delighted with the response we've seen and it's exciting to see how the industry is maturing. I hope you find this report both interesting and helpful in continuing to improve conversion.

If I could give a piece of advice for the year ahead, it would be not to rest on our laurels. Continue to push for resource and budget to maximize the opportunities available. It's clear the marketplace is still open to domination by those willing to invest time, budget, resource and energy in conversion rate optimization.

Garry Lee
CEO, RedEye

2.1. About Redeye

RedEye provide complete technology solutions to digital marketers to allow them to deliver Multichannel Marketing Automation solutions for CRM programmes that increase revenue, return on investment and conversion.

RedEye pride themselves on providing tailored Marketing Automation, Multichannel Marketing, Email Marketing and Behavioural Marketing Solutions. RedEye are also market leaders in Website Personalization. RedEye's solutions are driven by a unique database that combines all customer data, online and offline, from store purchases to products browsed, and makes this vast depth and breadth of data available to users through sophisticated and intuitive tools and interfaces.

Since 1997 RedEye have been developing technological solutions for web analysts, email marketers and now multichannel and customer experience marketing practitioners. RedEye are also proud to be a five-times winner for best use of email, as well as receiving awards for Supplier of the Year, but most of all delighted that their technology enables their clients to completely fulfil their digital marketing needs.

RedEye clients include Radley, Interflora, Avis, Monarch, ASOS, M&S, Hotel Chocolat, esure, PayPlan, Sainsbury's Bank, Gala Coral and William Hill.

To find out more about RedEye visit www.redeye.com.

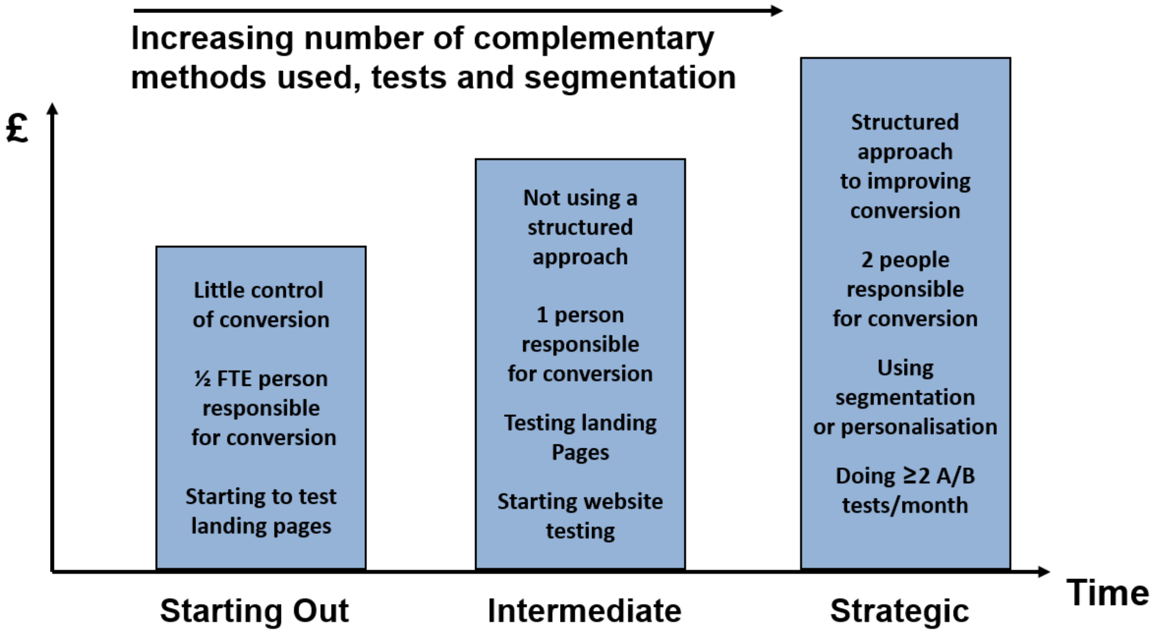
3. Conversion Maturity Model

The following Conversion Maturity Model differentiates between three different levels of sophistication by listing the distinctive activities and process associated with each stage. The survey data was used to understand the characteristics that are typical of companies at each stage of maturity. Companies that are advanced in their conversion maturity tend to run a higher number of tests on a wider variety of methods as part of a structured approach to their testing efforts.

The three levels of maturity, which have been identified, are 'starting out', 'intermediate' and 'strategic'. As investment in this crucial area increase, companies should aspire to adopt more mature practices in their approach to conversion.

Given the complexity of conversion rate optimization, companies can used the Conversion Maturity Model as a roadmap to acknowledge where they currently are and to determine what the next steps are towards improvement.

Conversion Maturity Model



4. Methodology

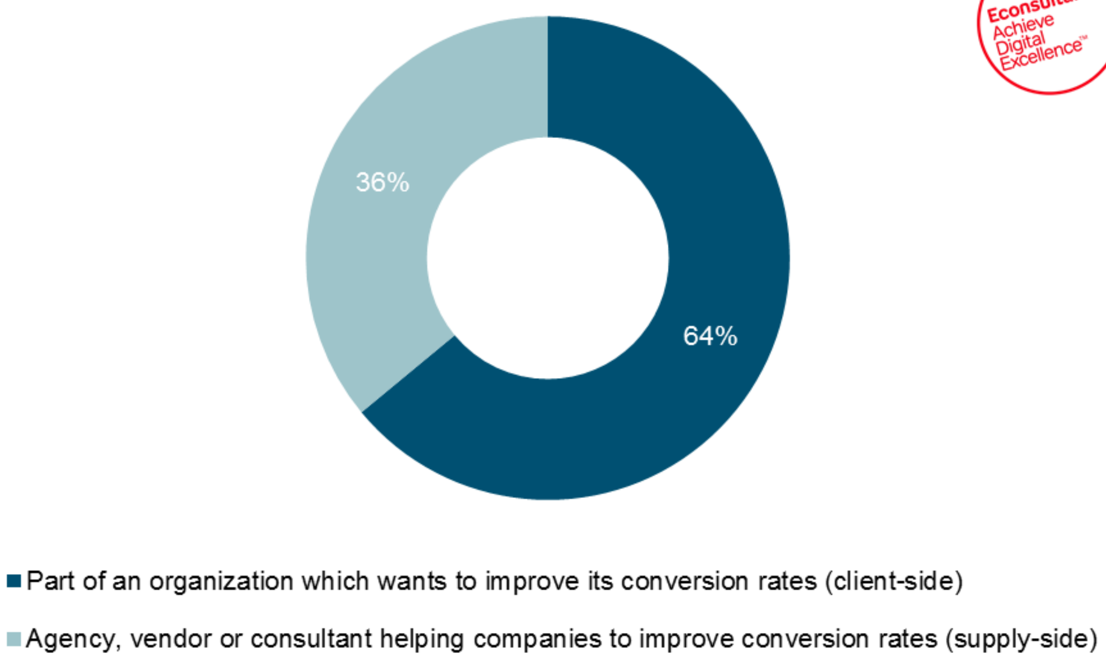
This is Econsultancy's seventh **Conversion Rate Optimization Report** carried out in association with RedEye. There were nearly 900 respondents to our research request, which took the form of an online survey open from July to September 2015.

Information about the survey, including the link, was emailed to Econsultancy's user base and promoted online via Twitter and other channels. The incentive for taking part was access to a free copy of this report just before its publication on the Econsultancy website.

Three in five (64%) survey respondents work for client-side organizations who are trying to improve their conversion rates, whilst 36% work for agencies, vendors or specialist consultancies. For a more detailed profiling of respondents, see *Section 6*.

If you have any questions about the research, please email Econsultancy's Senior Research Manager, Monica Savut (monica@econsultancy.com).

Figure 1: Which of the following most accurately describes your job role?



Respondents: 886

5. Findings

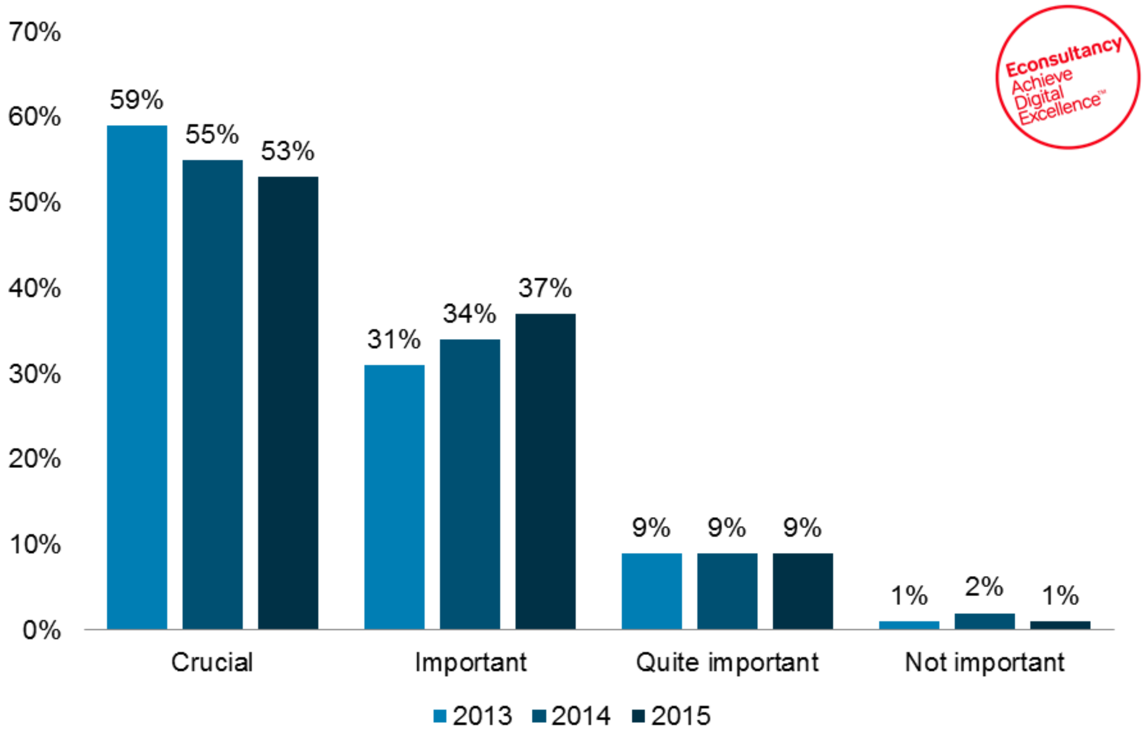
5.1. Importance of conversion rate optimization

Over the last year, conversion rate optimization (CRO) has remained a high priority within the digital marketing strategies of many businesses. Particularly for sites involving any sort of ecommerce function, minimizing dropout rates at each stage of the customer journey should be a focus for marketers.

Over half of marketers (53%) see conversion rate optimization as 'crucial' to their digital marketing strategy and only 1% believe it to be of no importance. Although numbers of those ranking it as 'crucial' have dropped over the past two years, 90% of marketers still rate it as 'important' or 'crucial'.

Company respondents

Figure 2: How important is conversion rate optimization to your overall digital marketing strategy?



Respondents 2015: 488
Respondents 2014: 554 | 2013: 450

What the experts say

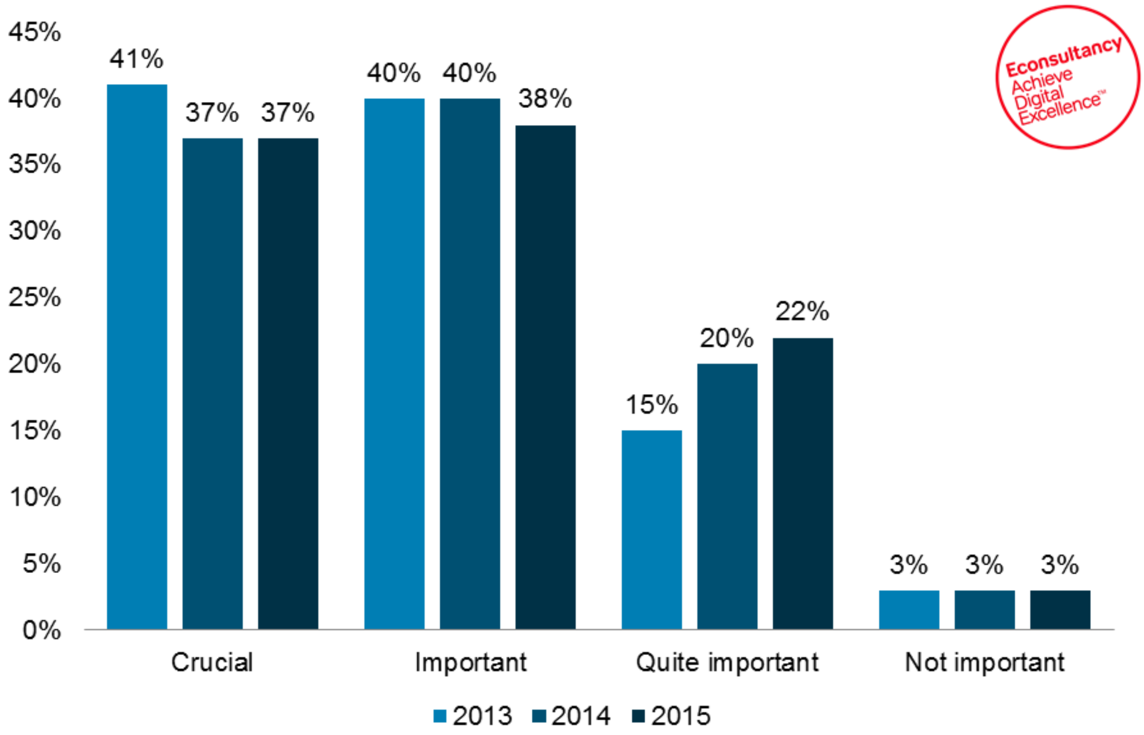
"The correct answer to this question is 'crucial'. Anyone who thinks otherwise doesn't stand a chance against Silicon Valley."

Ben Jesson, CEO, Conversion Rate Experts

Among agency respondents, the proportion of those considering CRO 'crucial' to their clients' overall digital marketing strategy has remained at just below two-fifths (37%).

The proportion of agencies seeing it as 'important' has dropped by two percentage points (from 40% in 2014 to 38% in 2015), but this has noticeably been picked up in the 'quite important' category, meaning it still holds a place in digital marketing considerations. Only 3% of agency respondents do not consider CRO to be of any importance to their clients.

Agency respondents
Figure 3: How important is conversion rate optimization to your clients' overall digital marketing strategy?



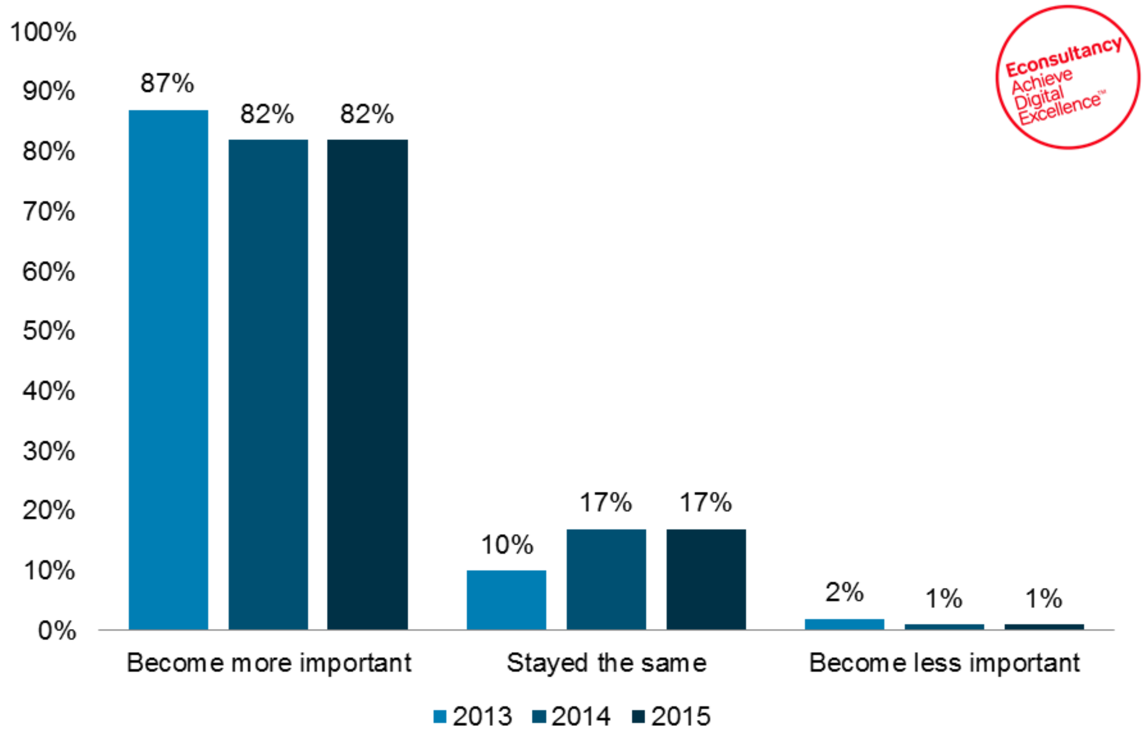
Respondents 2015: 285
Respondents 2014: 374 | 2013: 376

5.2. Change in focus on conversion rate optimization

Over four-fifths (82%) of client-side respondents have felt the focus on CRO within their organization has increased in importance over the last five years, a figure equal to the 2014 one. Additionally, just under a fifth (17%) feel the focus within their organization has stayed the same, which again mirrors the results of last year's survey.

Company respondents

Figure 4: How do you feel the focus on conversion rate optimization (within your organization) has changed in the past five years?

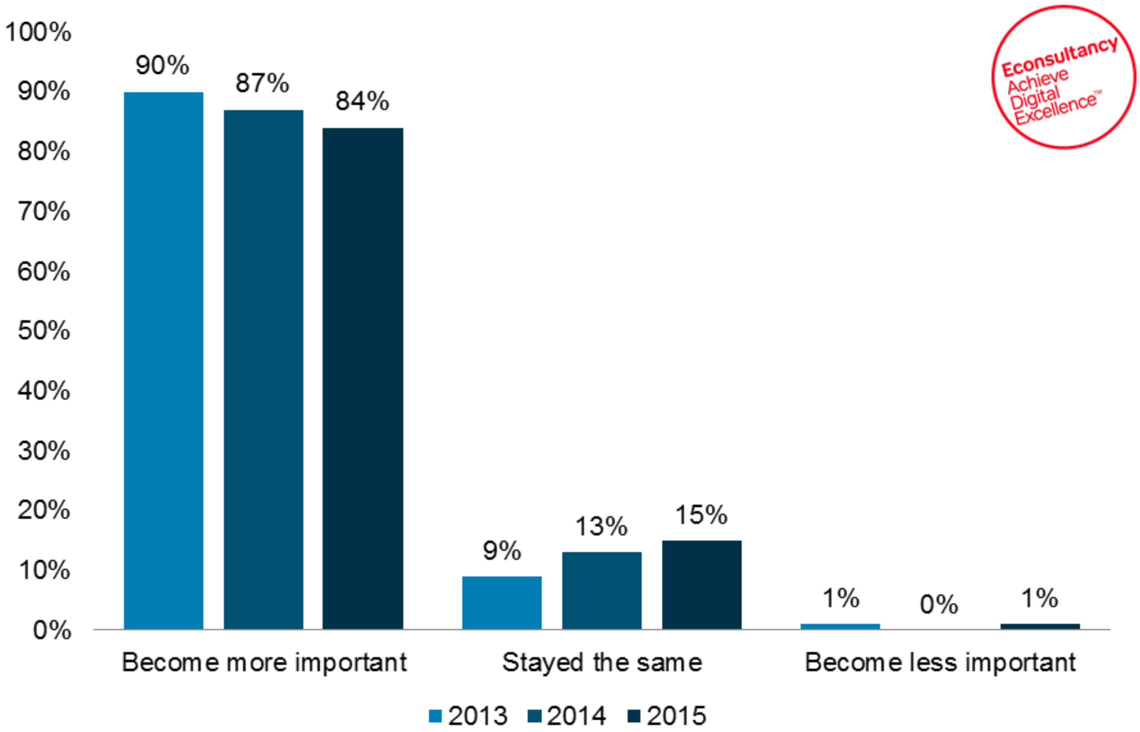


Respondents 2015: 490
Respondents 2014: 551 | 2013: 449

Agency respondents reported a slight drop in importance from previous years ('become more important' has decreased by 3% since the 2014 survey). Overall they still remain slightly more supportive of the growing importance of CRO than companies themselves indicate, with 84% seeing focus on conversion rate optimization increasing in importance, in comparison to 82% of companies. Only 1% of agencies believe that CRO is losing importance for their clients.

Agency respondents

Figure 5: How do you feel the focus on conversion rate optimization (within your clients' organizations) has changed in the past five years?



Respondents 2015: 285
Respondents 2014: 374 | 2013: 376

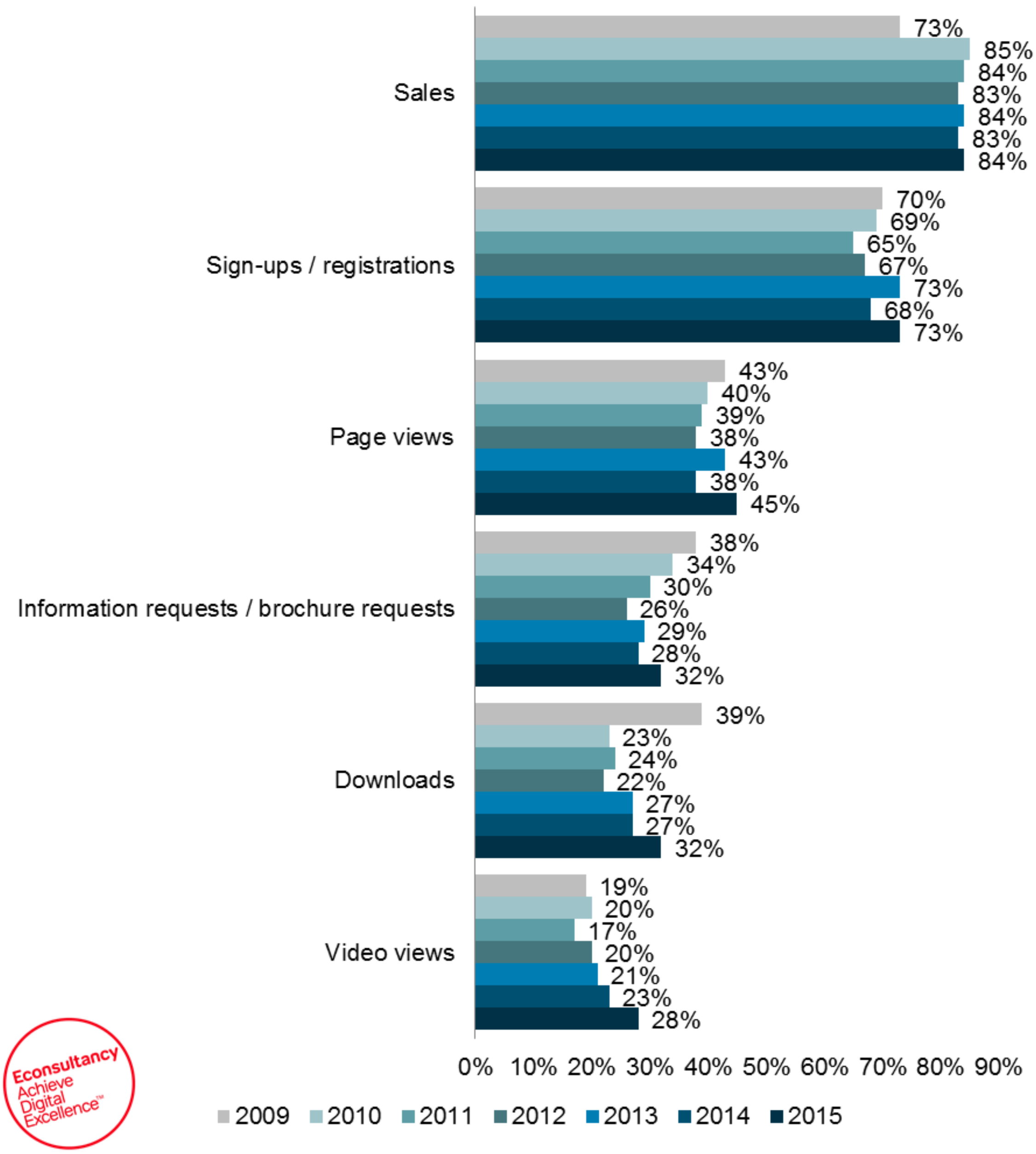
5.3. Types of conversion and measurement

5.3.1. Conversions relevant to organizations

Since 2009, when we first carried out this survey, *sales* and *sign-ups / registrations* have consistently held the top two positions in terms of the conversions or actions most relevant to companies. *Sales* have gained a percentage point since 2014, returning it to the 84% of the previous year. Since 2010, this type of conversion has been relevant to between 83% and 85% of companies, proving its importance is remaining high on the agenda. *Sign-ups / registrations* have gained five percentage points, reaching the level of 73% held in 2013.

Company respondents

Figure 6: What types of conversions or actions are relevant to your organization?



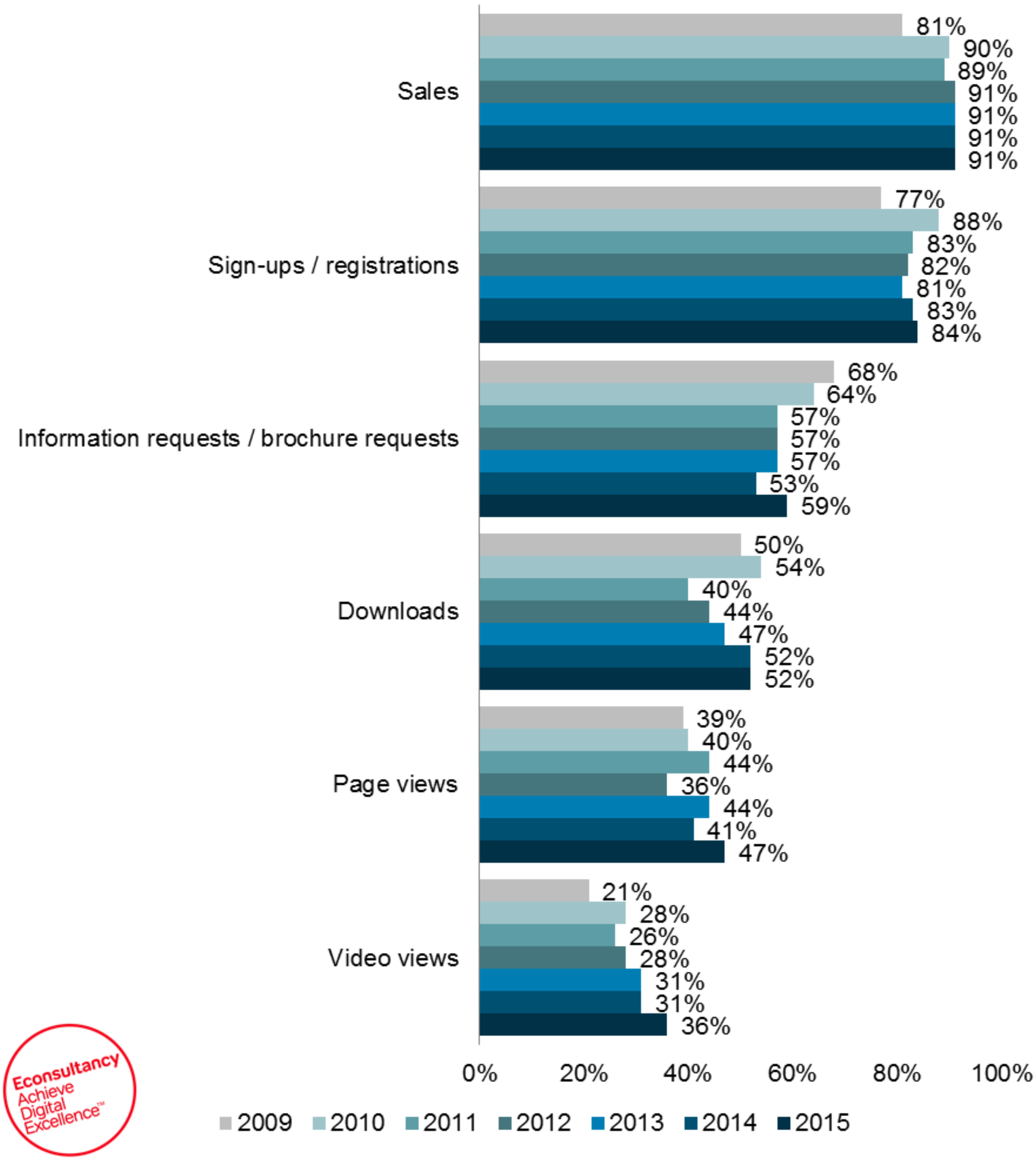
Respondents 2015: 544

Respondents 2014: 605 | 2013: 491 | 2012: 474 | 2011: 357 | 2010: 352 | 2009: 331

Video views are becoming relevant for more companies year-on-year (up by 22% to 28%), having climbed for four successive years. *Downloads* are gaining relevance too, according to 32% of companies, in comparison to 27% for the previous two years, and just 22% in 2012.

The vast majority (91%) of agencies surveyed see *sales* as relevant to their clients, a figure that has remained the same since 2012. *Information requests / brochure requests* are seen as relevant to far more agencies than companies (59%, compared to 32% of companies). Additionally, 63% more agencies than companies rated *downloads* as relevant in this year's survey. Across all six of these options, each had become either relevant to more agency clients or to the same percentage as last year.

Agency respondents
Figure 7: What types of conversions or actions are relevant to your clients?



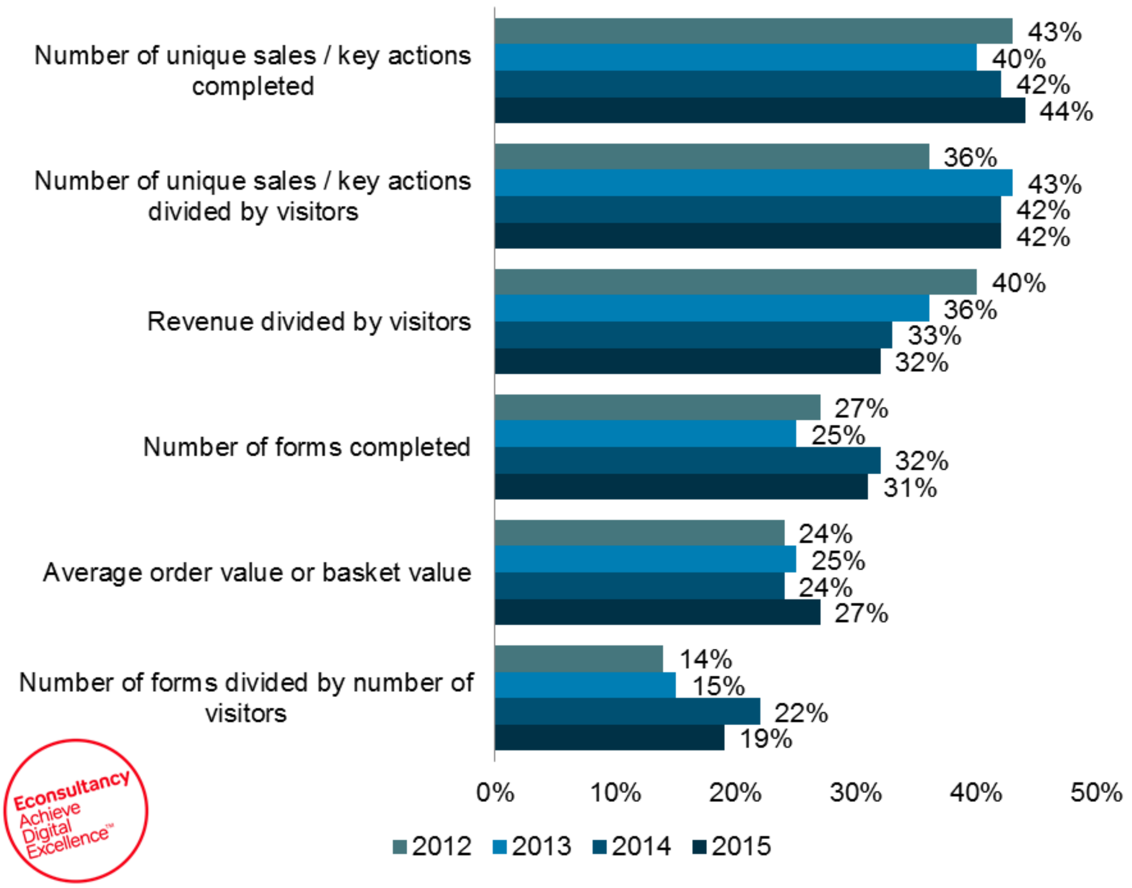
Respondents 2015: 299
Respondents 2014: 395 | 2013: 395 | 2012: 320 | 2011: 290 | 2010: 254 | 2009: 288

5.3.2. Methods used to measure conversion

Just over two-fifths of companies (44%) report that they use *number of unique sales / key actions completed* as a measure of conversion rates, a slight increase of 5% from last year. Measuring conversion rates by *number of unique sales / key actions divided by visitors* remained popular, staying at 42%.

Measuring conversion rates by using *number of forms divided by number of visitors* as a method has decreased slightly, now being used by just under a fifth (19%) of companies. *Revenue divided by visitors* has been used by 3% fewer companies than last year, continuing the trend of decreasing year-on-year (from 40% in 2012).

Company respondents
Figure 8: How do you measure conversion rates?

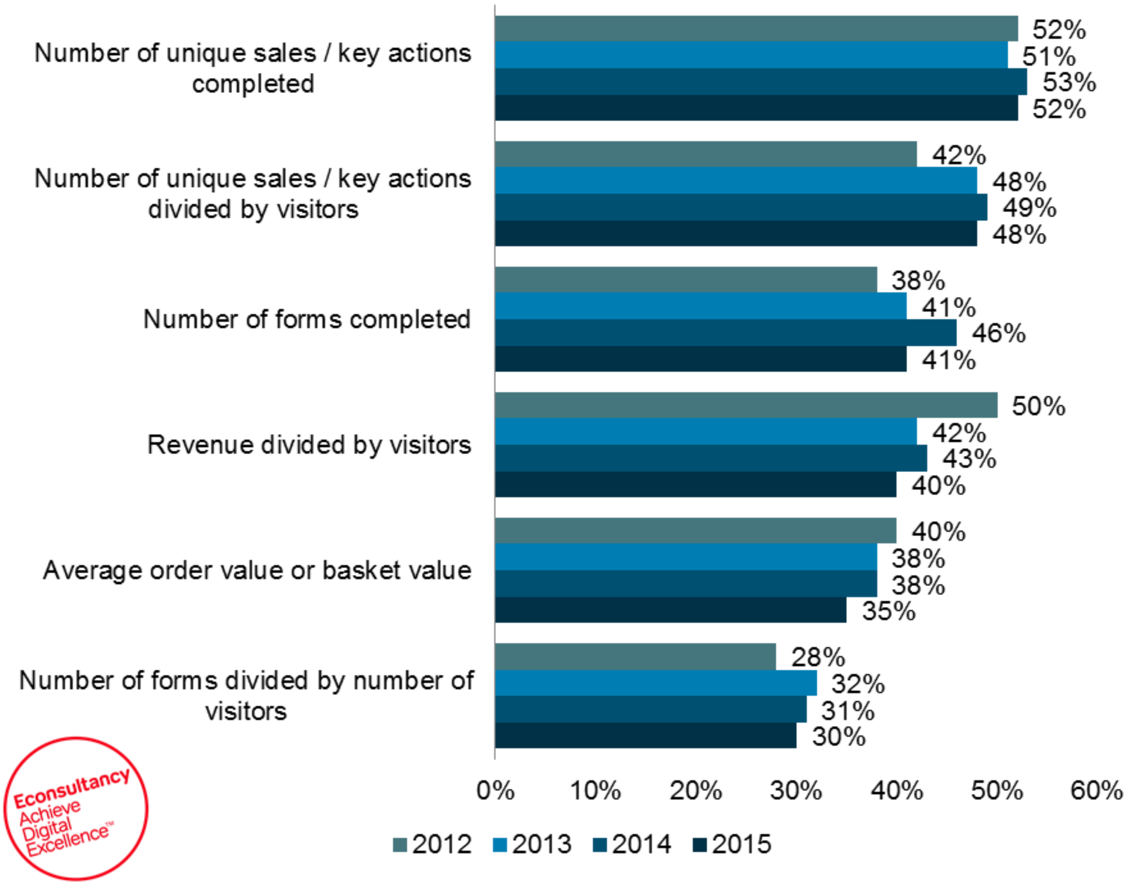


Respondents 2015: 538
Respondents 2014: 602 | 2013: 487 | 2012: 473

Agency respondents confirmed that roughly half of their clients use *number of unique sales / key actions completed* and *number of unique sales / key actions divided by visitors* (52% and 48% respectively). Agencies attributed the use of *number of forms divided by number of visitors* to a higher proportion of clients than companies did themselves, at a difference of 58% (19% of companies; 30% of agencies).

Average order value or basket value has continued to fall out of favour, falling by 13% since 2012, to 35%. However, this still represents about a third of all agency clients, so cannot be discounted as a measurement method.

Agency respondents
Figure 9: How do your clients typically measure conversion rates?



Respondents 2015: 296
Respondents 2014: 393 | 2013: 396 | 2012: 318

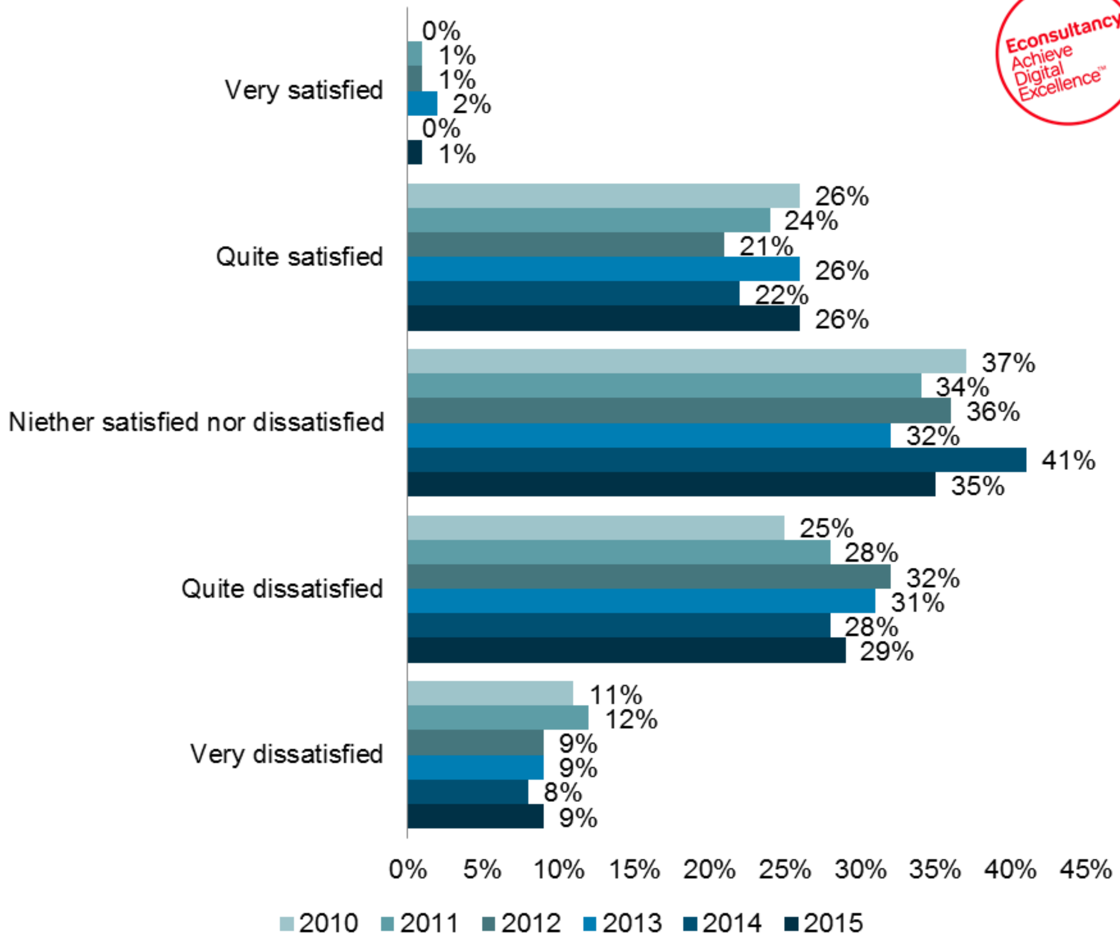
5.3.3. Satisfaction with online conversion rates

After falling to 22% last year, the proportion of companies claiming they are 'quite satisfied' with their conversion rates has climbed back to just over a quarter (26%). However, close to one in ten (9%) companies are still 'very dissatisfied' with their conversion rates, and a further 29% are 'quite dissatisfied'. This gives a not insignificant total of close to two-fifths (38%) of companies surveyed, indicating there is still much to be done.

The 35% of respondents stating that they are 'neither satisfied nor dissatisfied' with their conversion rates suggests there is a place for further education in measurement, and also room to improve satisfaction among a group currently undecided as to where they sit in the conversion rate spectrum.

Company respondents

Figure 10: How satisfied are you with your conversion rates?



Respondents 2015: 502
Respondents 2014: 565 | 2013: 460 | 2012: 449 | 2011: 341| 2010: 351

What the experts say

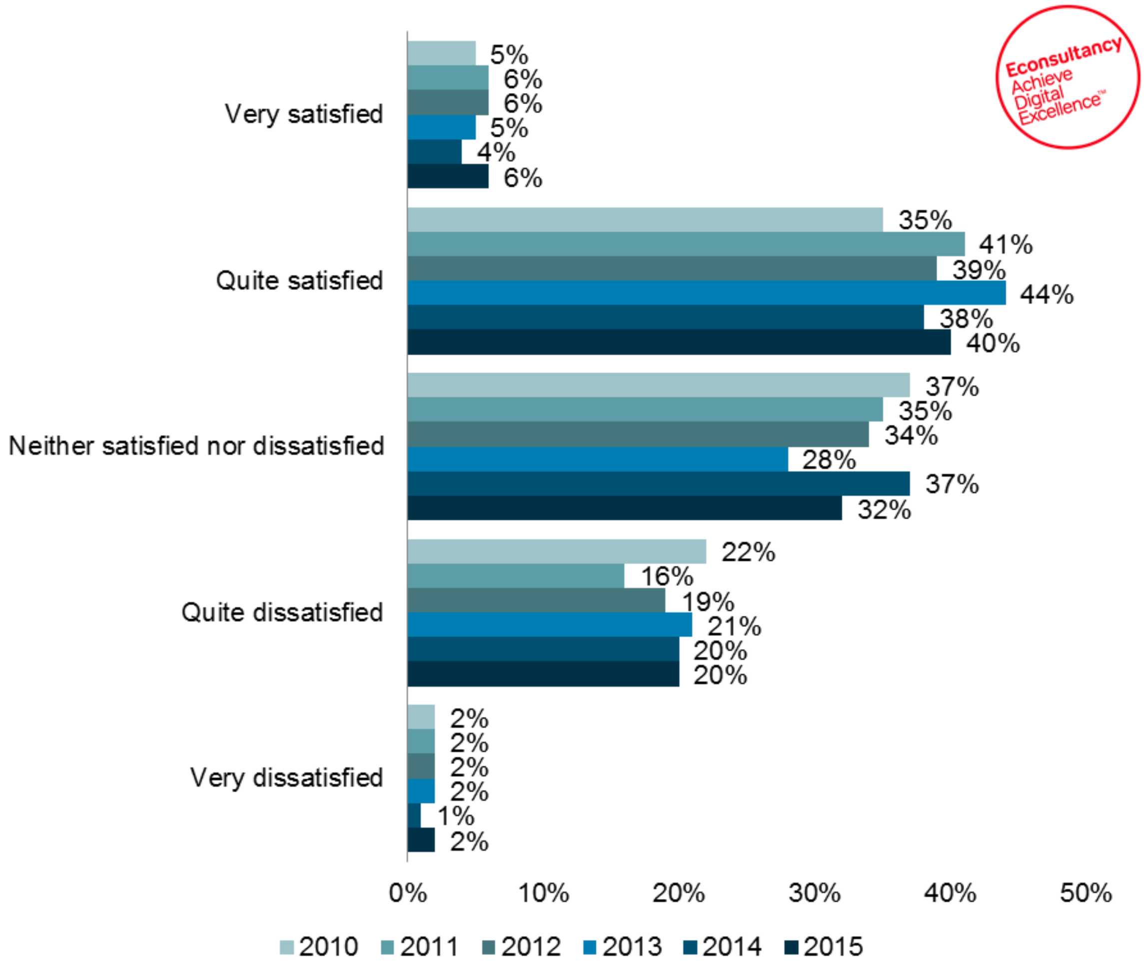
"Kudos to those who reported that they were dissatisfied. Amazon is a master of conversion, but it is never satisfied. Dissatisfaction can reflect a hunger for excellence."

Ben Jesson, CEO, Conversion Rate Experts

Agencies are overall more positive when it comes to their clients' satisfaction with conversion rates. Almost half (46%) indicate their clients are either 'quite' or 'very' satisfied, which is almost double the response to the same options for company respondents.

Only 2% of agencies say their clients are 'very dissatisfied' with their conversion rates, which is only a fifth of the proportion of companies giving the same answer. Those in the middle, answering that they are 'neither dissatisfied nor dissatisfied', remains very similar across both companies and agencies, with only a three percentage point difference (35% and 32% respectively).

Agency respondents
Figure 11: How satisfied are your clients with their conversion rates?



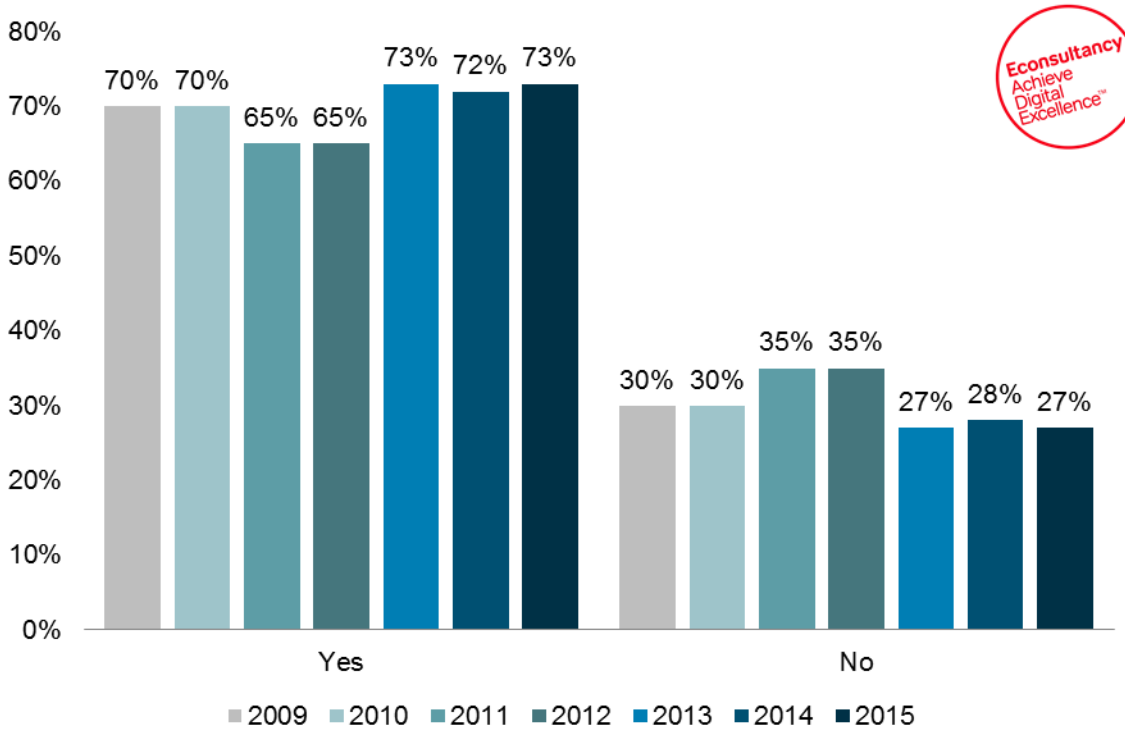
Respondents 2015: 289
Respondents 2014: 381 | 2013: 388 | 2012: 317 | 2011: 282 | 2010: 255

5.3.4. Improvement in online conversion rates in the last year

The proportion of companies reporting improvements to their online conversion rates over the past 12 months has risen by one percentage point, to represent almost three-quarters (73%) of those surveyed. This level has remained fairly consistent since a jump of over 10% in 2013.

Company respondents

Figure 12: Have your online conversion rates improved over the last 12 months?

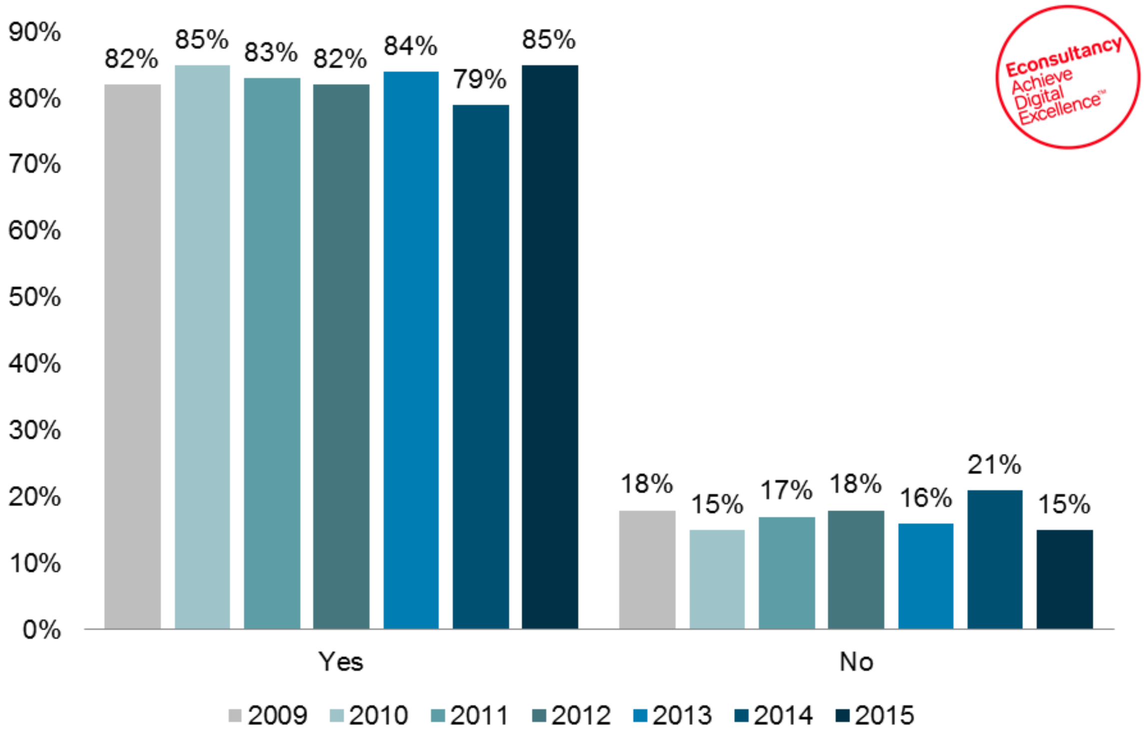


Respondents 2015: 502

Respondents 2014: 563 | 2013: 458 | 2012: 446 | 2011: 340 | 2010: 352 | 2009: 331

Agencies paint a more positive picture, with 16% more respondents reporting an improvement in conversion rates over the last 12 months compared to companies surveyed. There has been an 8% increase since last year, with the proportion of agencies seeing improvements reaching its highest level yet (85%), which matches the figure for 2010.

Agency respondents
Figure 13: Have your clients' online conversion rates improved over the last 12 months?



Respondents 2015: 288
Respondents 2014: 381 | 2013: 386 | 2012: 316 | 2011: 283 | 2010: 255 | 2009: 287

When respondents were asked about the single most effective thing they or their clients had done to improve conversion rates, testing was a dominant theme, especially A/B testing, and using these tests to enable further optimization.

Content was also key, along with personalization, which often related to email and landing pages. Overall mapping and improved understanding of the customer journey also emerged as being very effective.

Figure 14: What has been the single most effective thing you (or your clients) have done to improve your conversion rates?

What has been the single most effective thing you (or your clients) have done to improve your / their conversion rates?

"Building more A/B tests in-house has meant more testing, which has meant more wins."

"Changing a newsletter layout and testing with segmentation and newsletter contents/headline."

"Creating compelling emails that are relevant to the customer."

"Improving the quantity and quality of content and social media usage on our digital platforms."

"Introducing basket abandonment emails which have helped increase conversions."

"Making data-based decisions to derive insight-led, action-focused recommendations."

"Making personalization a central part of digital strategy and implementing full processes."

"Redesigning search results screens to improve clarity."

"Removing unnecessary pages from the checkout journey."

"Splitting out mailings to reduce the number of messages in each."

"Streamlining the sales funnel. Keeping it simple for the consumer to get to the end."

"Usually improvements to the checkout / cart process in ecommerce sites, streamlining the process, ensuring security is obvious and asking for as little as possible, and pre-population where possible. Simplicity is key."

Survey respondents

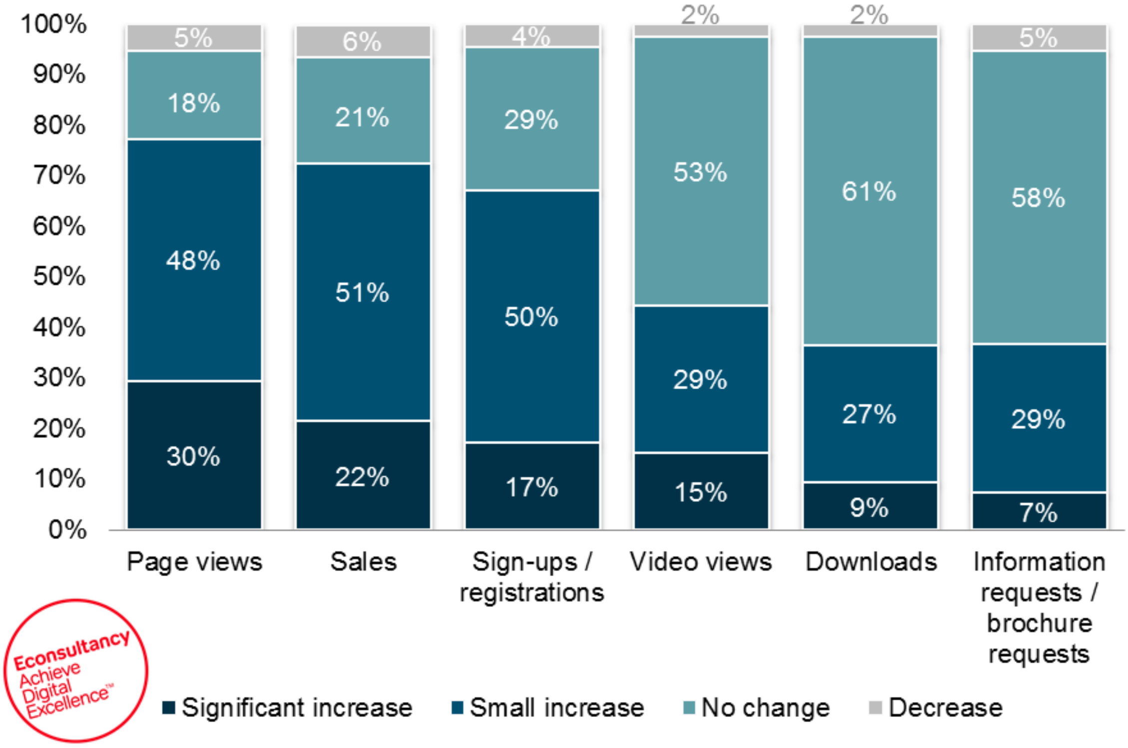
5.3.5. Change in online conversion rates in the last year

Companies are most likely to see an increase in conversion rates in terms of *page views*, with over three-quarters (78%) saying this is the case. *Downloads* are the area most likely to have experienced no change, which is true for 61% of companies.

Figure 16 shows an 11% increase in the proportion of those seeing improvements to conversion rates through *page views* since last year. *Video views* have this year increased for 7% more companies than last year, suggesting it is a channel being given more focus.

Company respondents

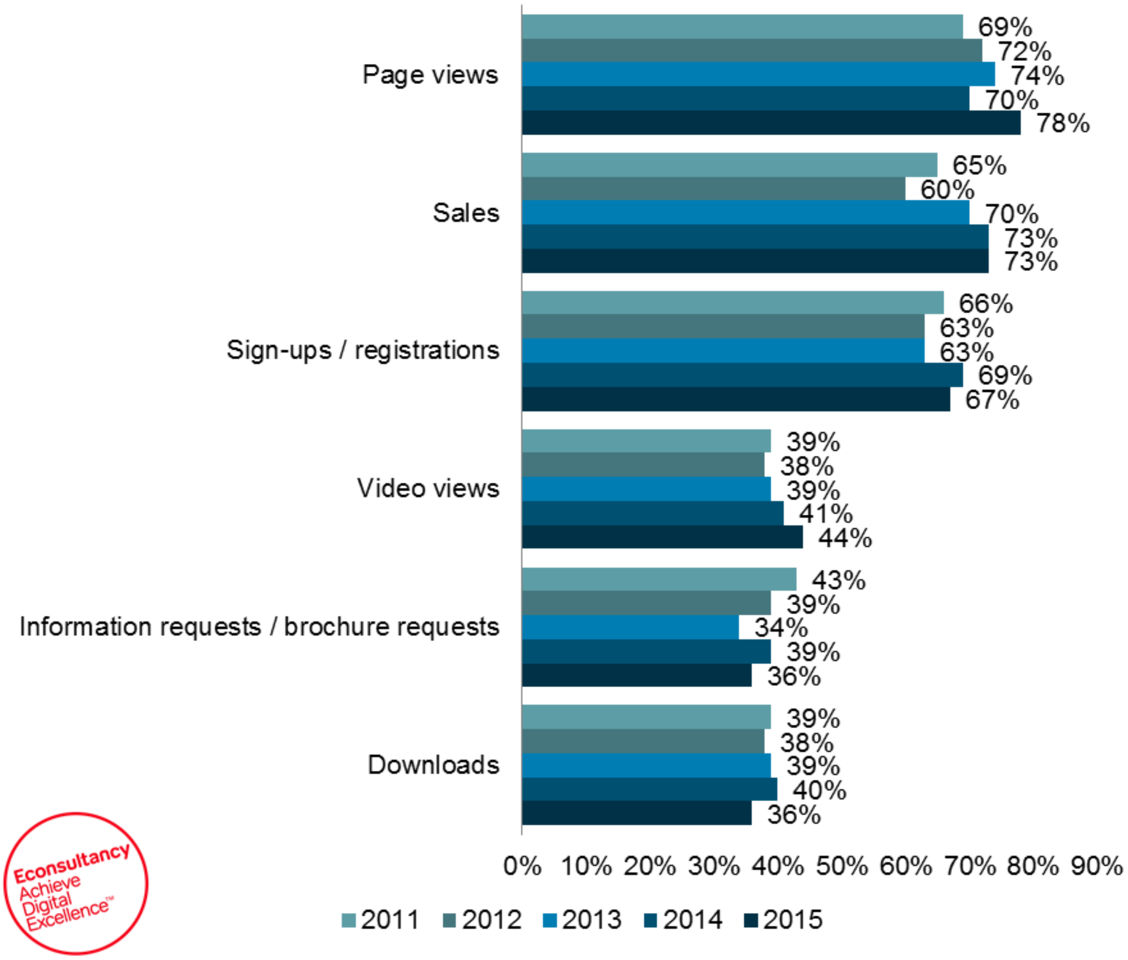
Figure 15: Specifically, have any of the following conversion rates improved?



Respondents: 441

Company respondents

Figure 16: Proportion of companies saying different types of conversion rates improved (either 'significant' or 'small' increase)



Respondents 2015: 441
Respondents 2014: 497 | 2013: 413 | 2012: 398 | 2011: 297

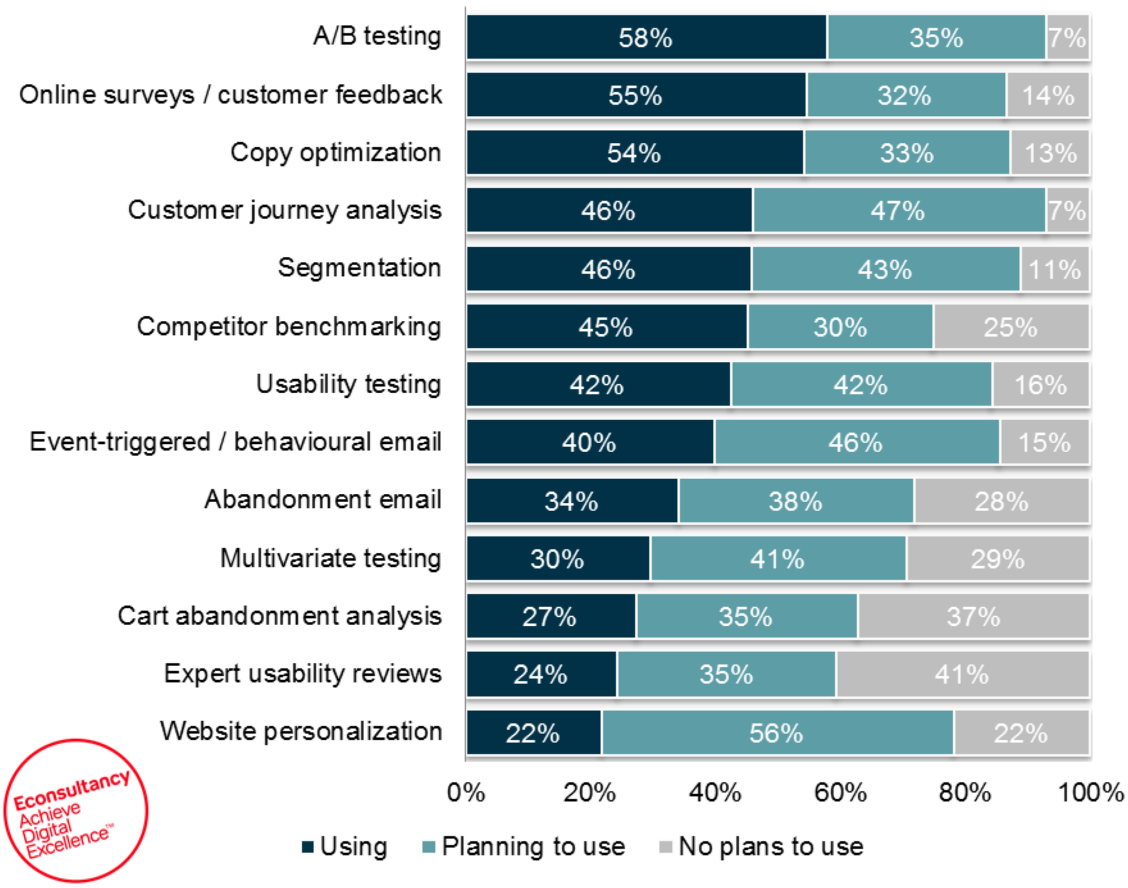
5.4. Tools and strategies

5.4.1. Methods currently used for improving conversion rates

Over half of company respondents are using *A/B testing* (58%), *online surveys / customer feedback* (55%) and *copy optimization* (54%) as methods of improving conversion rates. Agencies also count *segmentation* (60%), *usability testing* (59%), *customer journey analysis* (59%) and *competitor benchmarking* (53%) within this category. This shows the breadth of opportunities for marketers to improve their conversion rates, but also paints an overwhelming picture, as it presents the question of which methods are of most use, and which to focus on.

For both companies and agencies, *website personalization* is the area which the largest proportion is not yet using, but is planning to (56% of companies and 46% of agencies). In terms of the methods companies have no plans to use, leading the way are *expert usability reviews* (41%) and *cart abandonment analysis* (37%). Agencies agree when it comes to *expert usability reviews* (32%) and these are closely followed by *abandonment emails* (30%), which 28% of companies also have no plans to use.

Company respondents
Figure 17: Which of the following methods do you currently use to improve conversion rates?



Respondents: 449

What the experts say

"Customer feedback is the heartening point here: it's ranked almost as highly as A/B testing as a method companies use to understand and improve their results. In the past sometimes optimization was seen as almost synonymous with A/B testing, and it's therefore good to see other tactics have grown to similar levels of use. Customer feedback is also positive as, unlike A/B testing, it can capture the one or two really unhappy VIP customers and allow you to act on them, as well as the broad-brush 'aggregate level' results A/B testing allows."

Dan Barker, Independent Consultant

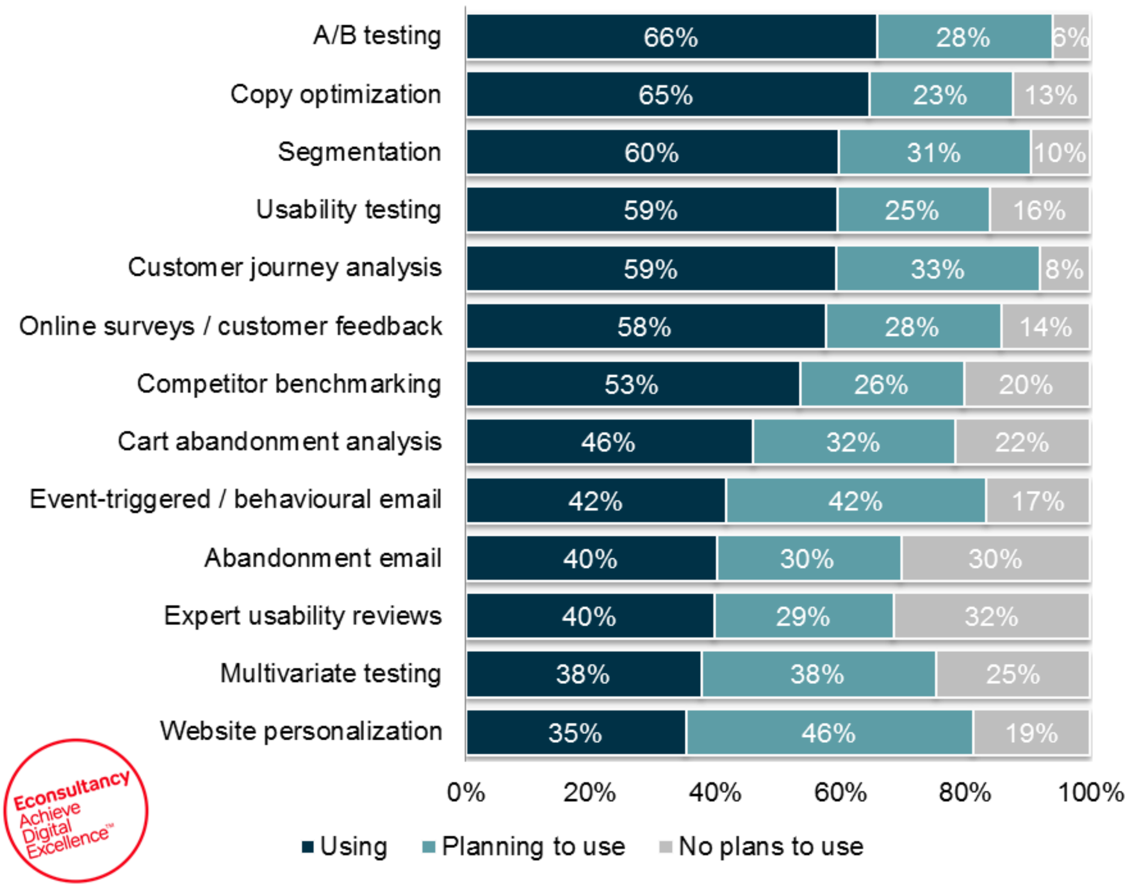
"Of those companies that are 'doing A/B testing', it would be interesting to see what percentage of their marketing decisions are A/B tested. It's one thing to have Optimizely set up; it's another thing to use it.

"It's fascinating/confusing that 45% of companies are not using online surveys."

Ben Jesson, CEO, Conversion Rate Experts

Agency respondents

Figure 18: Which of the following methods do your clients currently use to improve conversion rates?



Respondents: 259

5.4.2. Value of methods used for improving conversion rates

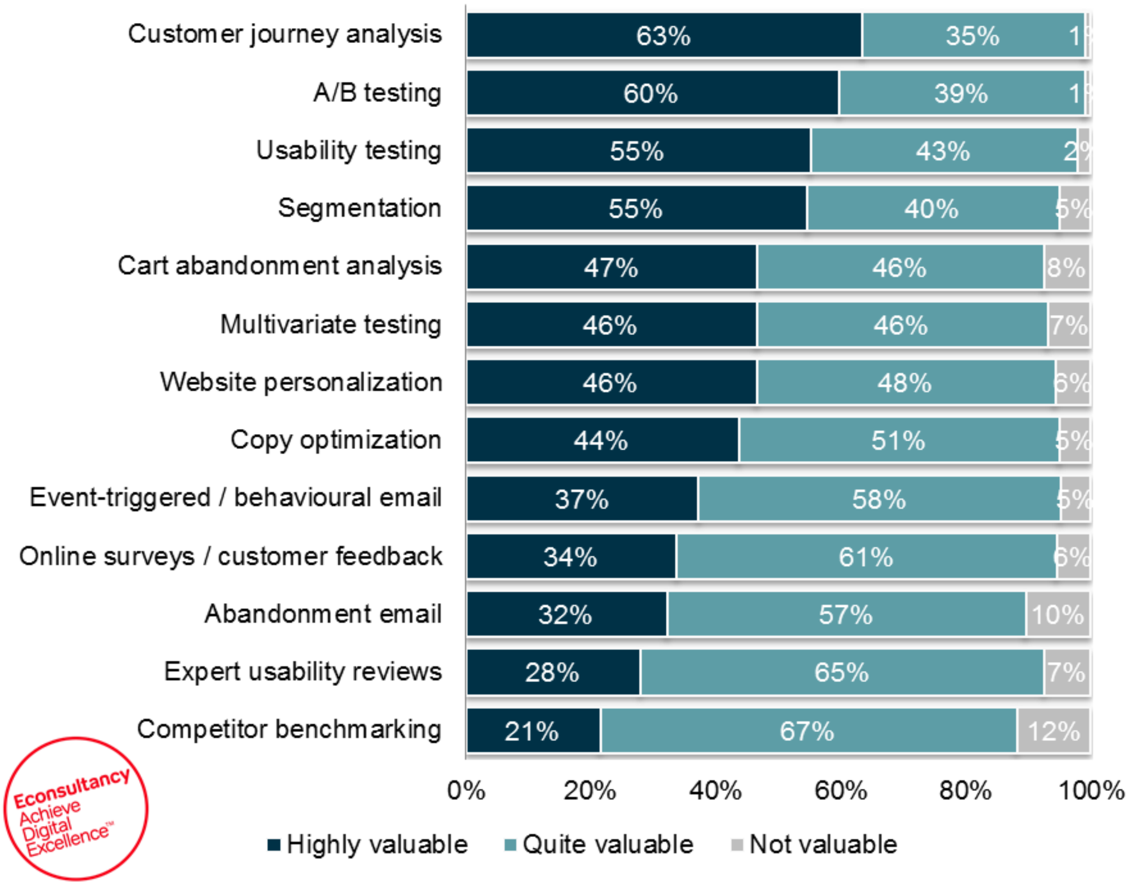
Customer journey analysis (63%) and *A/B testing* (60%) are seen by companies as the most valuable methods for improving conversion rates. In contrast, *competitor benchmarking* is 'not valuable' to over one in ten (12%) companies questioned. *Online surveys / customer feedback* and *expert usability reviews* are 'quite valuable' to around three-fifths of respondents (61% and 65% respectively), but 'highly valuable' to far fewer companies than almost all of the other ranked methods, suggesting they would not be the first port of call.

The top two methods have remained the same as last year, although it's worth noticing that this year *customer journey analysis* leapt up by 21% from 52% regarding it as 'highly valuable' last year (*Figure 20*). *Segmentation* and *copy optimization* also saw increases of around 20% (20% and 22% respectively) in the proportion of companies regarding them as 'highly valuable'.

The only methods to have seen decreases in the proportion of companies seeing them as 'highly valuable' were *A/B testing* and *multivariate testing*, but both saw minor drops, of 3% and 8% respectively.

Company respondents

Figure 19: How valuable do you find the following methods for improving conversion rates?



Respondents: 209

Company respondents

Figure 20: Proportion of companies rating method as ‘highly valuable’ for improving conversion rates

Respondents 2015: 209
Respondents 2014: 321

What the experts say

“It’s clear that there is significant increase in those perceiving customer journey analysis to be ‘highly valuable’ (52% to 63%) and a slight drop for A/B testing (62% to 60%). This means that marketers are now understanding that A/B testing in isolation can be a hit or miss. Doing comprehensive visitor behaviour analysis helps generate A/B test hypothesis that are grounded in data and observations. After releasing surveys, heatmaps and session recordings, we at Visual Website Optimizer are also moving towards being a CRO platform with focus on visitor analysis. I hope this only catches on as it reinforces the need for proper optimization methodology versus tactical testing.”

Paras Chopra, Founder, Wingify

“Speaking as perhaps the world’s strongest proponents of A/B testing, even we would argue that usability testing should rank above it. Usability testing is pure gold, and we use it extensively.

“It’s good to see customer journey analysis getting the recognition it deserves.”

Ben Jesson, CEO, Conversion Rate Experts

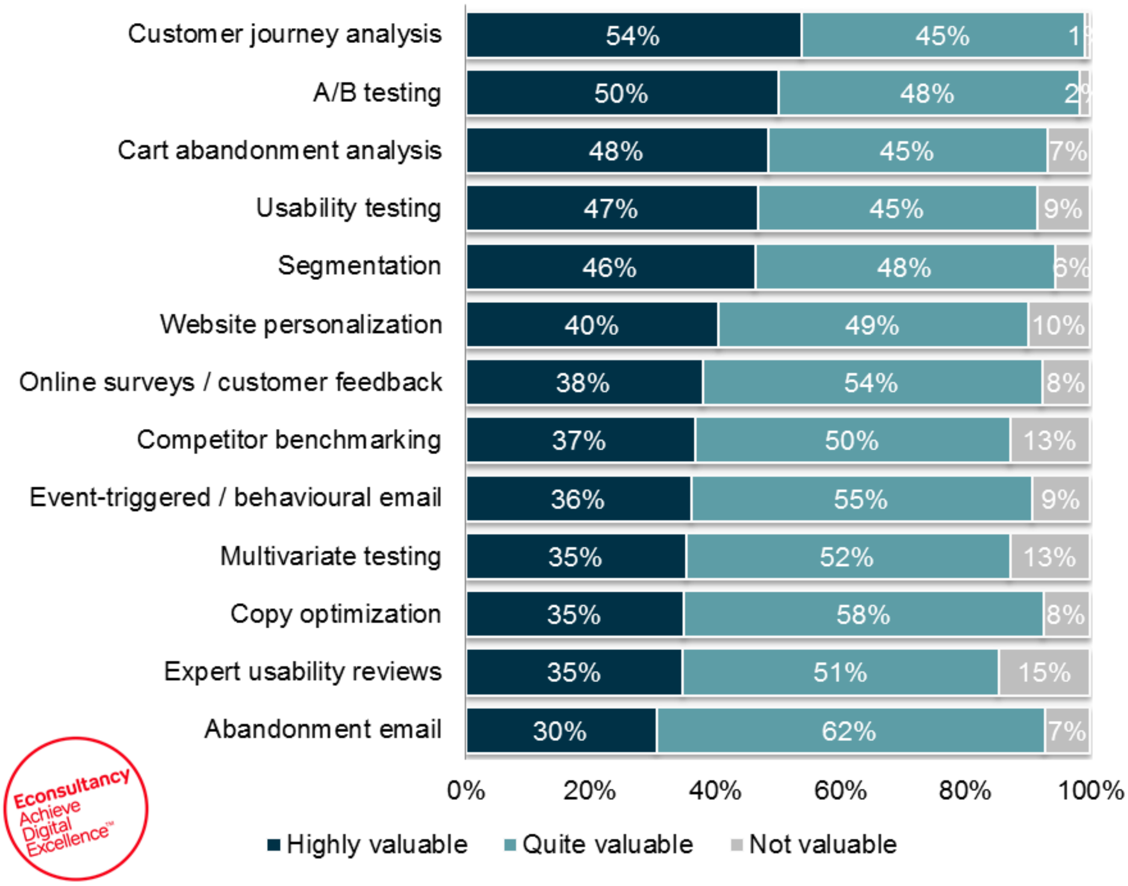
Agencies agree that *customer journey analysis* (54%) and *A/B testing* (50%) are the most valuable methods for their clients. However, the numbers are roughly 15% lower than the proportion of company respondents placing value on these methods, and this appears a general theme with responses to this question.

Additionally, higher proportions of agencies dismiss methods as holding no value. Around 10% or more of agencies deemed four methods as 'not valuable' for their clients (*website personalization*, *competitor benchmarking*, *multivariate testing* and *expert usability reviews*), compared to only two methods with similar percentages on the client side.

Agencies have rated every option as more 'highly valuable' than in last year's survey, aside from *A/B testing*, which remained at 50%, and *copy optimization*, which has dropped by 8%. Among the highest increases this year are *usability testing* (+42%), *expert usability reviews* (+46%) and *competitor benchmarking* (+48%).

Agency respondents

Figure 21: Typically, how valuable do your clients find the following methods for improving conversion rates?



Respondents: 125

Agency respondents

Figure 22: Proportion of agencies saying their clients rate method as ‘highly valuable’ for improving conversion rates

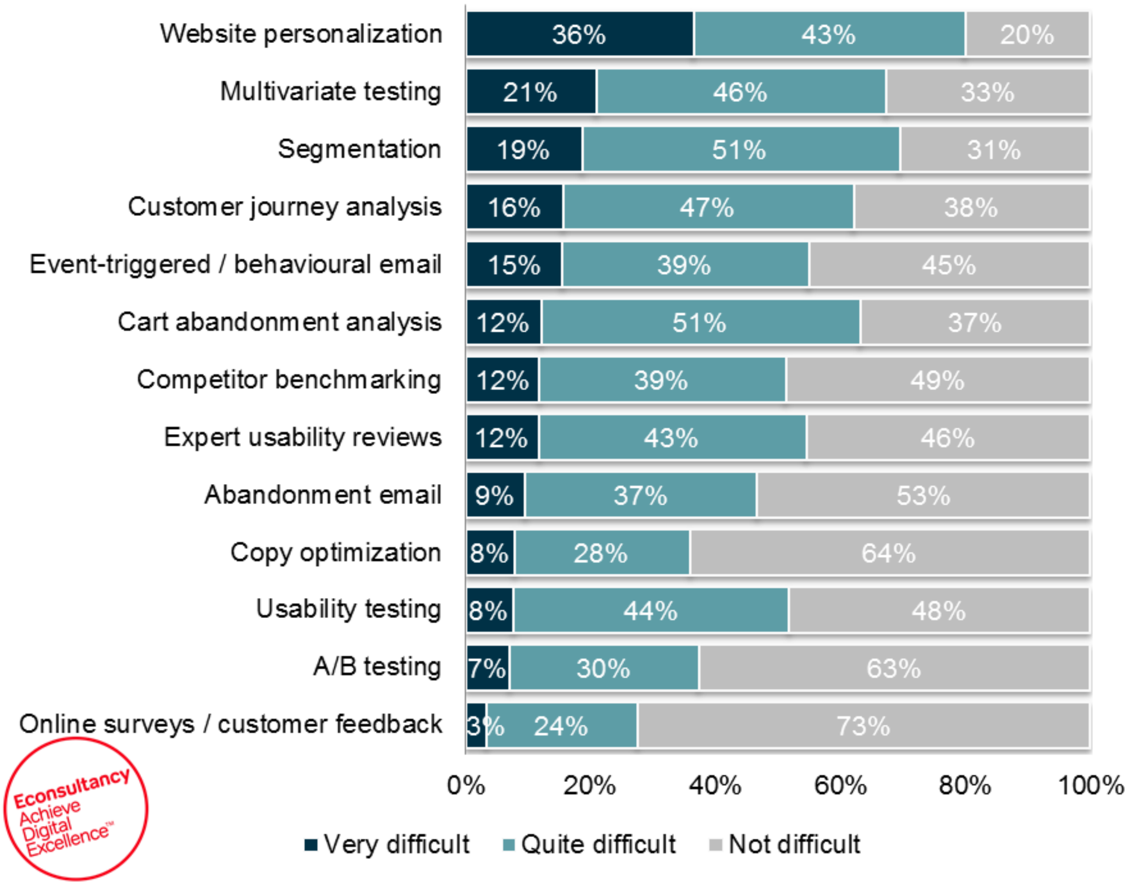
Respondents 2015: 125
Respondents 2014: 212

5.4.3. Difficulty implementing methods used for improving conversion rates

Website personalization is seen as the most difficult method in terms of implementation for improving conversion rates, according to 79% of companies. In terms of those rating the method as 'very difficult' to implement, the percentage for this method is 71% higher than the one for the closest contender (*website personalization* 36%; *multivariate testing* 21%). This is consistent with the results of last year's survey, although there has been an 8% decrease in companies referring to the method as 'very difficult' to implement.

Almost three-quarters of companies (73%) have no difficulty implementing *online surveys / customer feedback*, and over three-fifths are not struggling when it comes to *copy optimization* (64%) or *A/B testing* (63%).

Company respondents
Figure 23: How difficult is it to implement the following methods for improving conversion rates?



Respondents: 207

What the experts say

"Website personalization and segmentation can be powerful, but they should come with warning labels. Unless they are applied thoughtfully, they can result in rats' nests of complexity."

Ben Jesson, CEO, Conversion Rate Experts

"Personalization still seems to be a 'holy grail' issue that companies talk about and chase but, based on the responses shown in *Figure 24* and *Figure 27*, is still out of reach for most."

Dan Barker, Independent Consultant

Company respondents

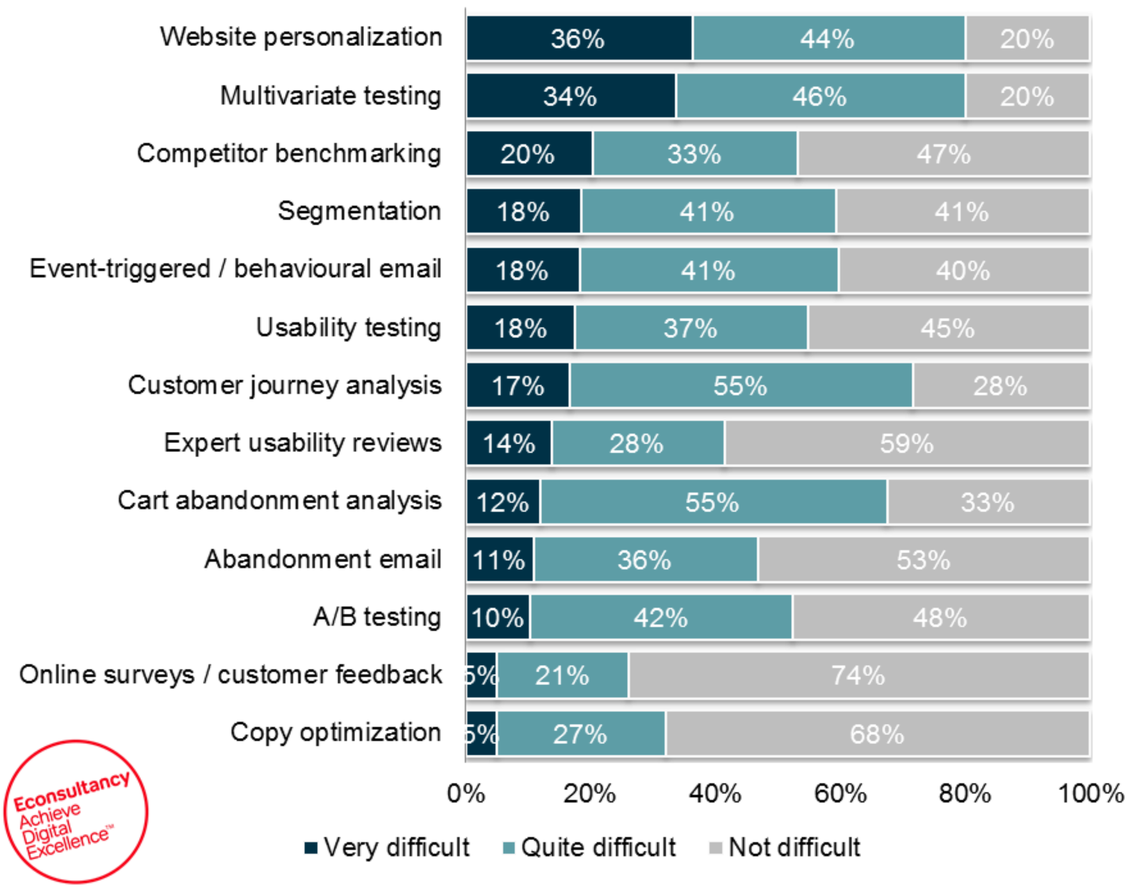
Figure 24: Proportion of companies rating method as 'very difficult' to implement for improving conversion rates

Respondents 2015: 207
Respondents 2014: 315

Agency respondents paint a similar picture in terms of the difficulty of *website personalization*; with 36% agreeing it is ‘very difficult’ to implement, but agencies follow this closely with *multivariate testing*: 80% of agencies say their clients find this method difficult to implement, compared to only 67% of companies.

Similarly to company respondents, around three-quarters of agencies (74%) believe *online surveys / customer feedback* pose the least problems for implementation. *Competitor benchmarking* was this year regarded as ‘very difficult’ by 54% more agencies than last year, which is a fairly sharp rise. In contrast, the number of agencies referring to *cart abandonment analysis* in this way has halved, from 24% to 12%.

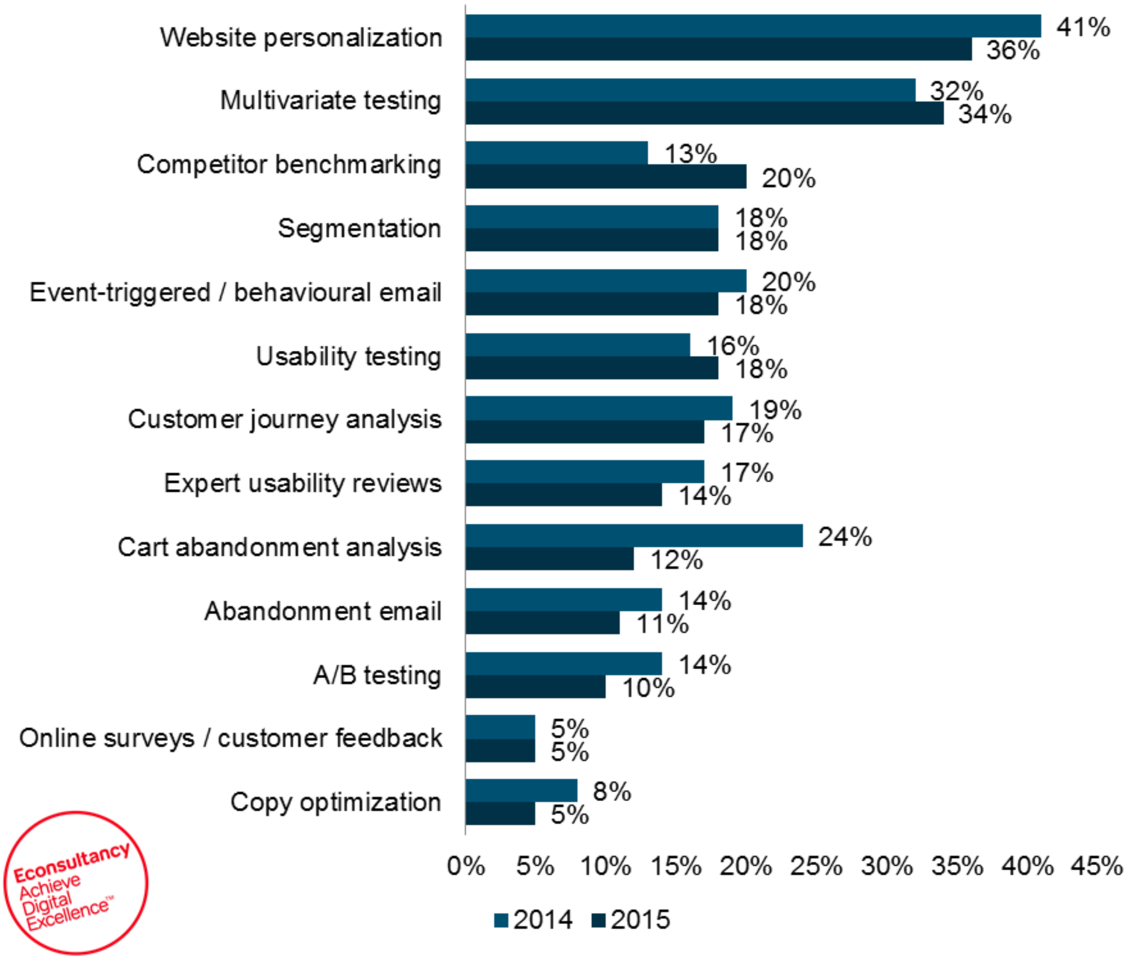
Agency respondents
Figure 25: Typically, how difficult to implement do your clients find the following methods for improving conversion rates?



Respondents: 119

Agency respondents

Figure 26: Proportion of agencies saying their clients rate method as 'very difficult' to implement for improving conversion rates



Respondents 2015: 119
Respondents 2014: 205

Figure 27 illustrates the value and difficulty of implementing the various methods used for improving conversion rates. The size of the bubbles is proportional to the percentage of companies surveyed using each method for improving conversion rates. Typically, the greater the value, the greater the difficulty of implementation.

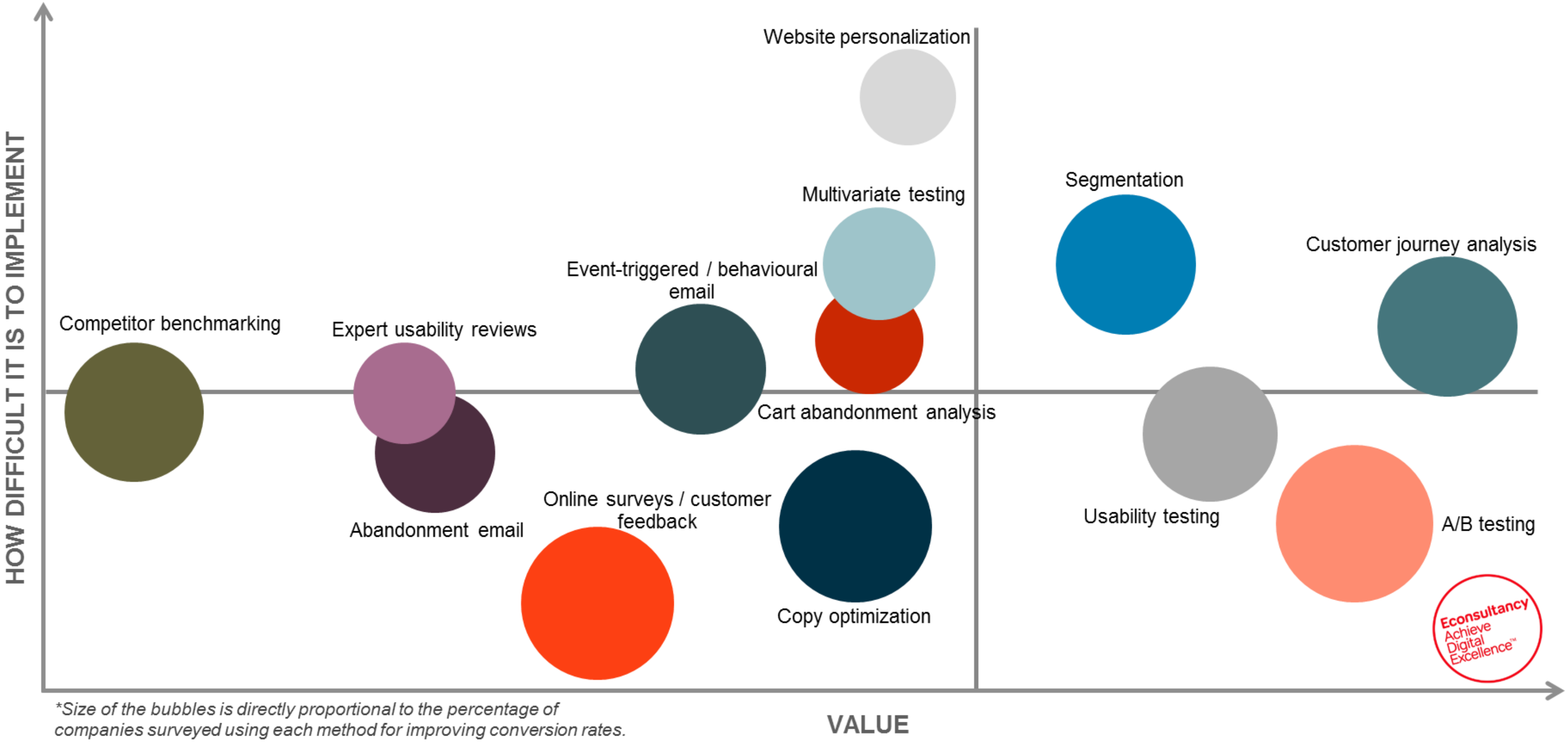
What the experts say

"The big surprise here is customer journey analysis. According to results, it is far and away the most valuable activity businesses can carry out, it is not ranked as particularly hard to achieve, yet less than 50% of companies say they are currently using it as a tactic (*Figure 17*). One factor contributing to this may be the shift to mobile. Many organizations have seen their overall 'visit' numbers increase over the last few years, while headline 'conversion rates' decrease. Splitting that out by mobile, tablet, desktop, it often becomes obvious that's due to shift across devices or customers using multiple devices. The effect of this can be enormous yet, without carrying out the simple activity of analysing customer journeys, it is very difficult to spot and to address."

Dan Barker, Independent Consultant

Company respondents

Figure 27: Value and difficulty of implementing methods used for improving conversion rates



5.5. Testing and performance

5.5.1. Areas of testing

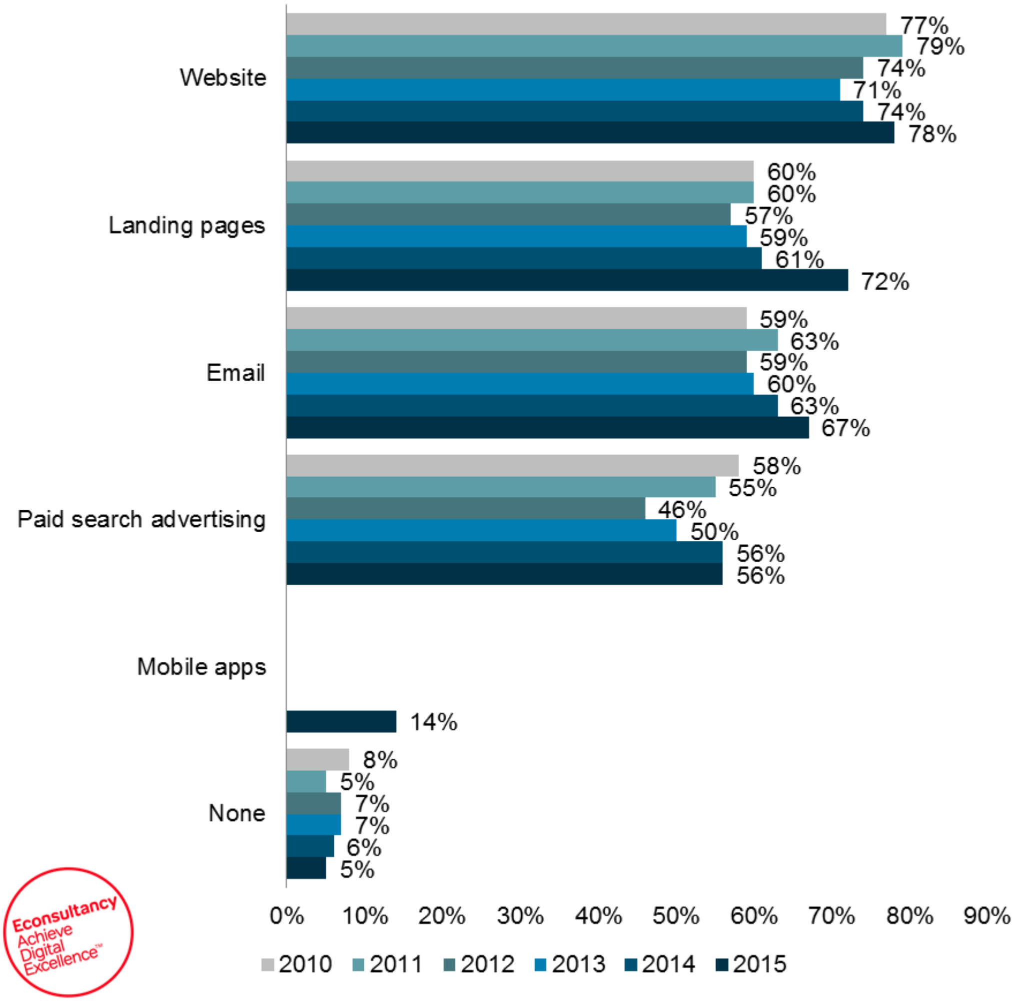
Companies are concentrating most of their testing efforts on their *website* (78%), which has also been true for each of the last five years. Just under three-quarters (72%) are focusing testing on their *landing pages*, which is a rise of 18% from last year, and the highest rate seen so far for this particular option. *Email* has also seen an increase in the number of companies testing, up by four percentage points on last year, and at the highest rate seen over the six years this question has been asked.

The *website* and *landing pages* are also the most tested areas for agency clients. The proportion of agencies saying each of these areas is tested has leapt up since last year's survey, by 9% for *website* and 21% for *landing pages*. Agencies have reported a drop in testing for *paid search advertising*, falling from 62% in 2014 to 52% this year.

Mobile apps were introduced as a new option this year, and just over one in ten companies (14%) reported that they are testing these. Among agencies, this figure rises to almost two in ten (19%).

Company respondents

Figure 28: What areas do you test?



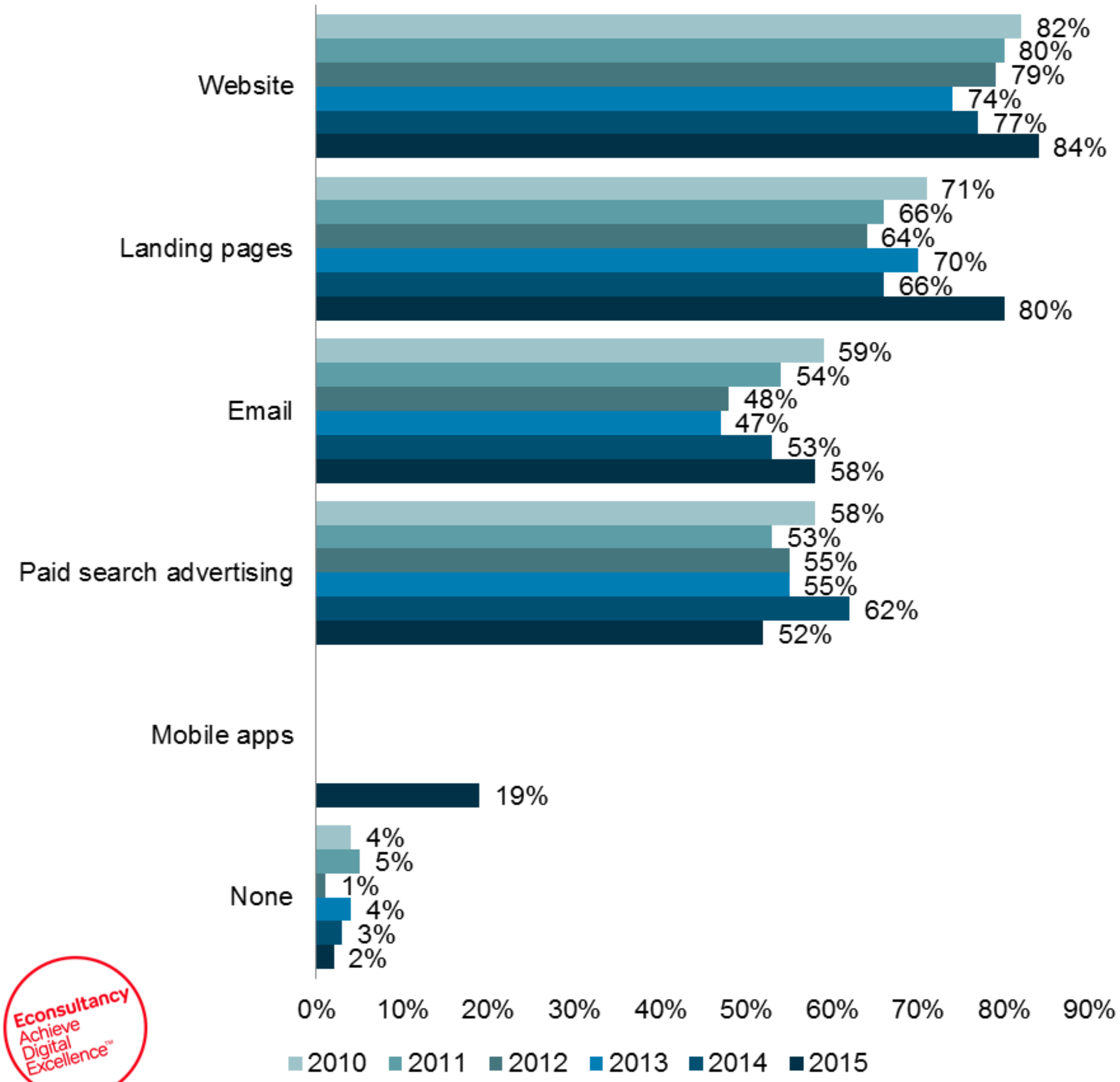
Respondents 2015: 437

Respondents 2014: 498 | 2013: 380 | 2012: 373 | 2011: 315 | 2010: 289

Note: 'Mobile apps' is a new option for the 2015 report, so there is no trend data.

Agency respondents

Figure 29: Typically, what areas do your clients test?



Respondents 2015: 259

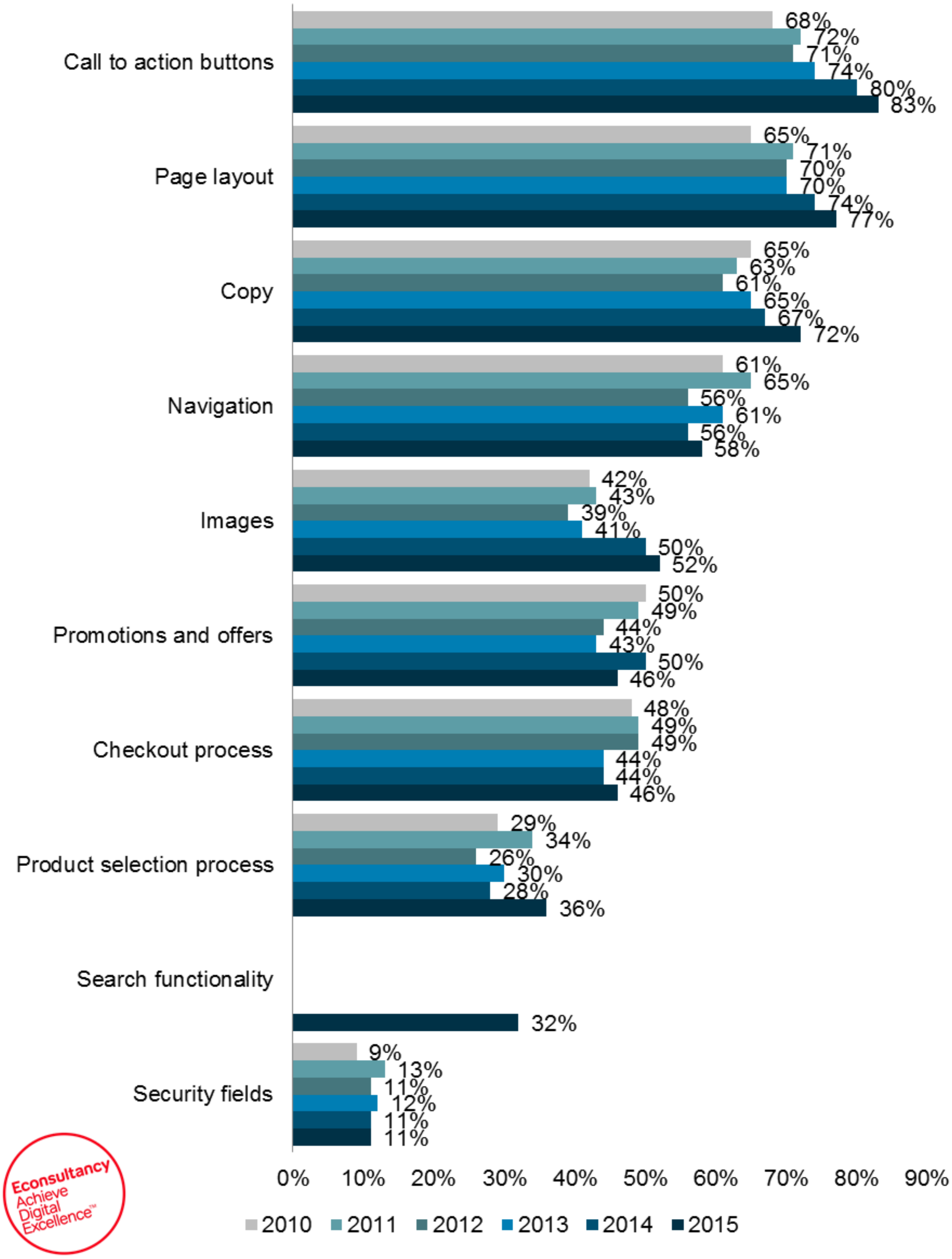
Respondents 2014: 323 | 2013: 309 | 2012: 263 | 2011: 249 | 2010: 213

Note: 'Mobile apps' is a new option for the 2015 report, so there is no trend data.

5.5.2. Elements of websites tested

Call to action buttons are the most highly tested element of company websites, with a 22% rise in the proportion of those testing this over the last six years. *Page layout* (77%) and *copy* (72%) are also tested by around three-quarters of companies. The *product selection process* is potentially being seen as an area of more importance, with 29% more companies than last year now focusing on this.

Company respondents
Figure 30: Specifically for your website, what do you test?



Respondents 2015: 335
Respondents 2014: 365 | 2013: 267 | 2012: 270 | 2011: 241 | 2010: 220

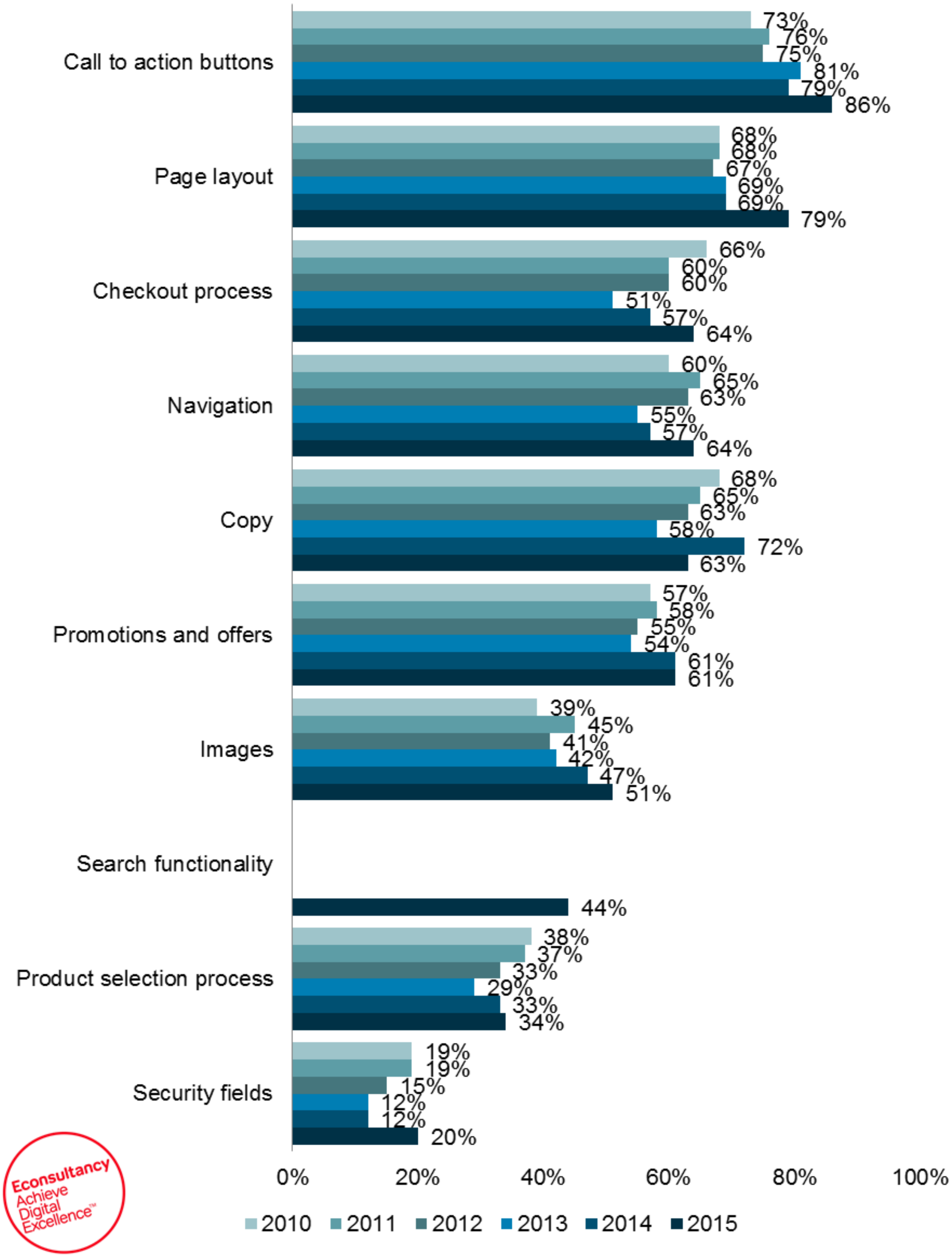
Note: 'Search functionality' is a new option for the 2015 report, so there is no trend data.

According to agencies, their clients also place highest testing priority on *call to action buttons* (86%) and *page layout* (79%), with each seeing an increase in the number of agencies reporting clients test these areas. There was a 13% drop in the number of agencies saying clients tested *copy*, which follows what had been a 24% rise between 2013 and 2014.

Search functionality was a new option in this year's survey, and is a testing area for approximately a third (32%) of company respondents. Among agencies, over two-fifths (44%) say their clients test this, suggesting they regard it as an area of emerging or high importance.

Agency respondents

Figure 31: What do your clients typically test on their websites?



Respondents 2015: 213

Respondents 2014: 243 | 2013: 226 | 2012: 203 | 2011: 187 | 2010: 220

Note: 'Search functionality' is a new option for the 2015 report, so there is no trend data.

What the experts say

"I think the checkout/registration process is a key area to test but it can get complicated so I do understand why less than 50% test it. However, it can have a dramatic impact as it is the last step in the process so directly impacts overall conversion.

"It is understandable that the complex area of search functionality is only tested by a third of the respondents and I understand not everyone has search. With the vast choice consumers now have, optimising search and filtering is becoming a big issue so I see this rising as an area to test."

Suniel Curtis, Head of Analytics, Hays

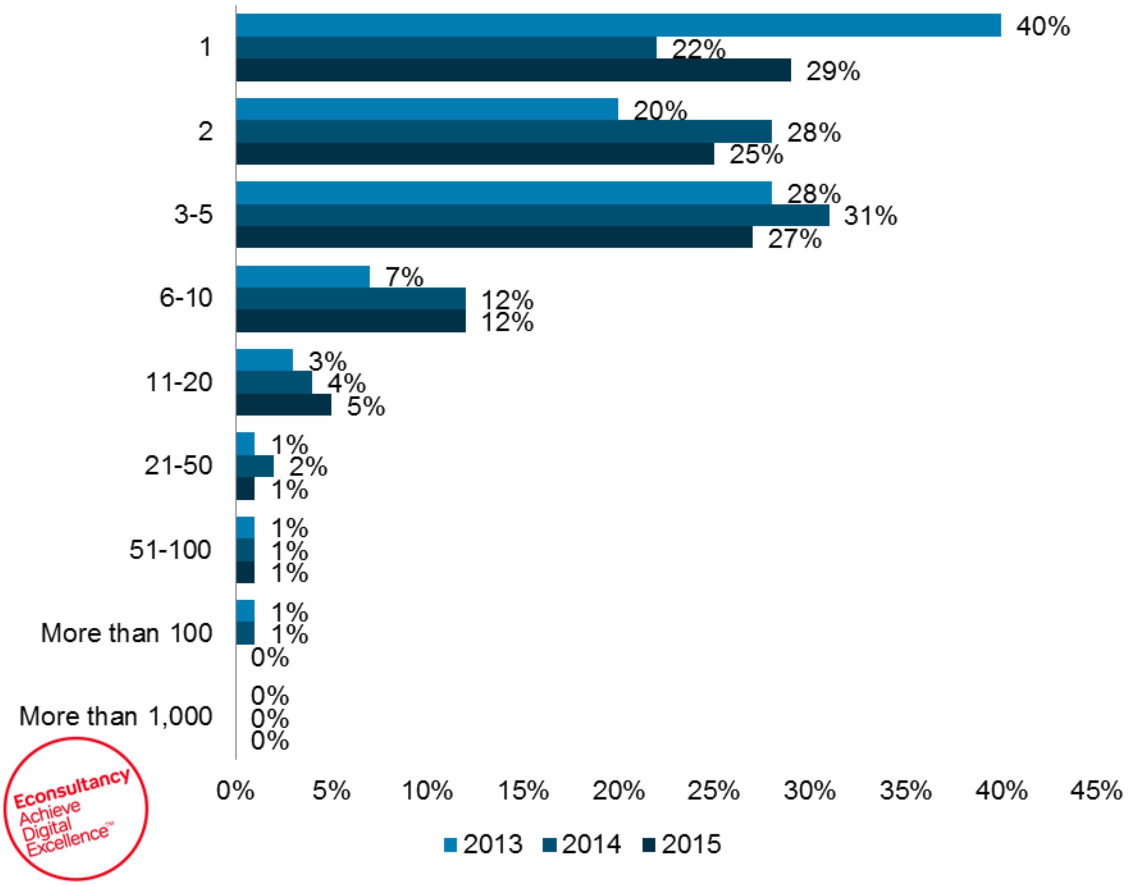
5.5.3. Number of tests carried out on website per month

Just under a third (29%) of companies carry out testing once a month, which signals a 28% decrease over the last two years. Roughly half (52%) test between two and five times per month, with a little over one in ten companies (12%) falling between six and ten. This places the vast majority (93%) of companies in the category of those testing ten times or less per month.

Agencies credit their clients with slightly more regular testing, with just under a fifth (19%) only testing once per month. However, 91% claim their clients test ten times or less, which closely matches the image presented by company respondents.

Company respondents

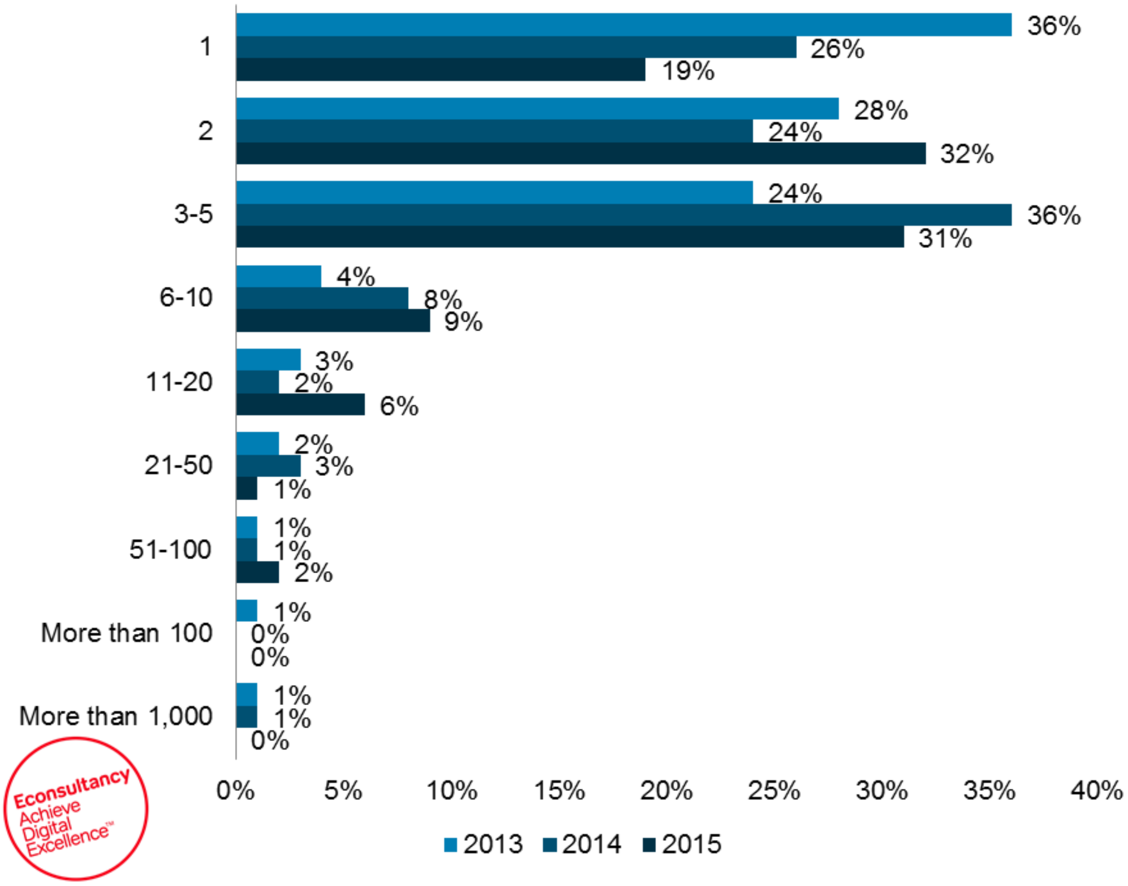
Figure 32: On average how many A/B or multivariate tests do you carry out each month on your website?



Respondents 2015: 326
Respondents 2014: 359 | 2013: 256

Agency respondents

Figure 33: On average how many A/B or multivariate tests do your clients carry out each month on their website?



Respondents 2015: 212
Respondents 2014: 242 | 2013: 219

5.5.4. Ideas for testing

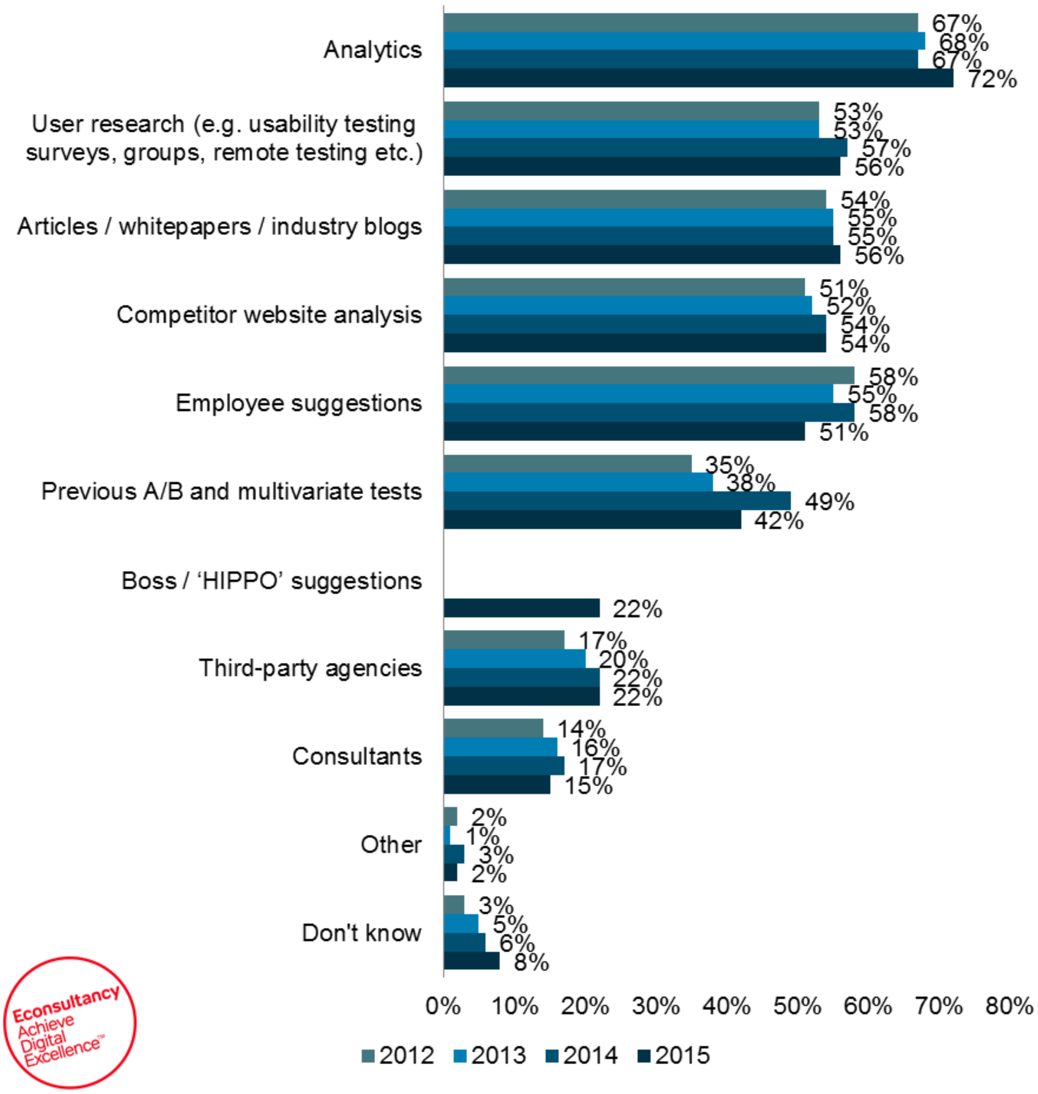
Analytics is, by a 29% difference from the closest contender, the key area from which companies get their ideas for testing. Its popularity has risen by 8% compared to last year. Over half of respondents also favour *user research* (56%), *articles / whitepapers / industry blogs* (56%), *competitor website analysis* (54%) and *employee suggestions* (51%).

Agency respondents also rank *analytics* as the most commonly used source of ideas for testing, although only three-fifths (60%) feel this way, in comparison to 72% of companies. *Employee suggestions* are only cited by around a third (32%) of agency respondents, although this could potentially be because they perceive their clients to take more lead from external sources.

Boss / 'HIPPO' suggestions was introduced as a new option this year, and is cited as a source of ideas for over two-fifths (22%) of companies surveyed. Agencies responded less favourably, with only 15% agreeing it was an area from which their clients gathered ideas for testing.

Company respondents

Figure 34: Where do you get your ideas for testing?



Respondents 2015: 419
Respondents 2014: 478 | 2013: 339 | 2012: 228

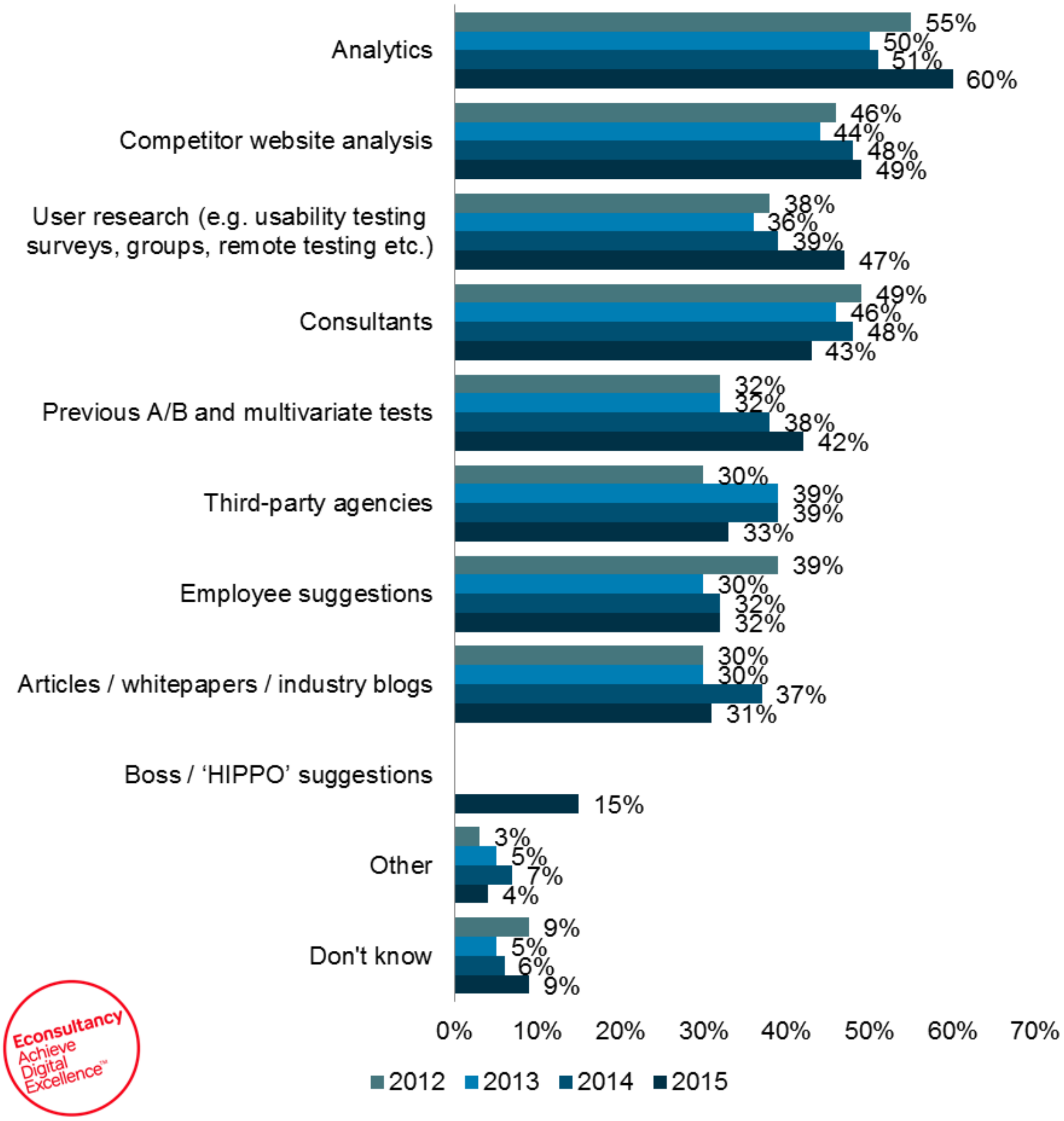
Note: 'Boss / 'HIPPO' suggestions' is a new option for the 2015 report, so there is no trend data.

What the experts say

"We have found that taking ideas from user research has made a big difference in the success of our tests. I believe this focuses on real customer struggles and so I would like to see that rising as a source of ideas rather than the slight decline we are seeing, down to 56%."

Suniel Curtis, Head of Analytics, Hays

Agency respondents
Figure 35: Where do your clients get their ideas for testing?



Respondents 2015: 248
Respondents 2014: 314 | 2013: 282 | 2012: 254

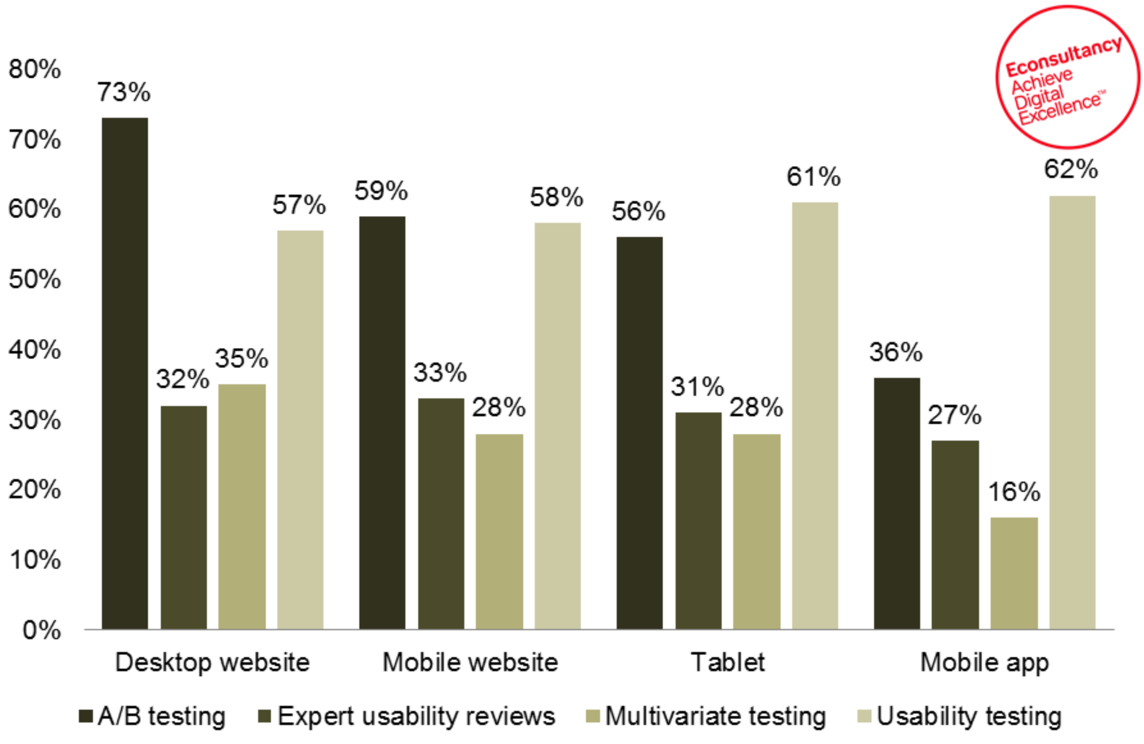
Note: 'Boss / 'HIPPO' suggestions' is a new option for the 2015 report, so there is no trend data.

5.5.5. Testing methods by channel

On *desktop websites*, *A/B testing* is the favoured method for almost three-quarters (73%) of companies, with only 36% finding this of use when it comes to *mobile apps*. *Usability testing* performs consistently across all four channels, with the numbers of companies testing this way at between 57% (*desktop website*) and 62% (*mobile app*).

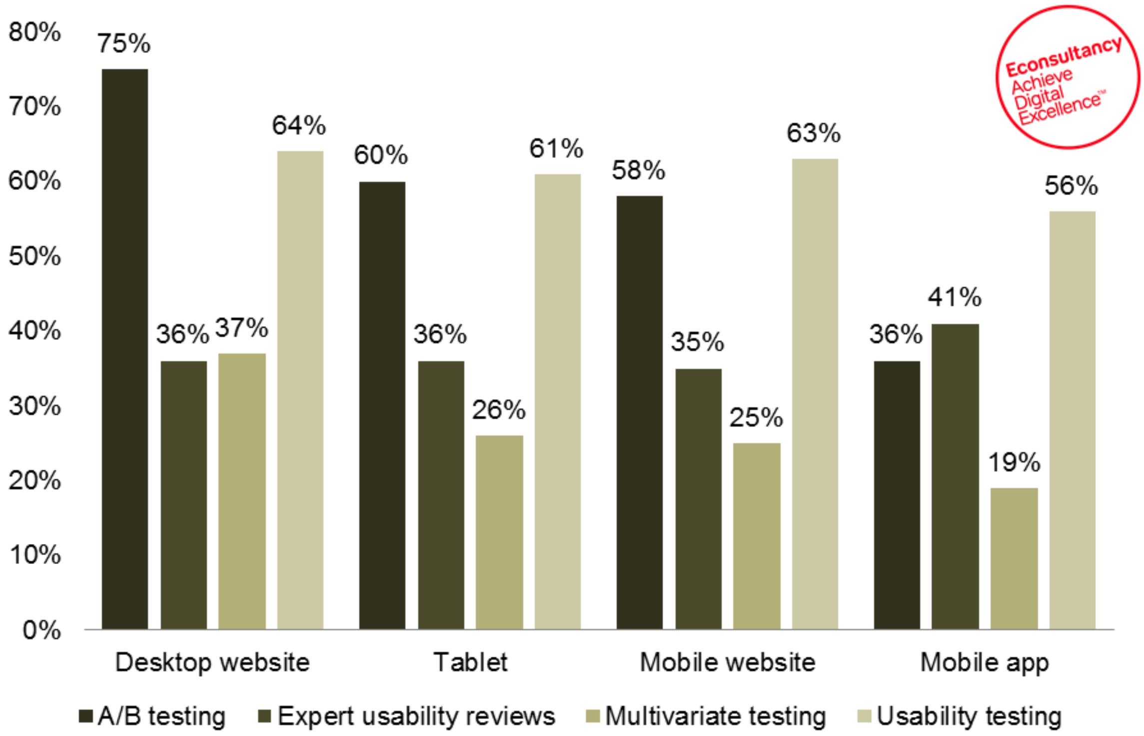
These same patterns are mirrored in agency responses, with 75% saying their clients typically favour *A/B testing* on *desktop websites*, and *usability testing* being popular across all four channels.

Company respondents
Figure 36: What testing methods are you performing on the following channels?



Respondents: 324

Agency respondents
Figure 37: What testing methods are your clients performing on the following channels?



Respondents: 215

5.6. Personalization

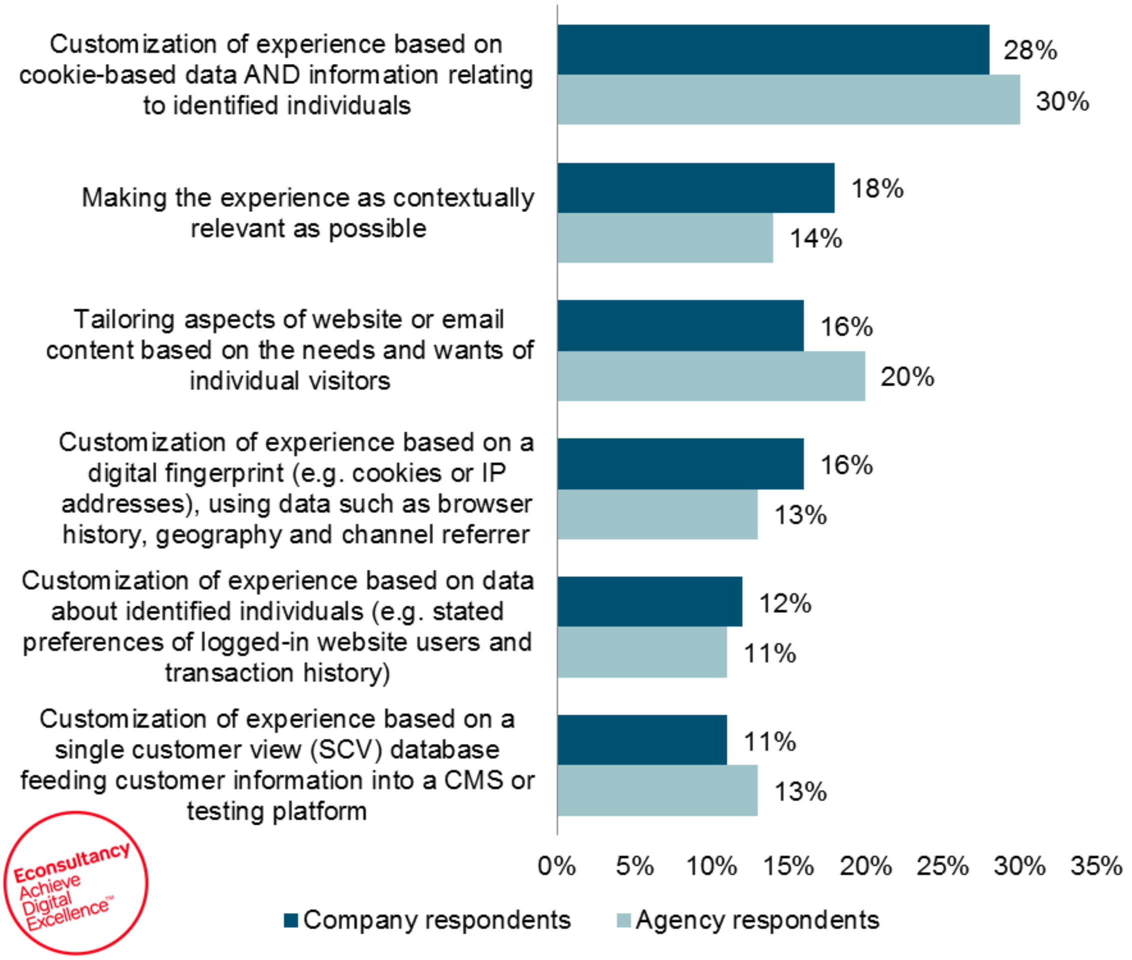
5.6.1. Opinions on personalization

Figure 38 aims to investigate where companies and agencies currently sit in terms of understanding personalization in the context of digital marketing and ecommerce, determine what the term means to them or their clients and how they typically approach personalization.

The most popular selection among both companies and agencies is *customization of experience based on cookie-based data AND information related to identified individuals* (28% of companies; 30% of agencies). Only around one in ten responding companies indicated that personalization entails customizing the experience based on data about identified individuals (12%) or a single customer view (11%).

The fairly regular and even distribution of numbers across the six options goes partway to showing just how diverse the purposes and definitions of personalization can be.

Figure 38: Which of the following definitions most closely corresponds to your (or your clients') understanding of personalization in the context of digital marketing and ecommerce?



Company respondents: 375
Agency respondents: 220

Note: This is a new question for the 2015 report, so there is no trend data.

What the experts say

"Although the proportion of companies ranking website personalization as a valuable method for increasing conversion rates has seen an uplift, website personalization is still ranked as the most difficult means for increasing conversion rates today. We can see that there is still difficulty in defining what personalization is and those that are doing it are increasingly using their A/B and multivariate testing technology to deliver personalized experiences rather than a purpose-built product."

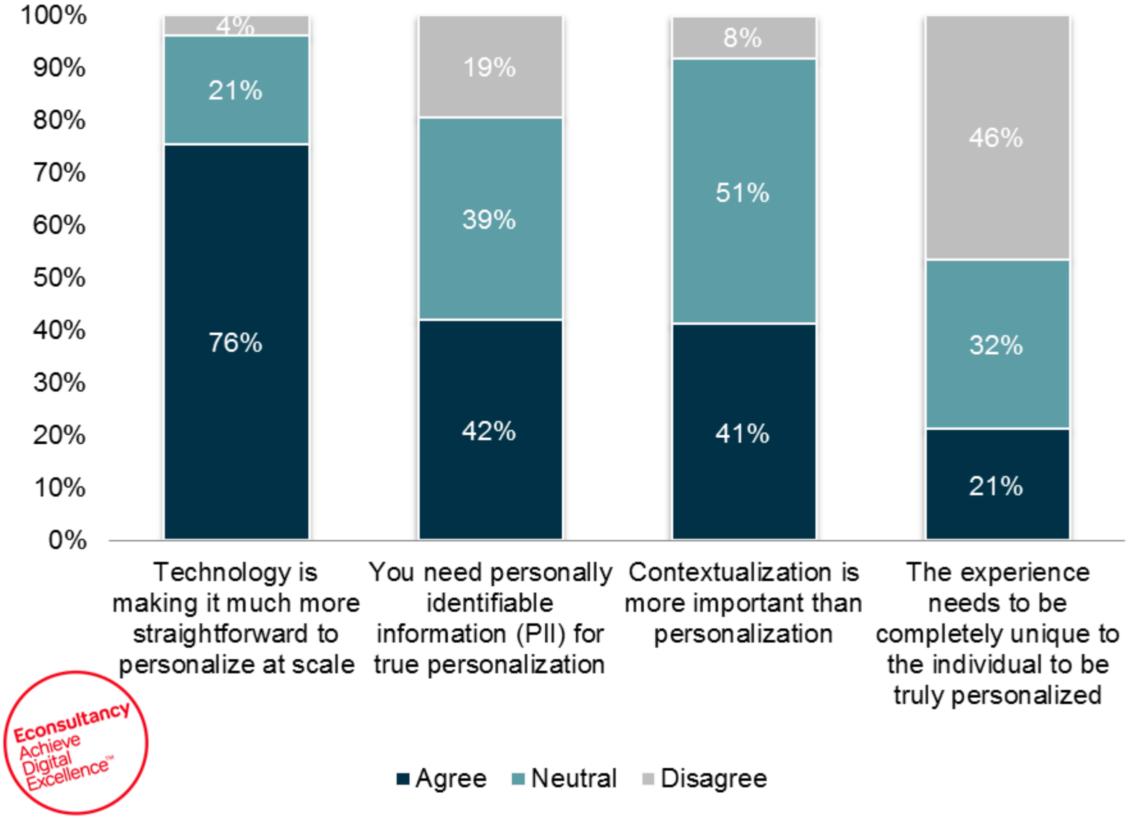
Tai Rattigan, Head of Partnerships EMEA, Optimizely

Respondents were asked whether they agreed or disagreed with a series of statements related to personalization. Over three-quarters (76%) of companies agreed that 'technology is making it much more straightforward to personalize at scale', and an even higher proportion of agencies (82%) believed this to be the case (*Figure 40*).

However, over two-fifths of companies and agencies (46% and 42% respectively) disagreed with the fact that the experience needs to be completely unique to the individual to be truly personalized. This recognizes the fact that there are many levels to personalization, and the important fact is the way it makes the customer feel.

Company respondents

Figure 39: Please indicate whether you agree or disagree with the following statements relating to personalization.

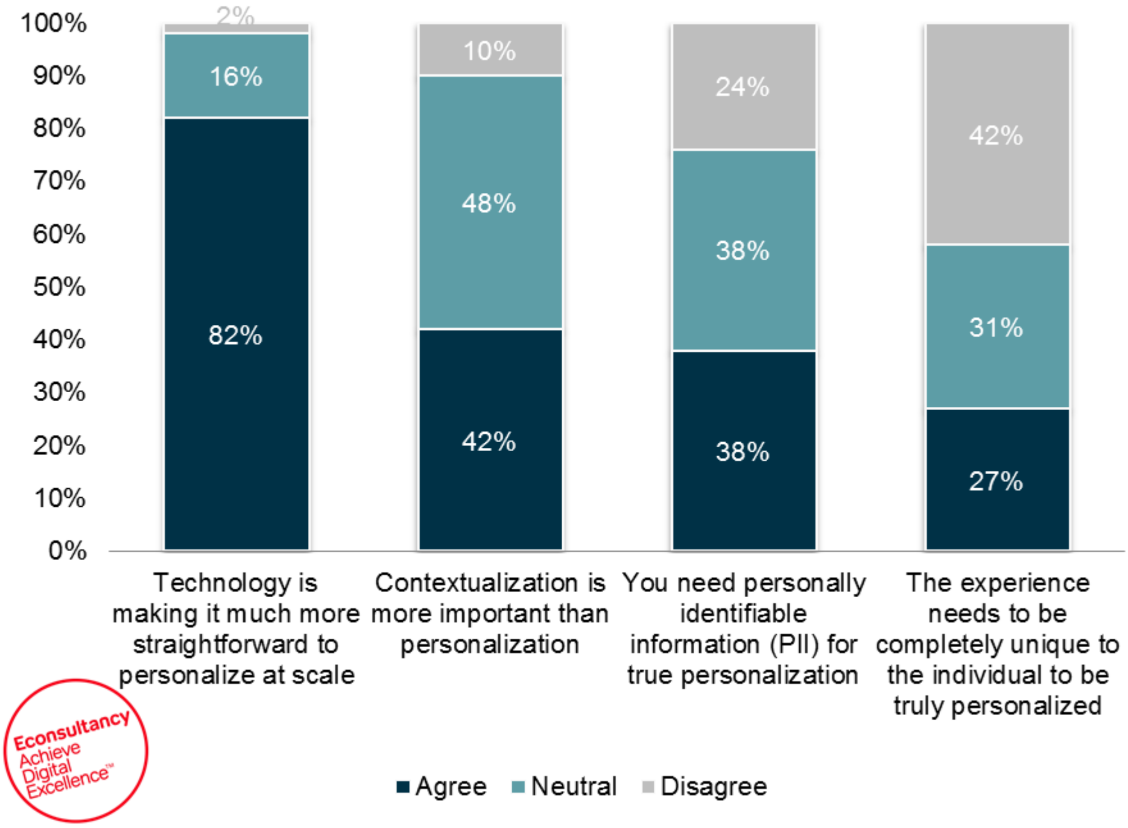


Respondents: 364

Note: This is a new question for the 2015 report, so there is no trend data.

Agency respondents

Figure 40: Please indicate whether you agree or disagree with the following statements relating to personalization.



Respondents: 217

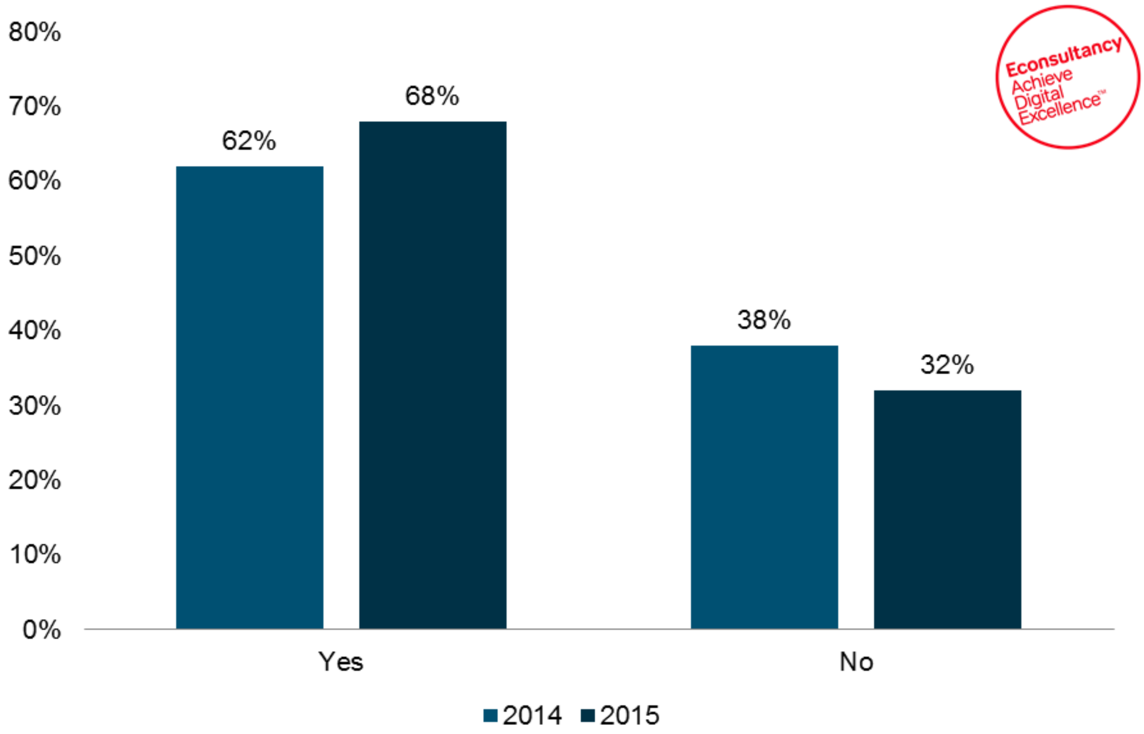
Note: This is a new question for the 2015 report, so there is no trend data.

5.6.2. Channels through which companies are personalizing

Questions on personalization were first introduced in last year's survey, and since then there has been a 10% increase in the proportion of companies saying they are engaging in some form of personalization. Well over three-fifths of those surveyed (68%) are using personalization in some way. Over two-thirds (70%) of agencies said that their clients engage in personalization activity, a 17% increase since 2014.

Company respondents

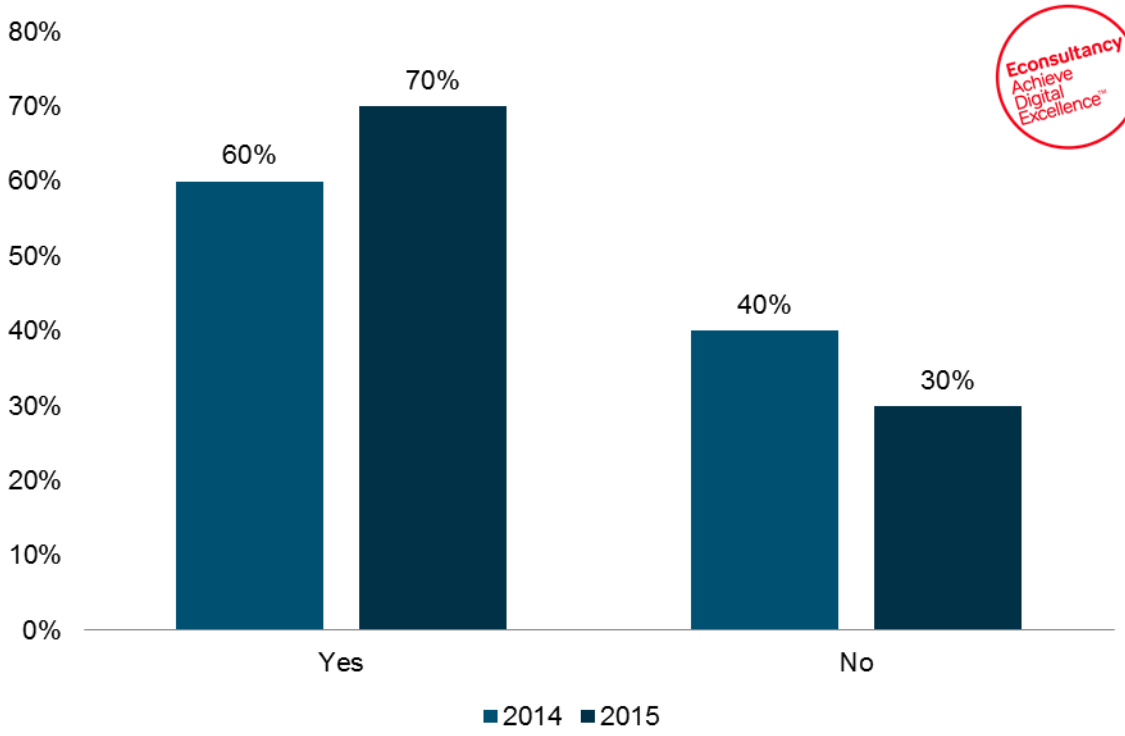
Figure 41: Do you undertake any form of personalization in your marketing activity?



Respondents 2015: 421
Respondents 2014: 480

Agency respondents

Figure 42: Do your clients undertake any form of personalization in their marketing activity?



Respondents 2015: 249
Respondents 2014: 314

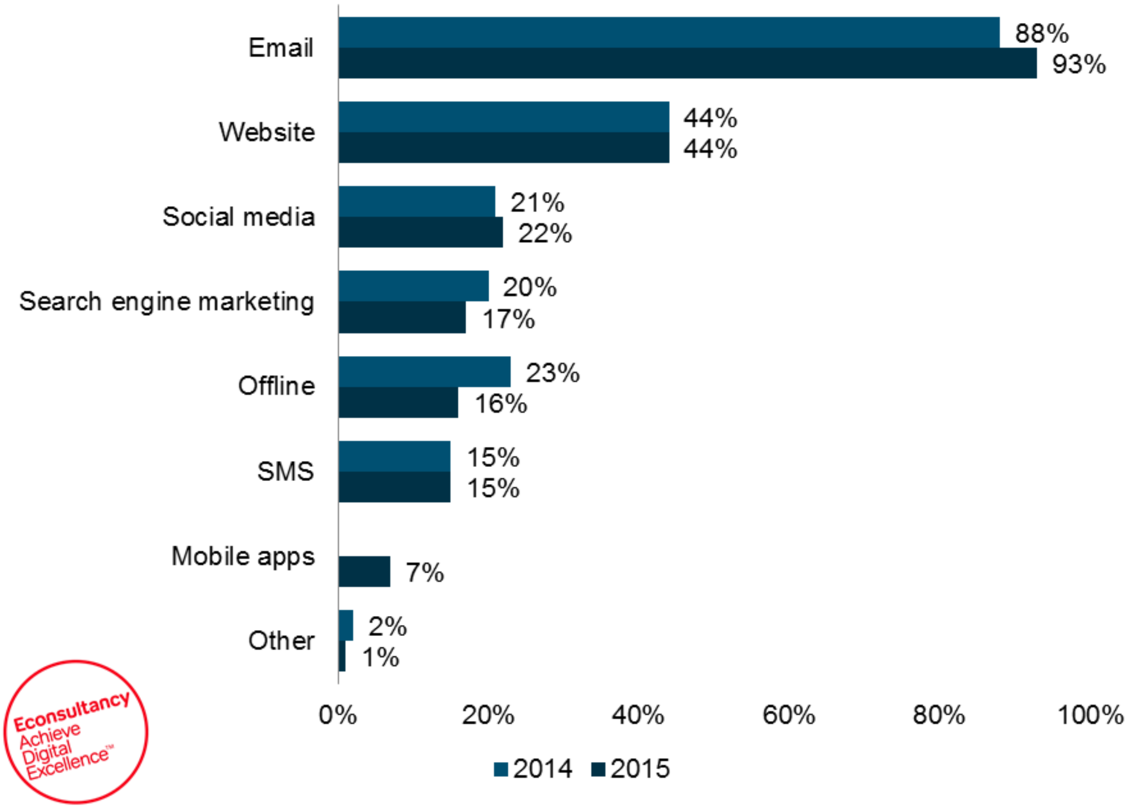
Email is by far the most popular channel for personalization, with 93% of companies using it, and 89% of agencies saying their clients are doing so. *Website* is next in line for both companies (44%) and agencies (57%), although agencies are more positive about the proportion of clients personalizing in this way.

Just over a third of agencies (34%) see *social media* as a channel where their clients are using personalization, but only 22% of client-side respondents identified this channel as a focus for their organizations.

Mobile apps were introduced as a new option this year, and for companies, they represent a personalization opportunity for less than one in ten (7%). Agencies are more optimistic about the amount of personalization being done within apps, with 15% stating their clients work with this channel.

Company respondents

Figure 43: Through which channels do you personalize?



Respondents 2015: 269
Respondents 2014: 280

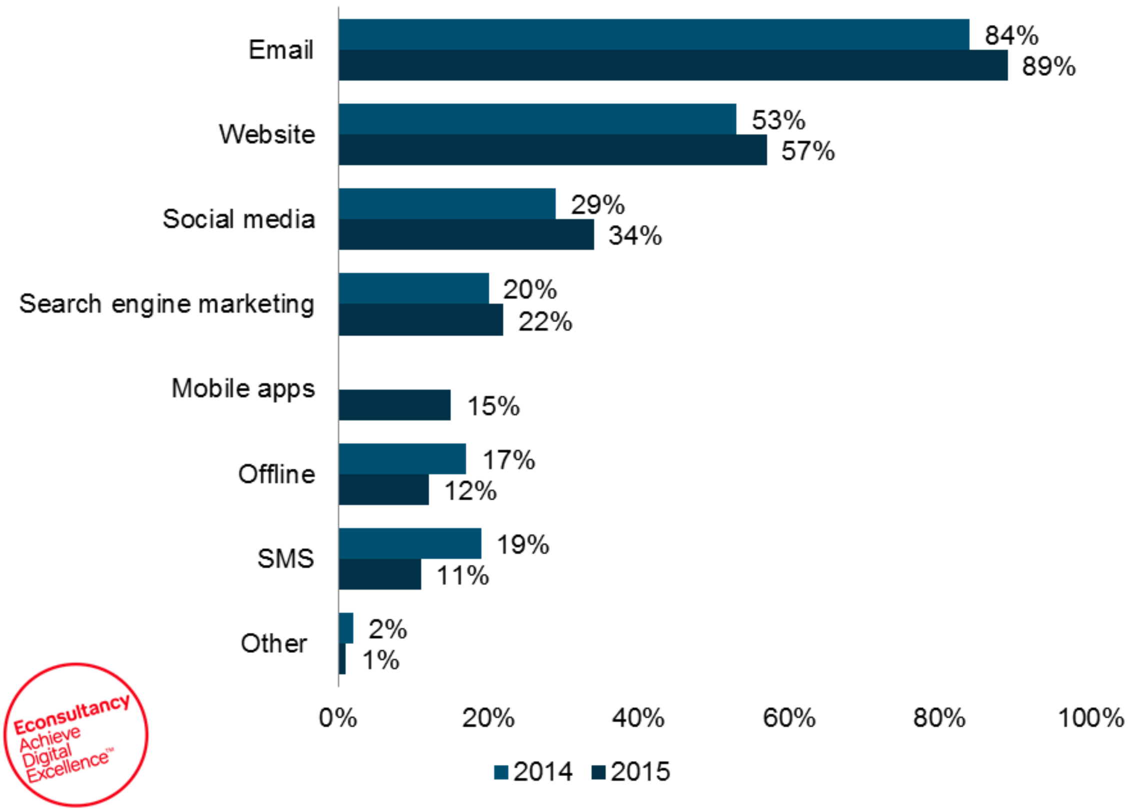
Note: 'Mobile apps' is a new option for the 2015 report, so there is no trend data.

What the experts say

"Here again, and throughout the results, we've seen companies rely very heavily on email to improve their results. As we saw last year, email is the big channel through which companies have actually managed to personalize communications with customers, and this has grown again by five percentage points. There are very few companies now *not* personalising in some form or other via email, yet high percentages say they do not (or cannot) achieve this via websites. Yet, elsewhere we see that website personalization is an area that has driven 'major' uplifts in results (*Figure 46*)."

Dan Barker, Independent Consultant

Agency respondents
Figure 44: Through which channels do your clients personalize?



Respondents 2015: 152
Respondents 2014: 168

Note: 'Mobile apps' is a new option for the 2015 report, so there is no trend data.

5.6.3. Impact since implementing personalization

Respondents were asked to reveal the extent to which personalization has impacted conversion rates. *Search engine marketing* has seen some level of uplift for 97% of companies, with 100% of agencies reporting the same for their clients (*Figure 47*). This records a 16% increase in companies attributing a 'major uplift' in conversion rates to the channel (*Figure 46*), and 22% for agencies (*Figure 48*).

More than nine in ten (92%) companies have experienced uplift through their *website*, which is a 14% increase on last year. The vast majority (98%) of agencies say their clients have experienced the same success, with a 26% increase in the proportion of those saying clients had experienced a 'major uplift'.

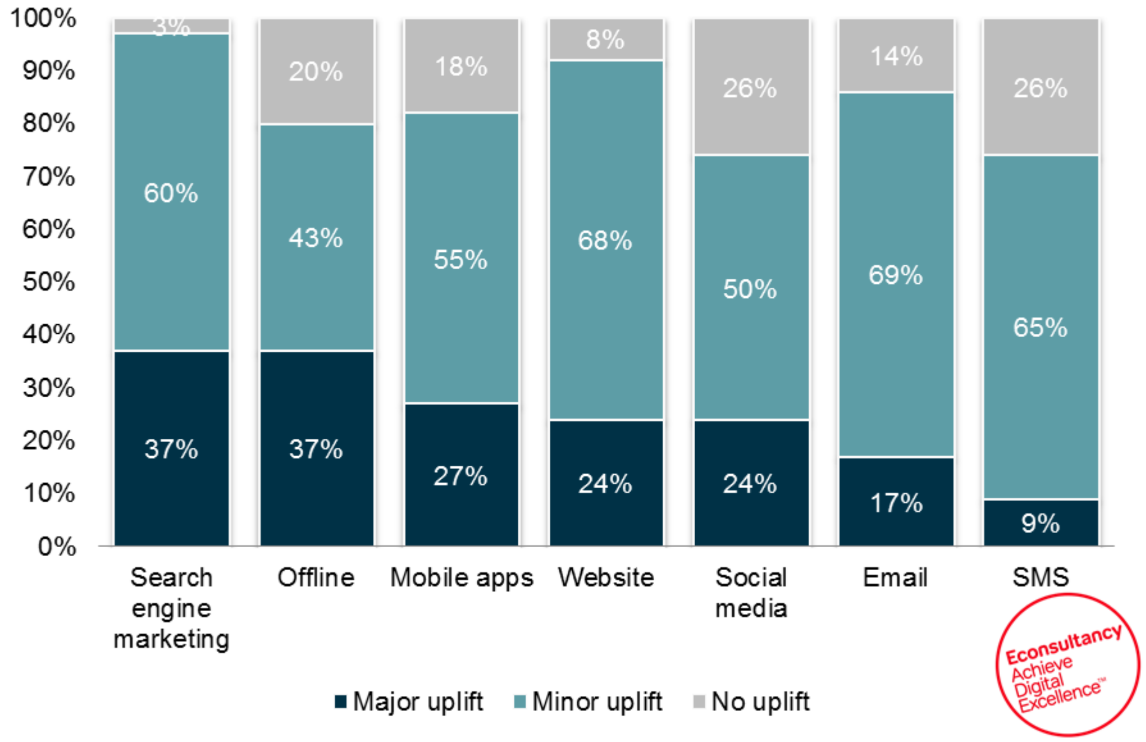
Over a quarter (26%) of companies have experienced no uplift at all via *social media* or *SMS*. Last year, *SMS* was credited with seeing a 'major uplift' by 25% of companies, but this number has this year fallen to just 9%.

There has been an increase of 54% in the proportion of companies saying that they have experienced a 'major uplift' via *offline* channels this year. Just over two-fifths (42%) of agencies agree with this level of success.

According to agencies, *mobile apps* have led to some form of uplift for all their clients (100%) using personalization on this channel. Being a new option this year, there is no trend data to compare this to, but companies are less favourable towards the channel, with 18% saying that personalization through mobile apps has led to no uplift for them.

Company respondents

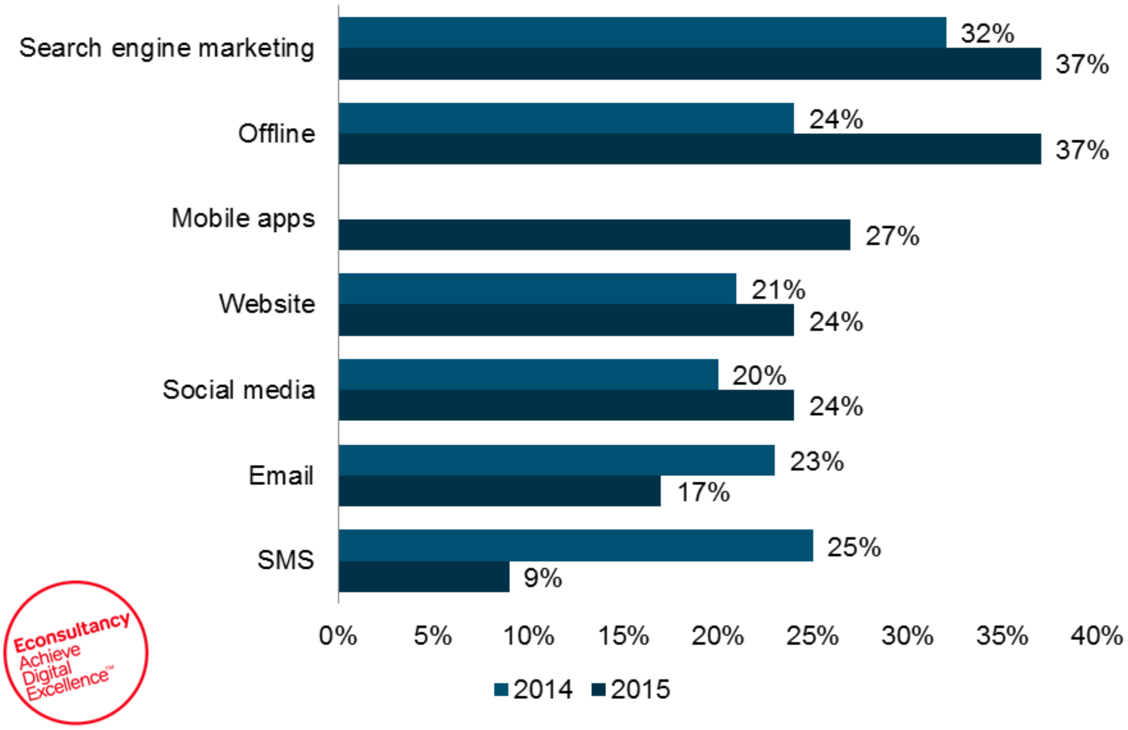
Figure 45: Have you experienced an uplift in conversion rates through any of these channels since implementing personalization?



Respondents: 237

Company respondents

Figure 46: Proportion of companies saying they have experienced a 'major uplift' through these channels since implementing personalization

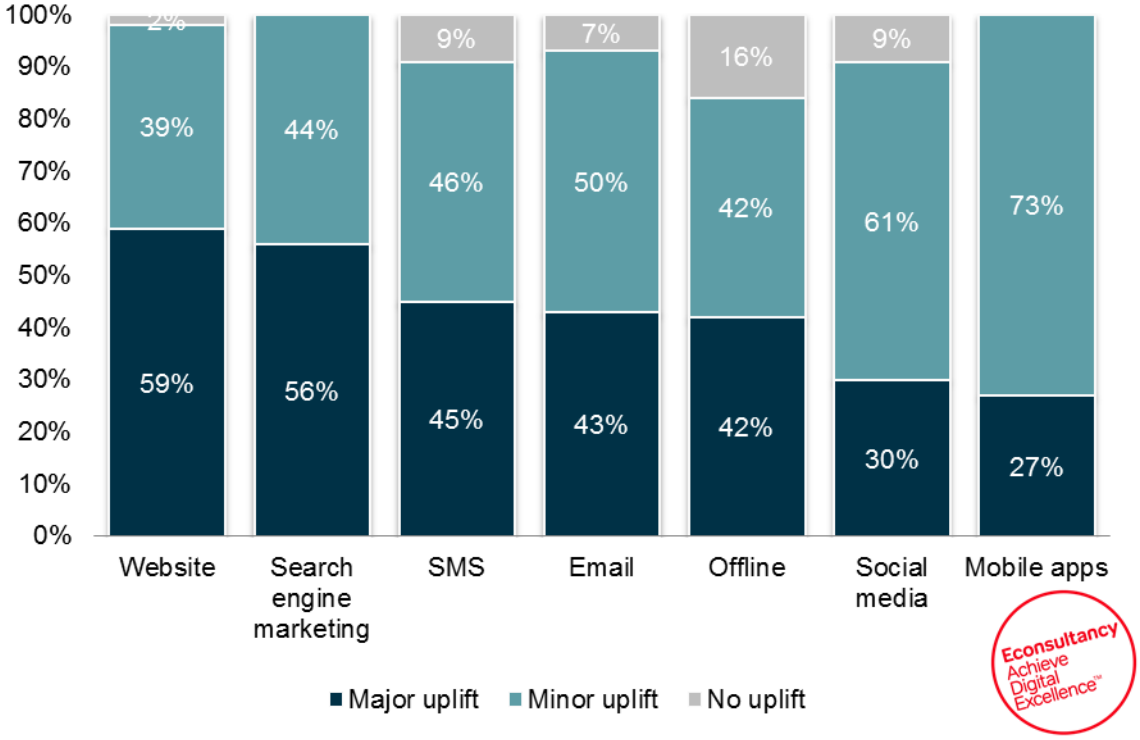


Respondents 2015: 237
Respondents 2014: 238

Note: 'Mobile apps' is a new option for the 2015 report, so there is no trend data.

Agency respondents

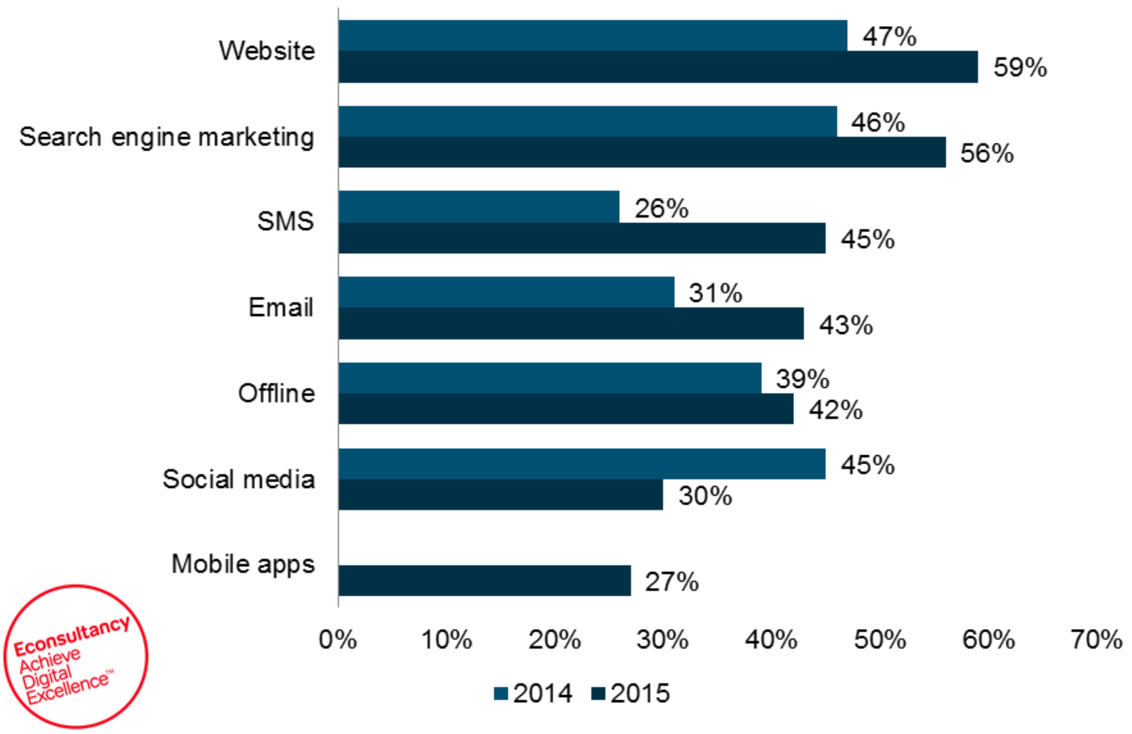
Figure 47: Have your clients experienced an uplift in conversion rates through any of these channels since implementing personalization?



Respondents: 131

Agency respondents

Figure 48: Proportion of agencies saying their clients have experienced a 'major uplift' through these channels since implementing personalization



Respondents 2015: 131
Respondents 2014: 140

Note: 'Mobile apps' is a new option for the 2015 report, so there is no trend data.

Do you have any examples of how you (or your clients) are personalizing the experience by joining up online and offline?

"Collecting email addresses offline via trade shows, then adding them to the email marketing list."

"In-store vouchers based on shopping purchased online."

"We handwrite notes. Customers also get personalized notes of what they have ordered."

"One client sends handwritten letters to people who his email campaigns reveal as his best prospects."

"Rapid and tailored responses to quotation requests, usually with a written proposal sent in traditional mail – sometimes with free samples if and when these are possible."

"Some of our clients are passing through segmentation information to call centres so that the rep is more informed about their profile before calling them."

"Many examples of the sales process requiring paperwork to be completed, which results in personalized packs being sent out and then a personalized website experience on return to the site."

Survey respondents

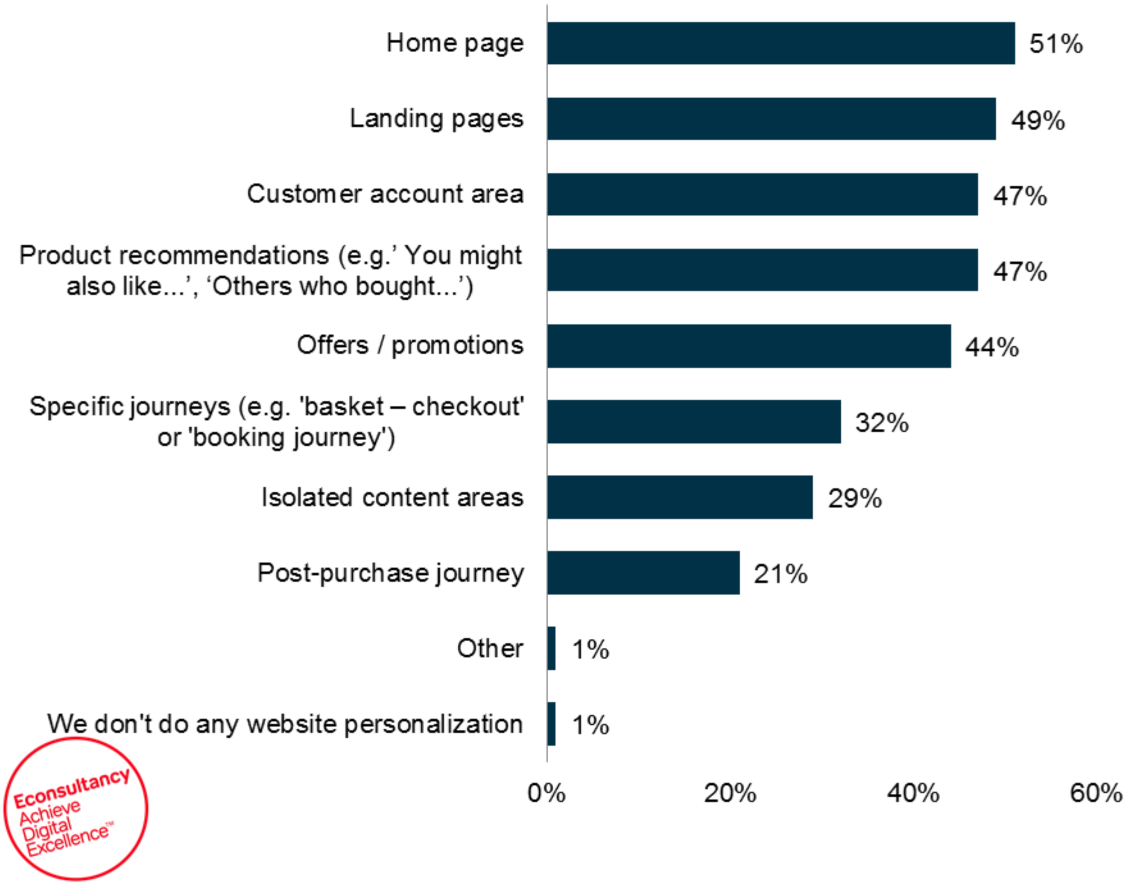
5.6.4. Areas of the website being personalized

This year, respondents were offered many new options in terms of what areas they personalized on their websites, as technology and capabilities continue to improve and develop. Indeed, only 1% of companies or agencies stated that no personalization was being done on their (or their clients') websites.

The *homepage* is the area most companies have personalized (51%), closely followed by *landing pages* (49%), *customer account areas* (47%) and *product recommendations* (47%). Agency respondents felt similarly about the homepage, indicating that about half (52%) of their clients personalize their homepage.

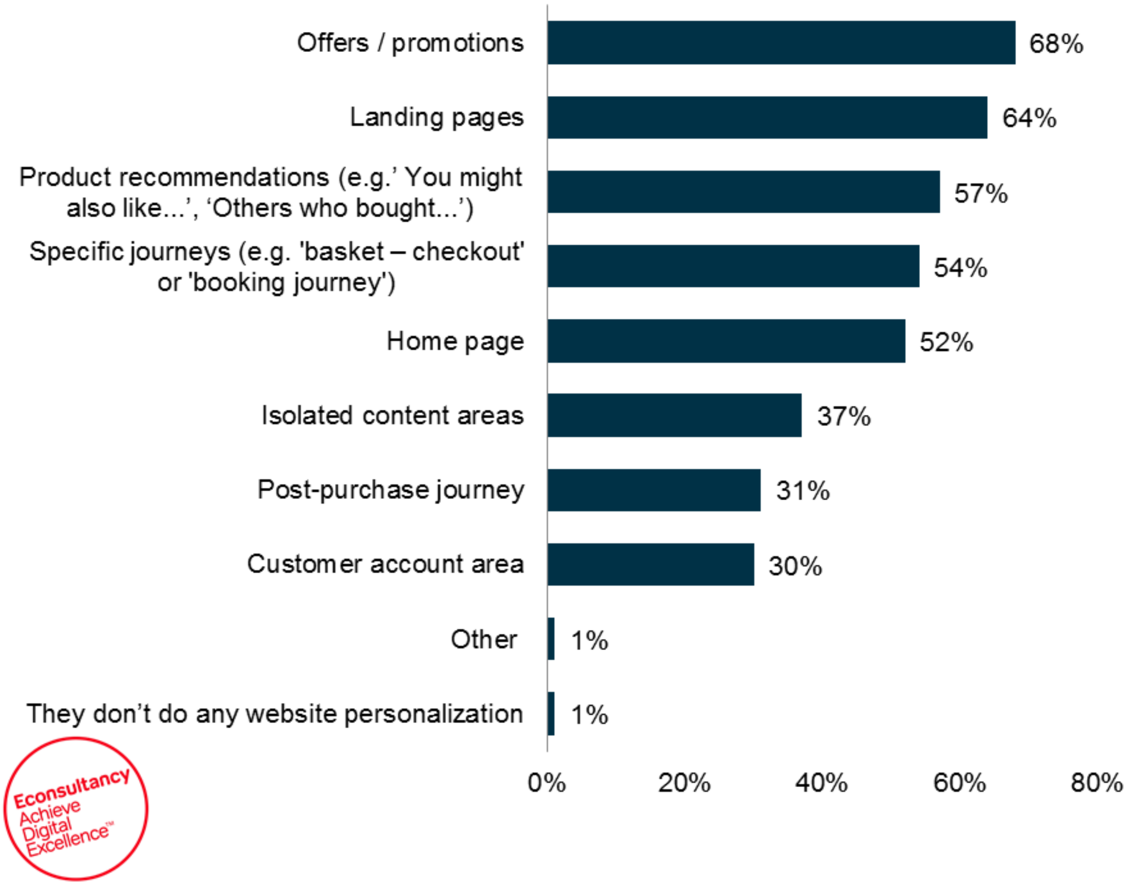
However, agencies said that their clients personalize in more areas, in higher proportions (*Figure 50*). *Offers / promotions* (68%), *landing pages* (64%), *product recommendations* (57%) and *specific journeys* (54%) all ranked more highly than homepage personalization.

Company respondents
Figure 49: What areas of your website do you personalize?



Respondents: 108

Agency respondents
Figure 50: What areas of their website do your clients personalize?

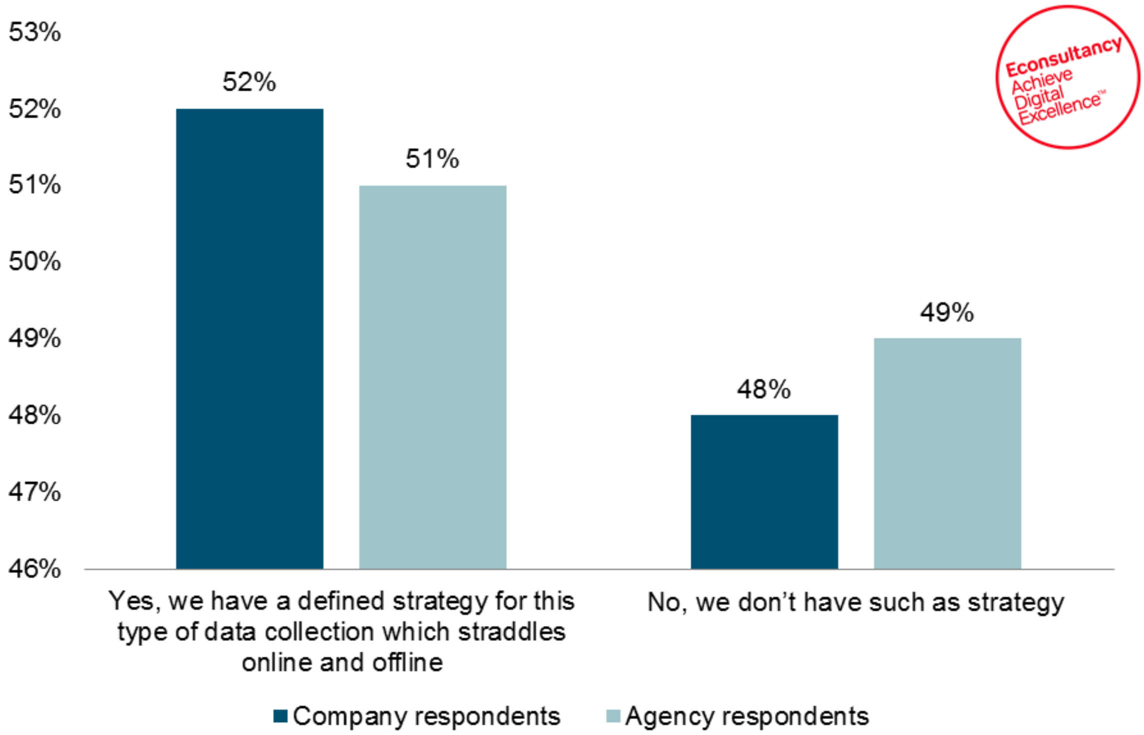


Respondents: 81

5.6.5. Use of data in website personalization

Personalization requires data, and collecting that data in a way that allows it to be deployed in a relevant way is part of the challenge. Interestingly, only about half of respondents (52% of companies; 51% of agencies) stated that they (or their clients) have a *defined strategy* for this type of data collection.

Figure 51: Do you (or your clients) have a defined strategy or process for collecting customer data which can later be used for personalization?



Company respondents: 254
Agency respondents: 144

Note: This is a new question for the 2015 report, so there is no trend data.

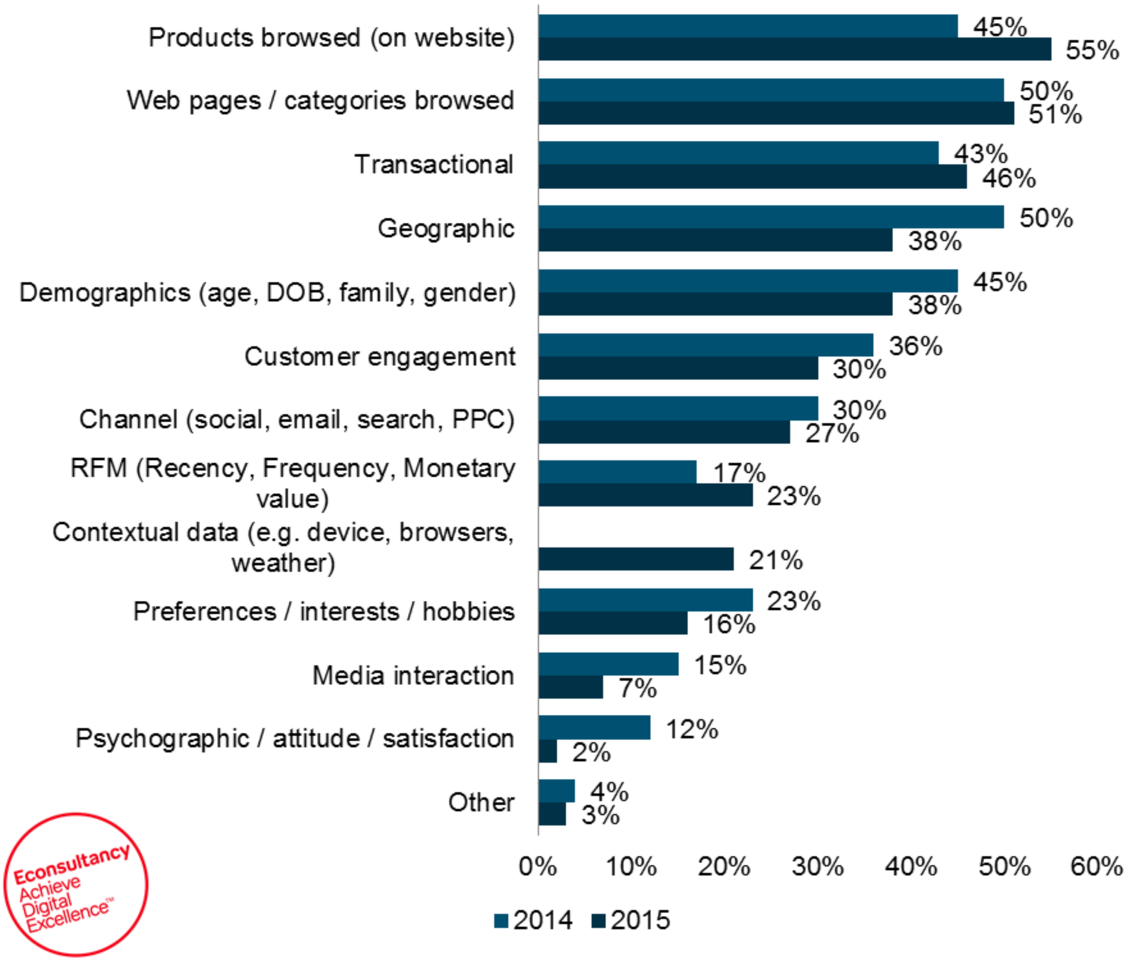
Over half of companies (55%) use records of *products browsed* to personalize their website, which is a marked increase of 22% over the past 12 months.

There has been a decrease of 24% in the proportion of those personalizing based on *geographic* data (from 50% in 2014 to 38% in 2015), and basing personalization on *demographics* such as age and date of birth has also seen a fall in numbers of 16%. However, these drops could partially be down to companies testing a wider array of personalization techniques, rather than that they're moving away from some of these methods completely.

A new option this year was *contextual data*, and while one fifth of companies say they use this data (21%), the proportion of agencies saying their clients use it is almost double (41%).

Company respondents

Figure 52: Which of the following data do you use to personalize your website content?



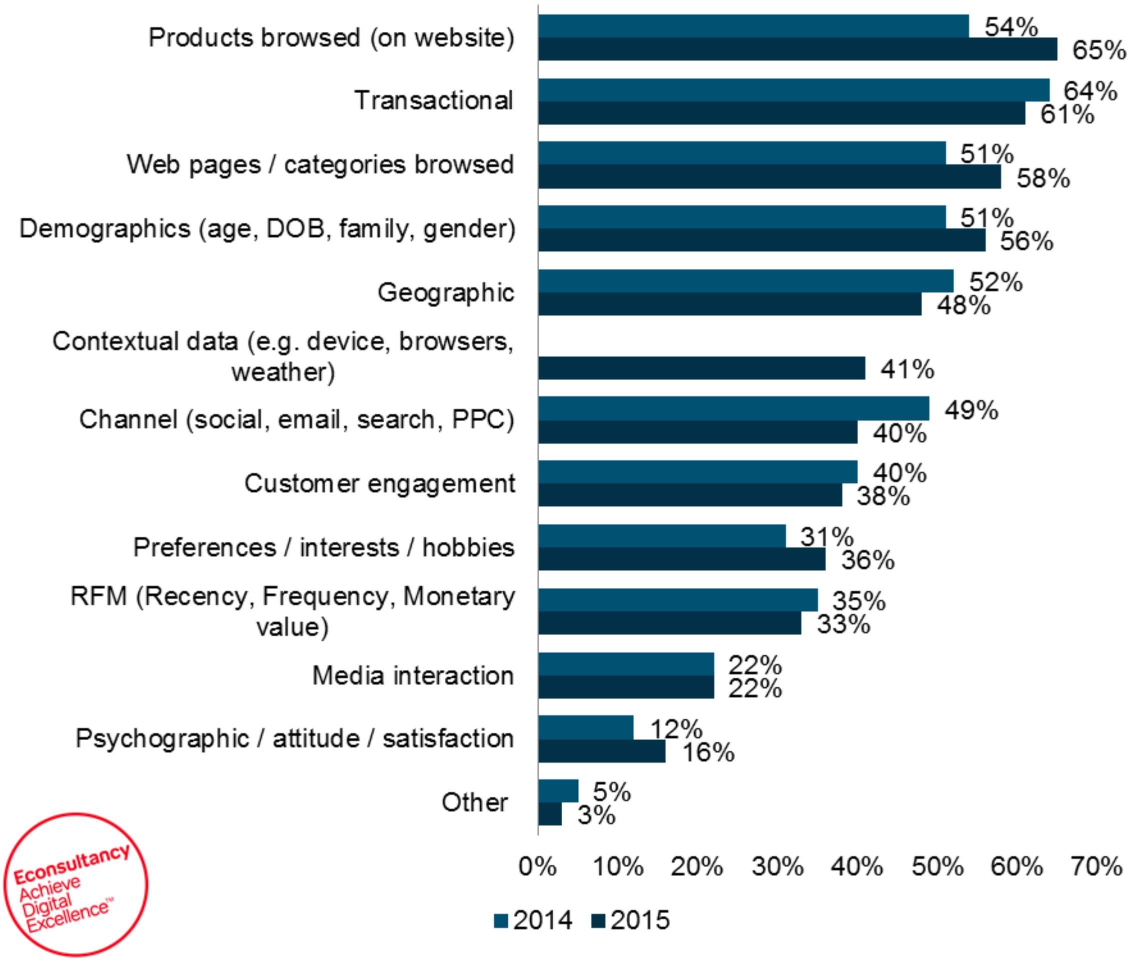
Respondents 2015: 105
Respondents 2014: 113

Note: 'Contextual data (e.g. device, browsers, weather)' is a new option for the 2015 report, so there is no trend data.

The proportion of agencies saying their clients use *products browsed* as data to personalize website content has increased by 20% since last year, and is closely followed in popularity by *transactional* data (61%) and *web pages / categories browsed* (58%).

Specific *channel* data saw a drop-off in terms of usage since last year's report, with 18% fewer agencies now citing this as a data source for personalization. As was the case with client-side results, agencies too showed a drop in usage of *geographic* data, but to a much less significant extent.

Agency respondents
Figure 53: Which of the following data do your clients use to personalize their website content?



Respondents 2015: 81
Respondents 2014: 85

Note: 'Contextual data (e.g. device, browsers, weather)' is a new option for the 2015 report, so there is no trend data.

5.6.6. Ideas for website personalization

Almost three-quarters (74%) of companies get their inspiration for website personalization from *analysis of customer data*, and for agencies the proportion is a similar figure (70%). *Analytics* is also rated highly, and used by over three-fifths (63%) of companies.

Overall, client-side results were remarkably similar to last year's data, with the largest difference being five percentage points, and six options showing a difference of two percentage points or less compared to last year's data. Agency results showed more deviation from the 2014 results.

Nearly 40% more agencies than last year cited *user research* as a place from which their clients gathered ideas for website personalization. This accounts for half (51%) of all agencies surveyed. *Third-party agencies* experienced a 27% drop in favour, indicating agencies themselves may have felt a reduction in the extent to which their clients rely on them to generate ideas for website personalization.

Boss / 'HIPPO' suggestions were a new option added to this year's survey, and considered a source of ideas for website personalization by about a fifth (19%) of company respondents. Among agencies, reliance on this method was roughly halved, with 10% identifying this as an idea source for their clients.

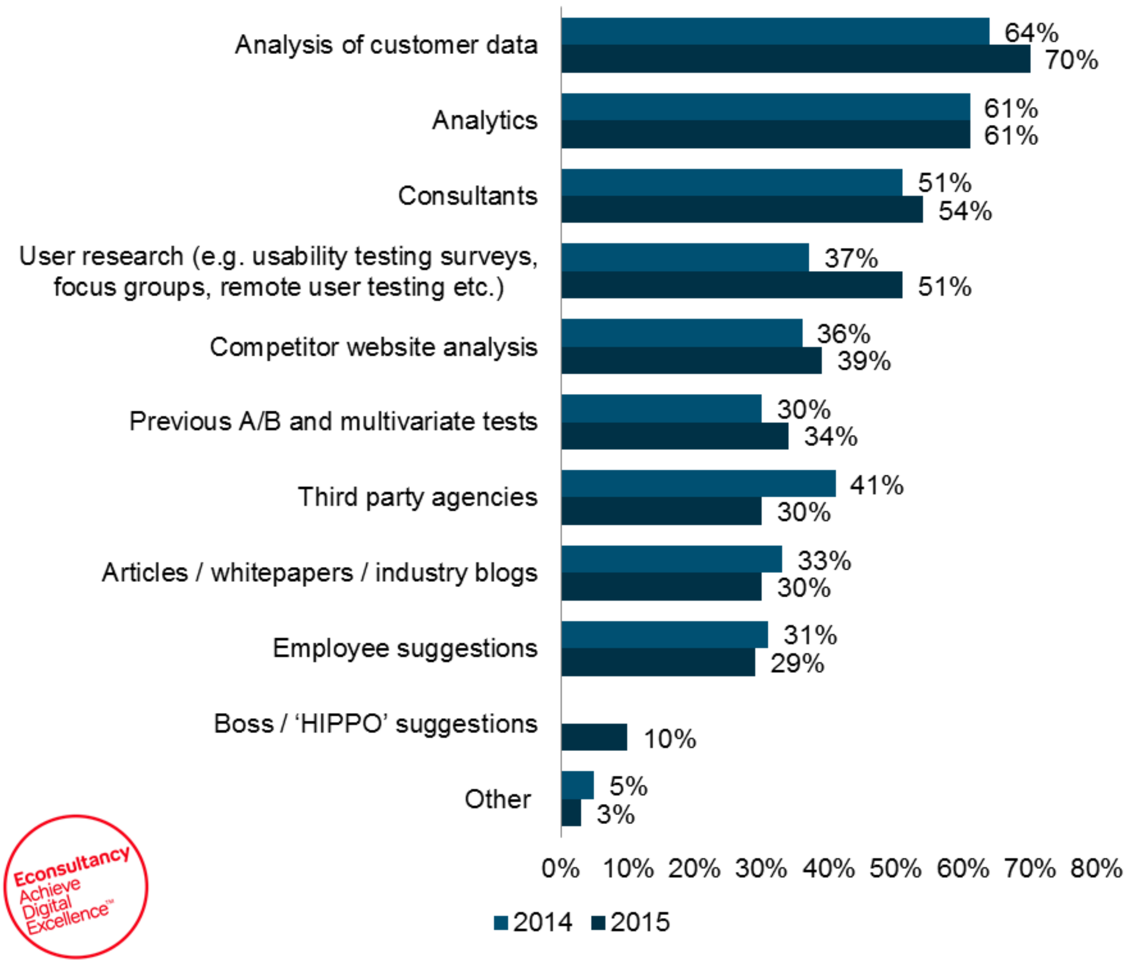
Company respondents

Figure 54: Where do you get your ideas for website personalization?

Respondents 2015: 106
Respondents 2014: 112

Note: 'Boss / 'HIPPO' suggestions' is a new option for the 2015 report, so there is no trend data.

Agency respondents
Figure 55: Where do your clients get their ideas for website personalization?



Respondents 2015: 79
Respondents 2014: 84

Note: 'Boss / 'HIPPO' suggestions' is a new option for the 2015 report, so there is no trend data.

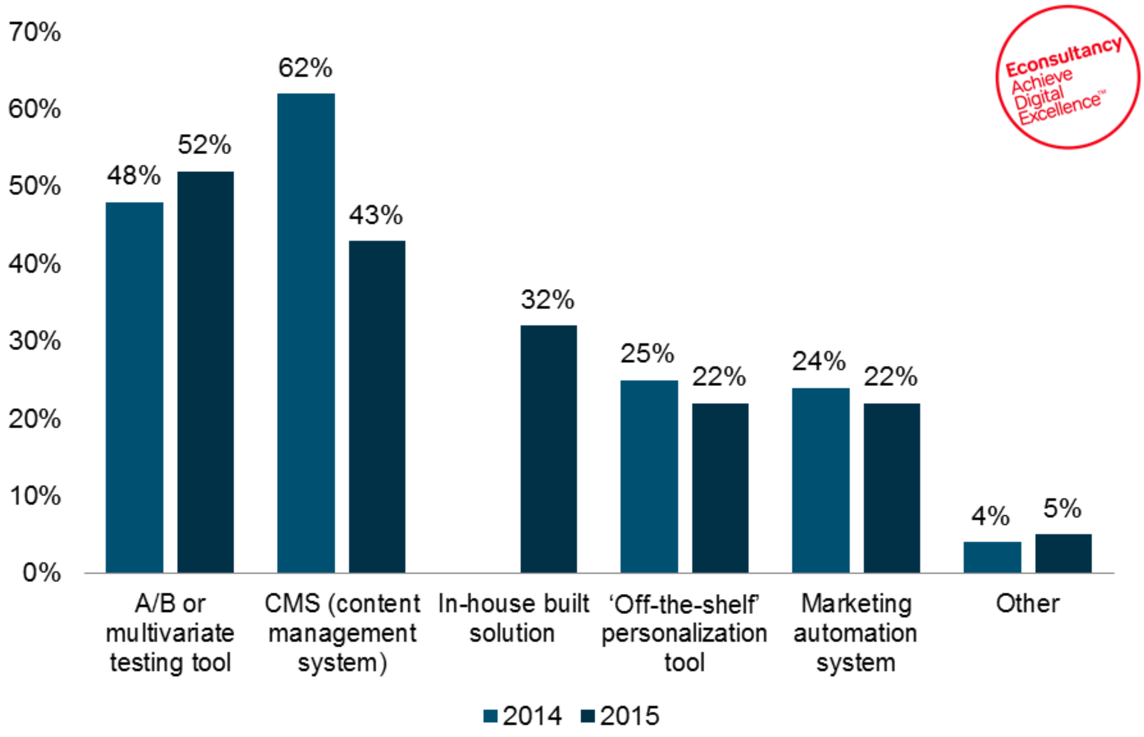
5.6.7. Technology used for website personalization

Approximately two-fifths (43%) of companies use a *content management system (CMS)* to implement website personalization, down by 31% since 2014. Just over half (52%) use an *A/B or multivariate testing tool*, and around a fifth (22%) use *'off-the-shelf' personalization tools* and *marketing automation systems*. These three systems show a similar level of uptake to the figures from last year's survey.

Agencies indicated that a higher proportion of clients use a CMS for their website personalization (57%), which still equates to a 10% drop since the 2014 report. The proportion of those using *marketing automation systems* has increased by 39% to just over two-fifths (43%) of agency clients.

In-house built solution is a new option for this year's survey and the chart below shows that it is being used by a third (32%) of companies. According to responding agencies, around a quarter (24%) of their clients turn to in-house solutions.

Company respondents
Figure 56: What technology are you using to implement website personalization?



Respondents 2015: 103
Respondents 2014: 106

Note: 'In-house built solution' is a new option for the 2015 report, so there is no trend data.

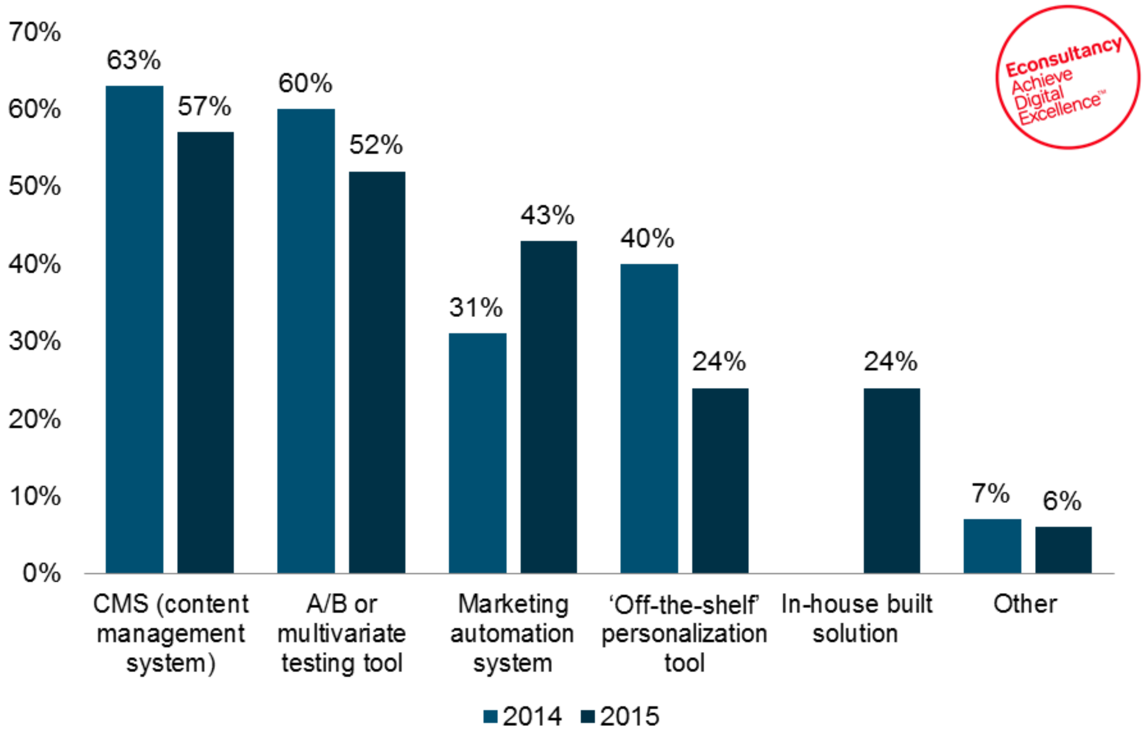
What the experts say

"Last year, CMS systems were the biggest source of personalization by a mile. This year, they've dipped behind A/B testing tools. Much of that shift is due to a new answer that's been introduced this year: 'in-house built solution'. If we look at the massive number there, we see almost a third of those using personalization tools have built them in-house: that's a very big surprise when we compare it against things like ecommerce platforms or email marketing solutions, where very, very few use in-house tools. This perhaps indicates an opportunity for technology vendors to offer simple tools to help companies personalize on-site."

Dan Barker, Independent Consultant

Agency respondents

Figure 57: What technology are your clients using to implement website personalization?

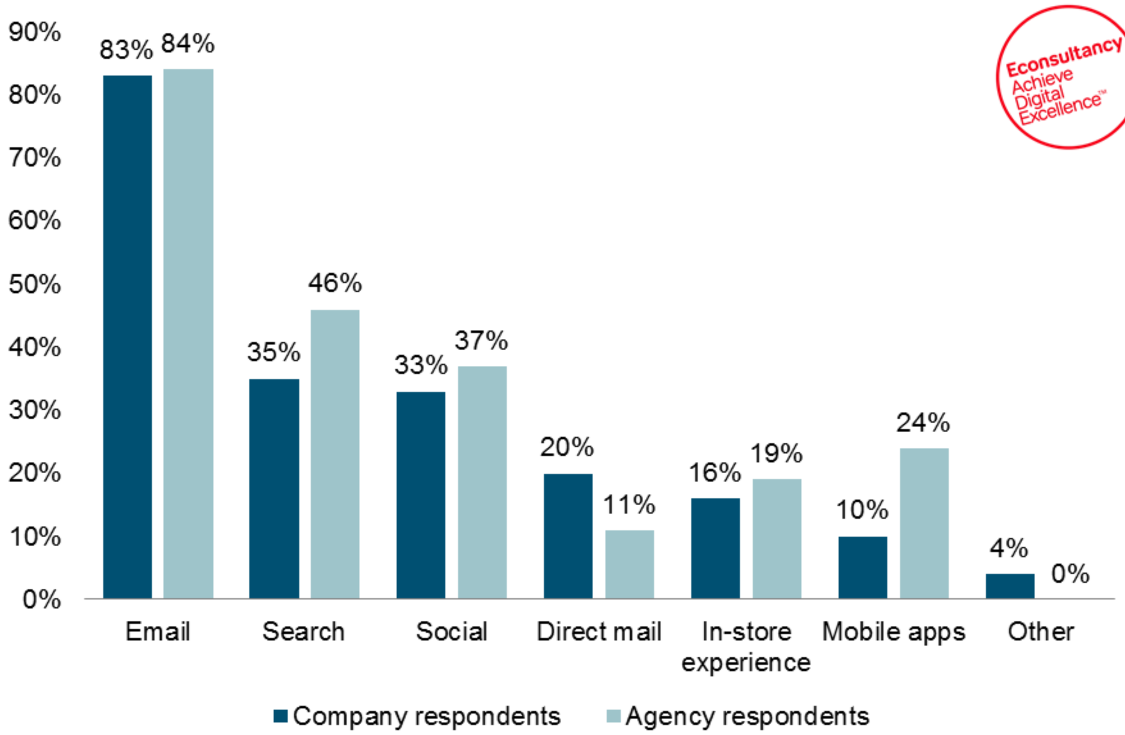


Respondents 2015: 79
Respondents 2014: 83

Note: 'In-house built solution' is a new option for the 2015 report, so there is no trend data.

The majority of companies (83%) align their website personalization with their *email* activity, and this is also true of agency clients (84%). Aligning websites with *search* has been taken up by 31% more agency clients than companies themselves indicate, with *direct mail* seeing use by 82% more companies than agency clients. Agency respondents are over two times more likely to say their clients align *mobile apps* with website personalization than companies themselves indicate.

Figure 58: Do you align your website personalization with any of the following channels?



Company respondents: 77
Agency respondents: 63

Note: This is a new question for the 2015 report, so there is no trend data.

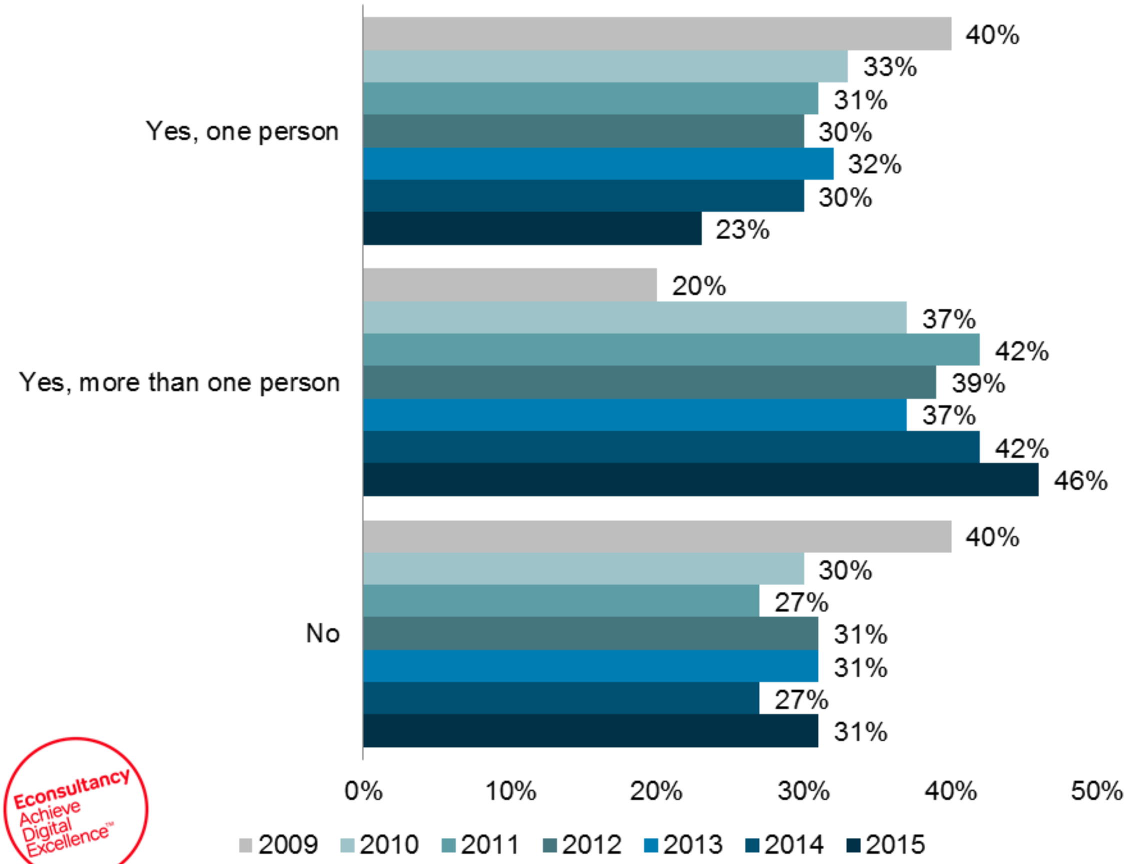
5.7. People and processes

5.7.1. Number of staff responsible for improving conversion rates

Almost half (46%) of client-side respondents say their companies now have *more than one person* directly responsible for improving conversion rates, the highest proportion since the launch of our inaugural CRO survey in 2009. The proportion of companies that have more than one person responsible for improving conversions has increased by 130% over the last six years.

Over two-thirds (69%) of companies have at least one person responsible for this in-house, which was only true for 60% of companies in 2009.

Company respondents
Figure 59: Do you have anyone in your organization who is directly responsible for improving conversion rates?



Respondents 2015: 375
Respondents 2014: 457 | 2013: 316 | 2012: 334 | 2011: 304 | 2010: 283 | 2009: 272

What the experts say

"It seems companies are maturing from being a one-man army (30% to 23%) to an optimization team (42% to 46%). Also *Figure 60* provides some supporting numbers on how sales increase for customers having a team for CRO. This also means teams need a platform that supports collaboration."

Paras Chopra, Founder, Wingify

As was the case last year, *Figure 60* indicates that as improving conversion becomes more complex, more dedicated staff are necessary to improve sales. Over half (55%) of companies who reported a significant increase in sales had more than one person directly responsible for improving conversion rates. This compares to only a quarter of companies who've seen no change in sales over the previous months.

Of companies that have seen an increase in conversion, 73% said that they have one or more people responsible for improving conversion rates.

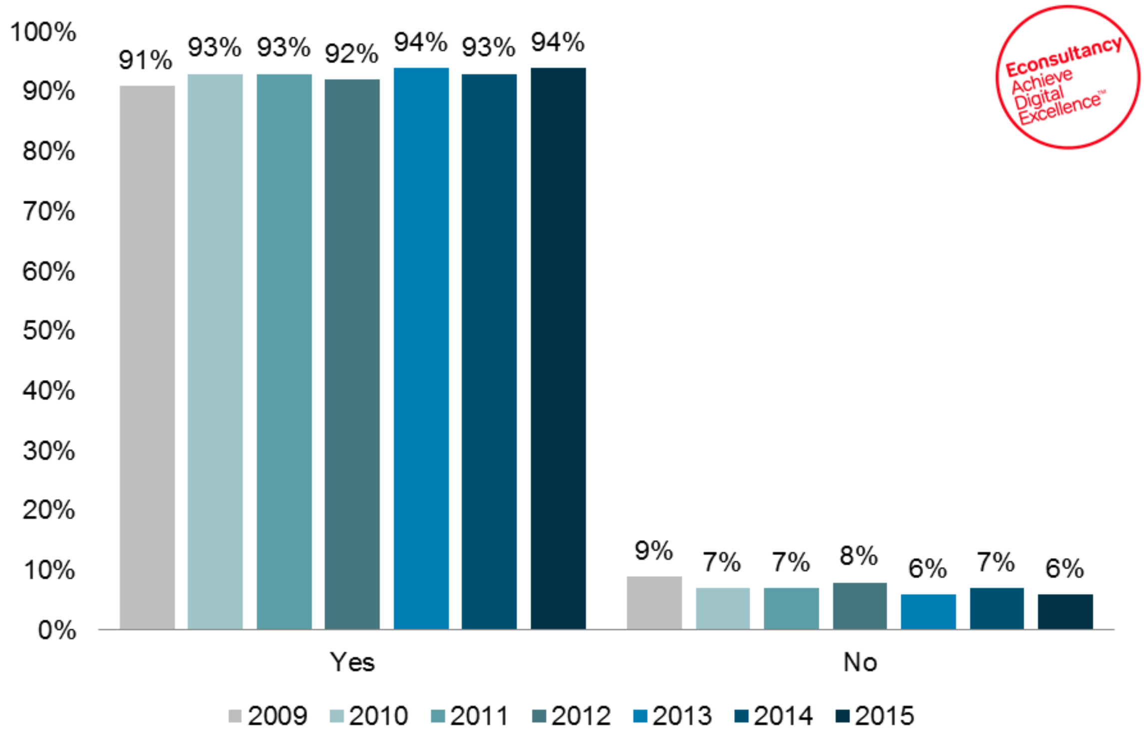
Company respondents (cross-tabulation)
Figure 60: Dedicated staff and reported changes in sales

Respondents: 323

5.7.2. Personal involvement in improving conversion rates

The vast majority (94%) of company respondents are personally involved in their organizations' efforts to improve conversion rates.

Company respondents
Figure 61: Are you personally involved in your organization's efforts to improve conversion rates?



Respondents 2015: 373
Respondents 2014: 454 | 2013: 318 | 2012: 331 | 2011: 303 | 2010: 281 | 2009: 271

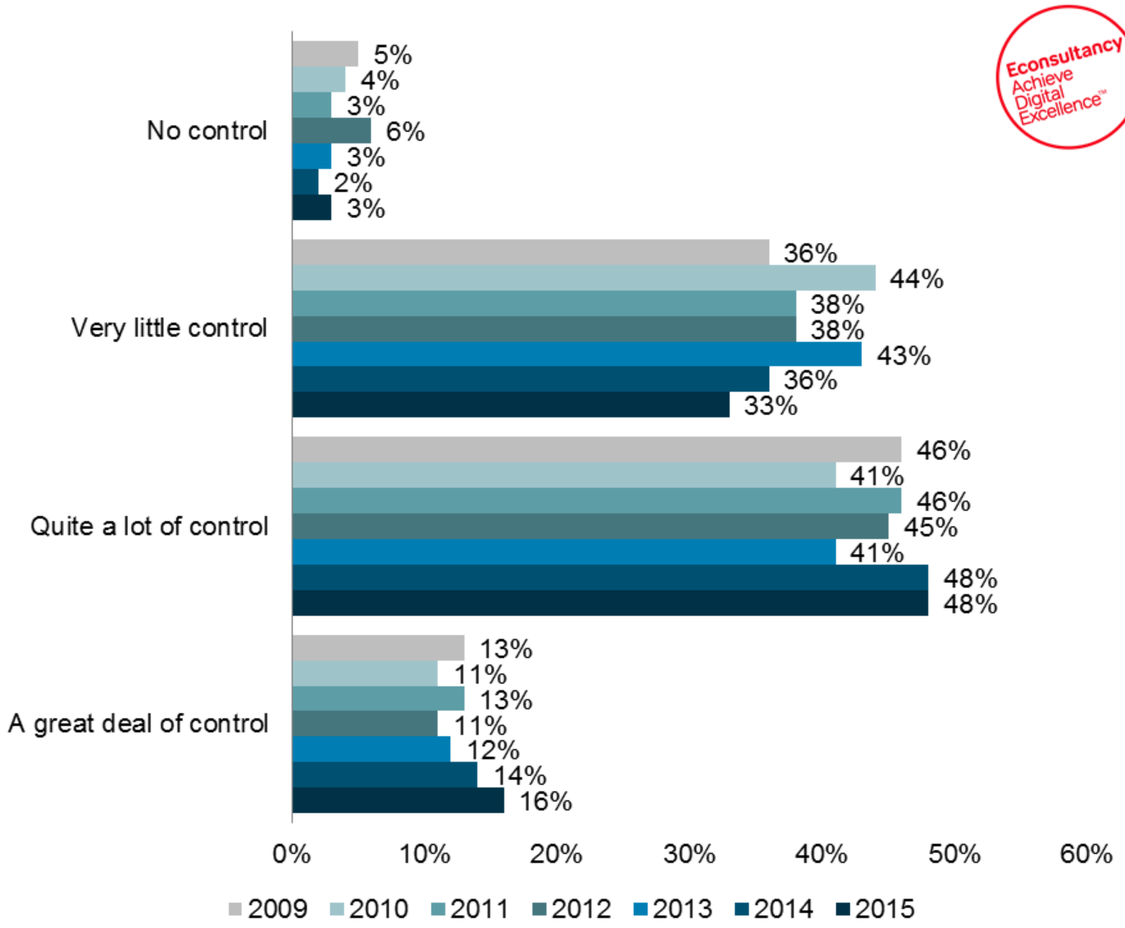
5.7.3. Perceived control over conversion rates

Over three-fifths (64%) of companies feel they have 'quite a lot' or 'a great deal' of control over their conversion rates, the highest percentage in the last six years. This is an increase of 3% since 2014, and 9% since the question was first asked in 2009. While this figure is relatively high, it has not increased dramatically over the six-year period, meaning there is a gap in knowledge for two-fifths of companies, who are still feeling that lack of control.

Agency respondents (*Figure 64*) also indicated that 64% of clients had at least 'quite a lot' of control over conversion rates. This is an improvement of 21% since last year.

Company respondents

Figure 62: How much control do you feel your organization has over conversion rates?



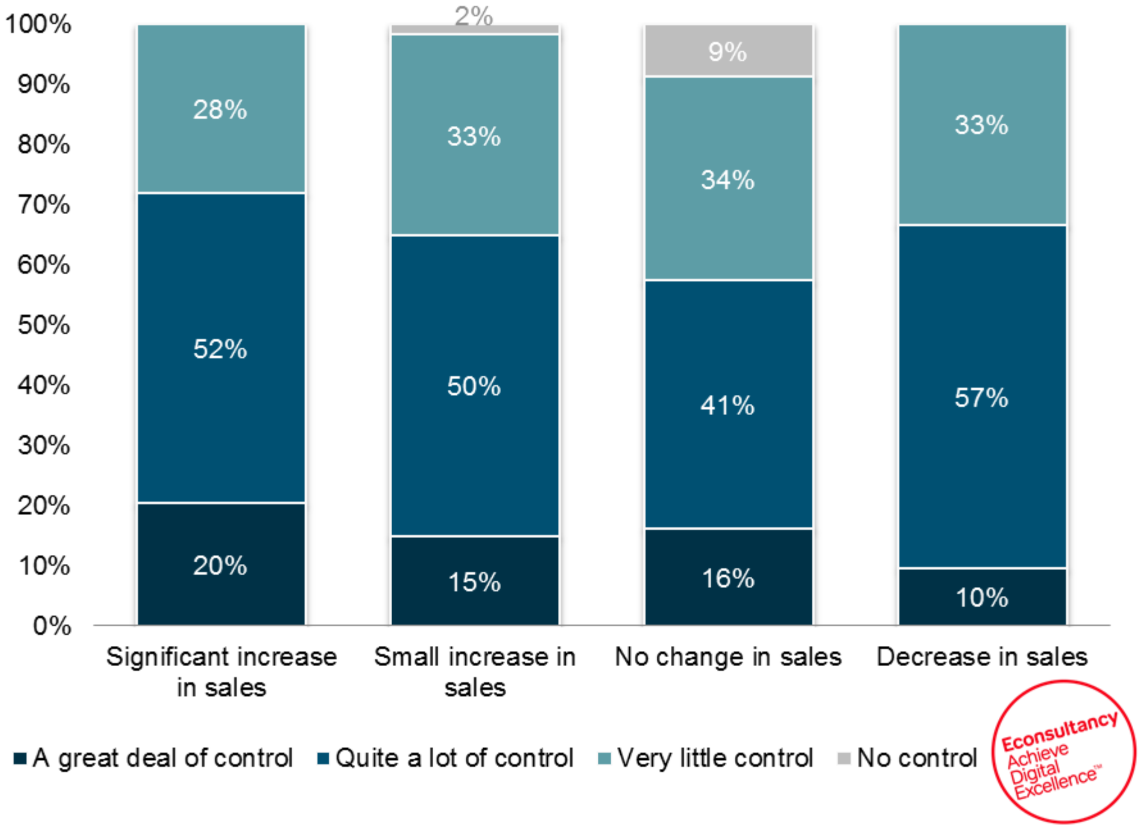
Respondents 2015: 374

Respondents 2014: 457 | 2013: 318 | 2012: 333 | 2011: 304 | 2010: 284 | 2009: 273

Figure 63 shows that nearly three-quarters (72%) of companies who reported a significant increase in sales have 'a great deal' or 'quite a lot' of control over their conversions, compared to just 57% of companies who've seen no change in sales.

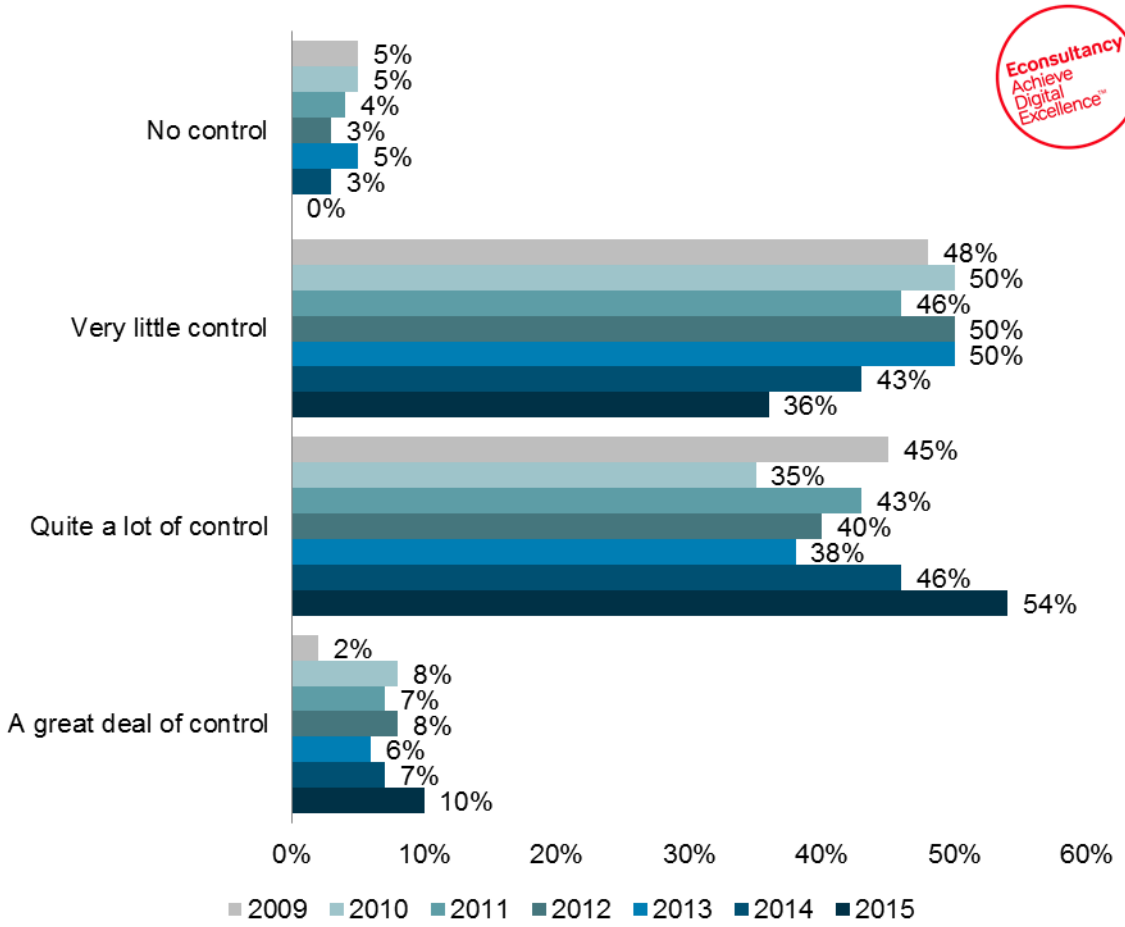
Company respondents (cross-tabulation)

Figure 63: Organizational control over conversion rates and reported changes in sales



Respondents: 321

Agency respondents
Figure 64: How much control do you feel your clients have over conversion rates?

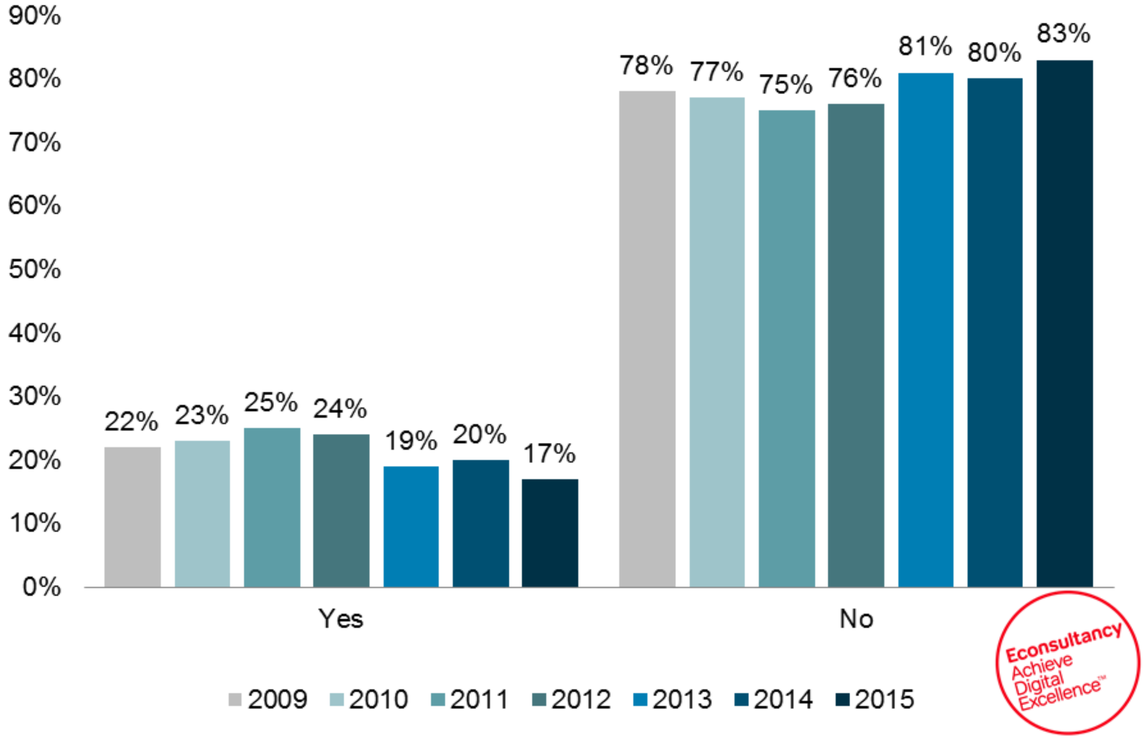


Respondents 2015: 222
Respondents 2014: 301 | 2013: 260 | 2012: 242 | 2011: 243 | 2010:208 | 2009: 215

5.7.4. Incentives based on conversion rates

A little under a fifth (17%) of companies incentivize staff based on improving conversion rates, which is 32% lower than in 2011, when a quarter (25%) of companies were doing this. Among agencies, 25% report that their clients incentivize staff, which is an increase of 47% since 2014 (*Figure 67*).

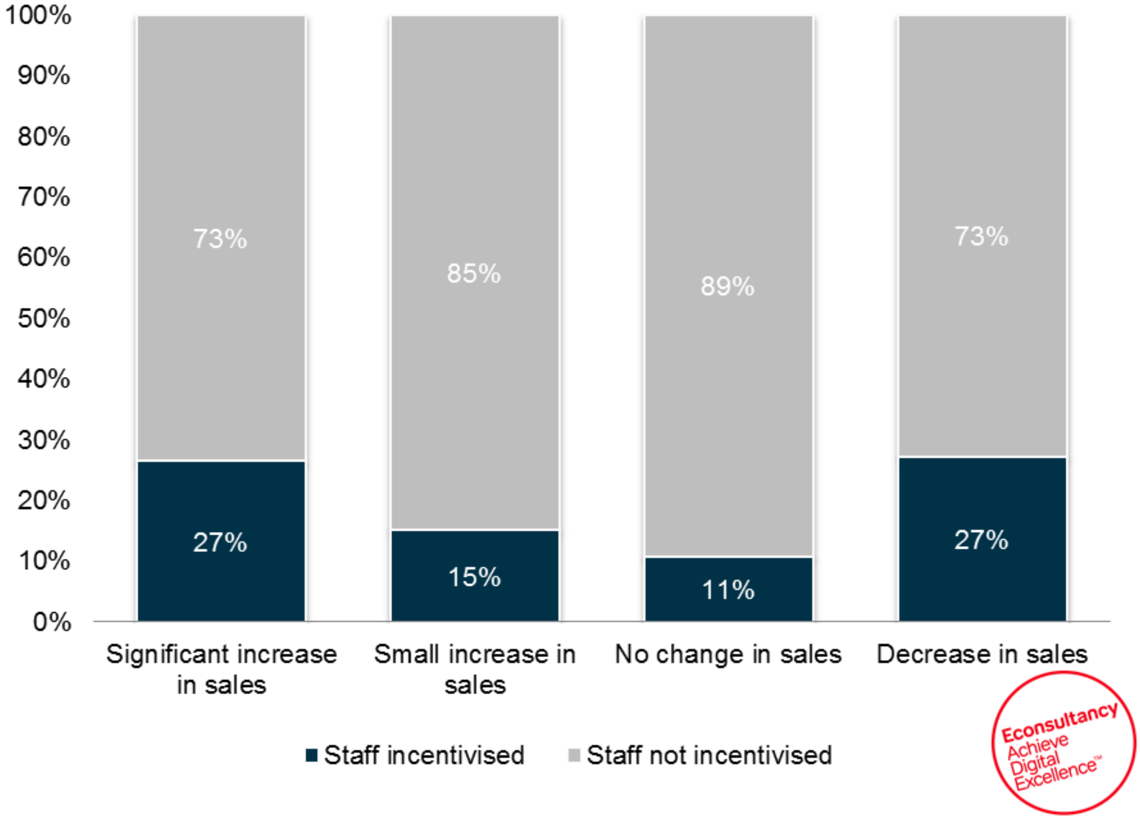
Company respondents
Figure 65: Does your organization incentivize staff based on improving conversion rates?



Respondents 2015: 373
Respondents 2014: 456 | 2013: 317 | 2012: 333 | 2011: 306 | 2010: 277 | 2009: 269

Further analysis of the data showed that, of companies seeing a significant increase in sales, over a quarter (27%) were incentivizing staff based on improved conversion rates. However, the percentage was equal to that among those seeing a decrease in sales, so incentivization cannot be left to work alone when it comes to improving conversion rates.

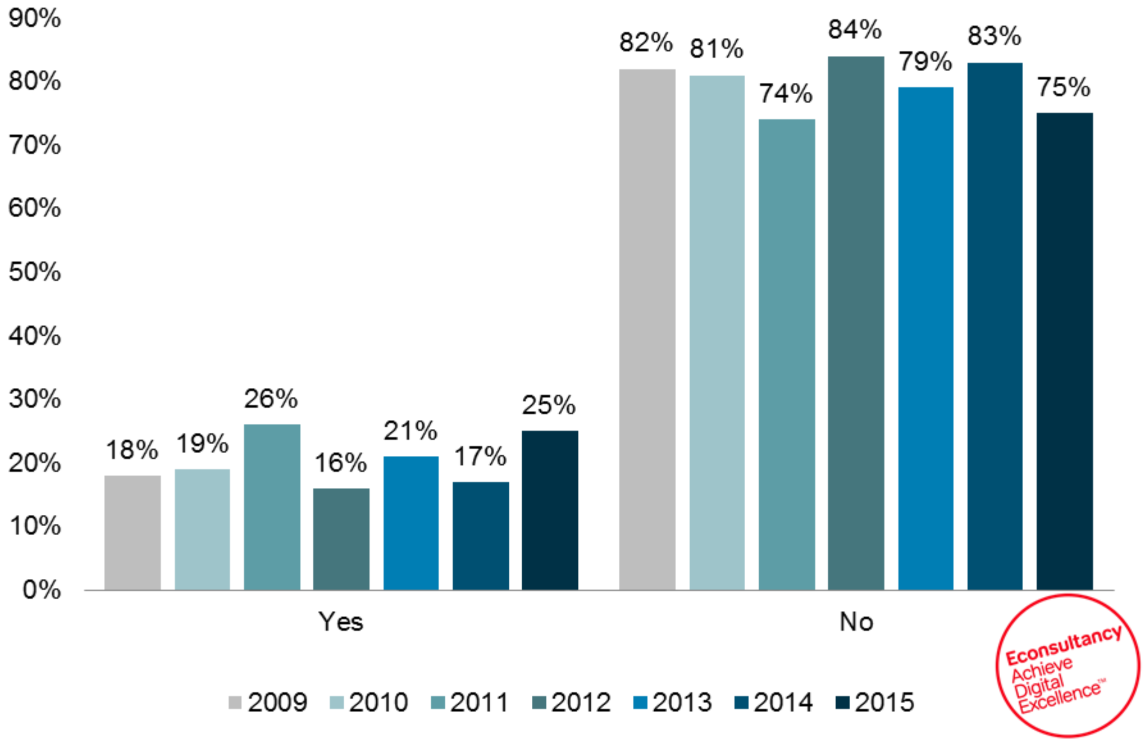
Company respondents (cross-tabulation)
Figure 66: Staff incentivization and reported changes in sales



Respondents: 316

Agency respondents

Figure 67: Typically, do your clients incentivize staff based on improving conversion rates?



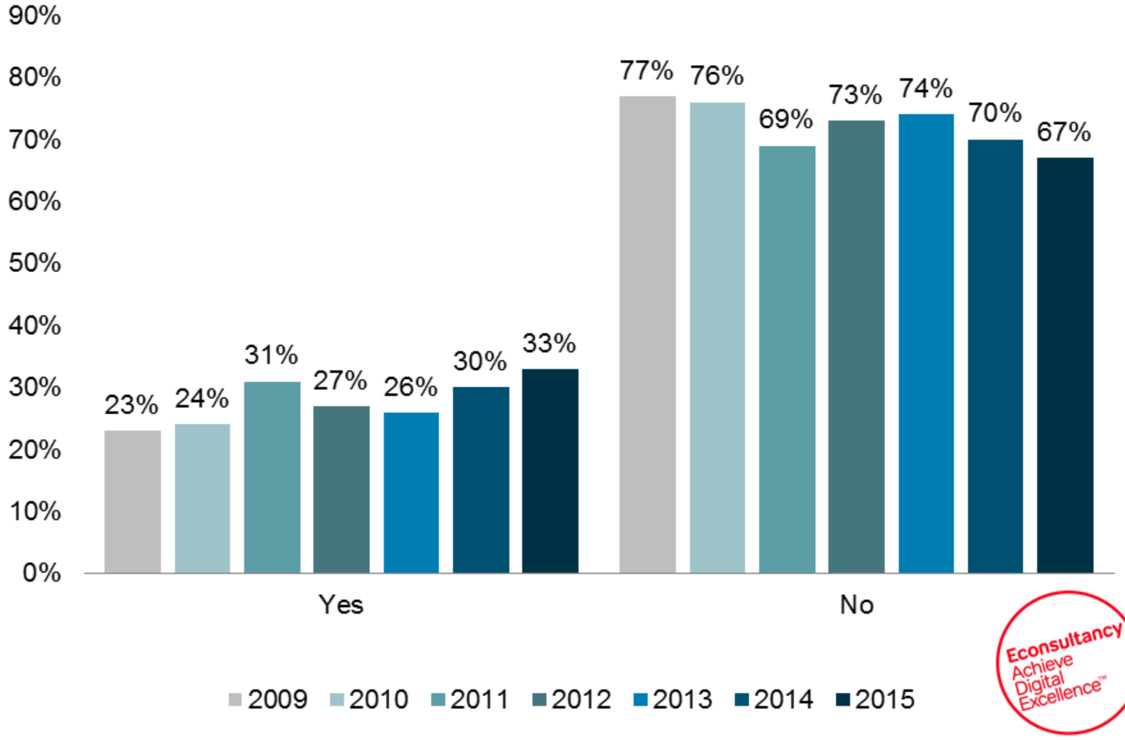
Respondents 2015: 222

Respondents 2014: 301 | 2013: 262 | 2012: 242 | 2011: 244 | 2010: 207 | 2009: 214

5.7.5. Approach to improving conversion rates

When it comes to having a structured approach to improving conversion rates, only a third (33%) of client-side respondents believe this is in place within their organizations. Agencies were more positive about their clients adopting a structured approach, with nearly half (45%) saying that's the case. This is an increase from 33% in 2014.

Company respondents
Figure 68: Does your organization have a structured approach to improving conversion rates?



Respondents 2015: 370
Respondents 2014: 447 | 2013: 314 | 2012: 326 | 2011: 304 | 2010: 283 | 2009: 270

What the experts say

"You'd worry if two-thirds of surgeons didn't have a structured approach to their operations. Yet two-thirds of companies still don't have a structured approach to conversion. It's not hard to adopt a methodology, and it's easy to get one. You can build your own, acquire one from something you've read, or hire a company to build your internal capabilities."

Ben Jesson, CEO, Conversion Rate Experts

"Companies are still lacking a structured approach when it comes to conversion rate optimization, and these companies are significantly more likely to see a decrease in sales from their CRO efforts. Having a clearly defined strategy with alignment across an organization is proving fundamental to CRO success."

Tai Rattigan, Head of Partnerships EMEA, Optimizely

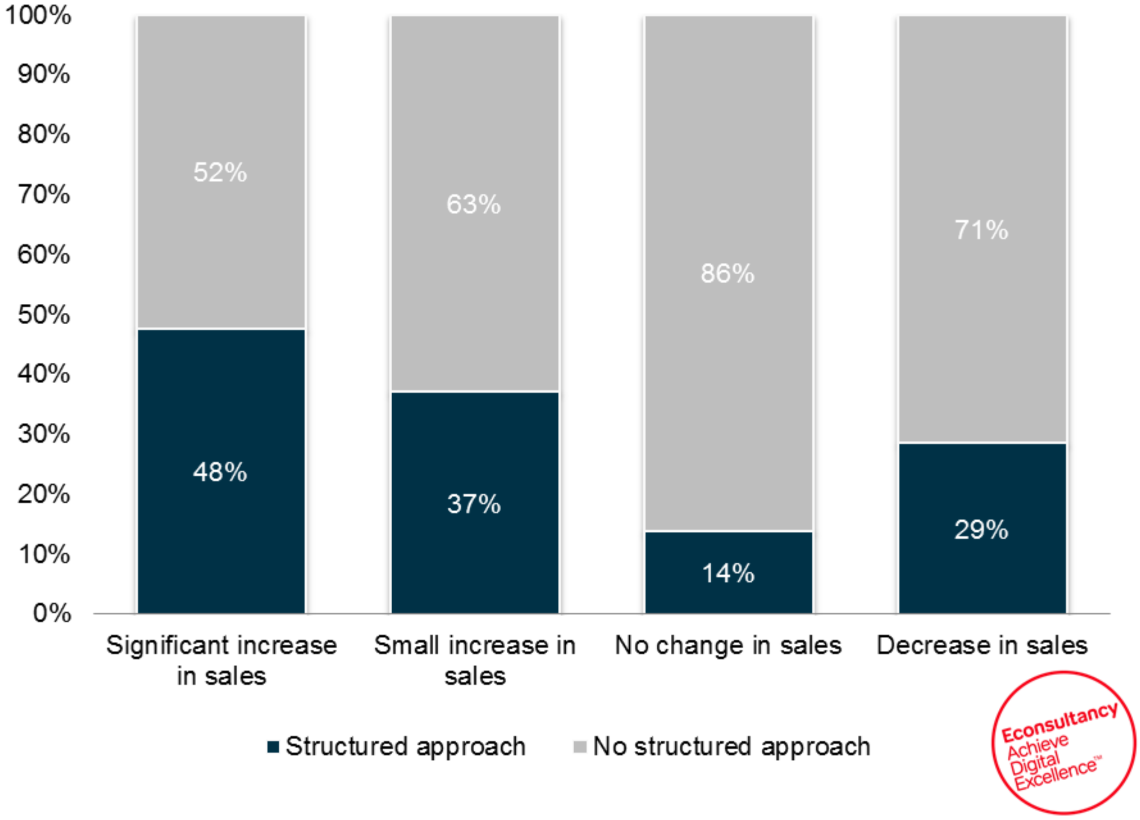
What the experts say

"There's a minor improvement here, but still two-thirds of respondents say they do not have a structured approach to improving conversion rates. That's a big surprise, particularly as the vast majority of respondents told us they are personally involved in the process within their companies. This may indicate frustration from respondents at their wider organizations, or may indicate that the immaturity of the techniques, and the need to constantly push and introduce new technologies mean that it has not yet been possible to embed formal processes."

Dan Barker, Independent Consultant

Further analysis revealed that, of companies seeing a significant increase in sales, almost half (48%) had adopted a structured approach to improving conversion rates. Of those seeing a small increase in sales, almost two-fifths (37%) were also operating within a structured plan.

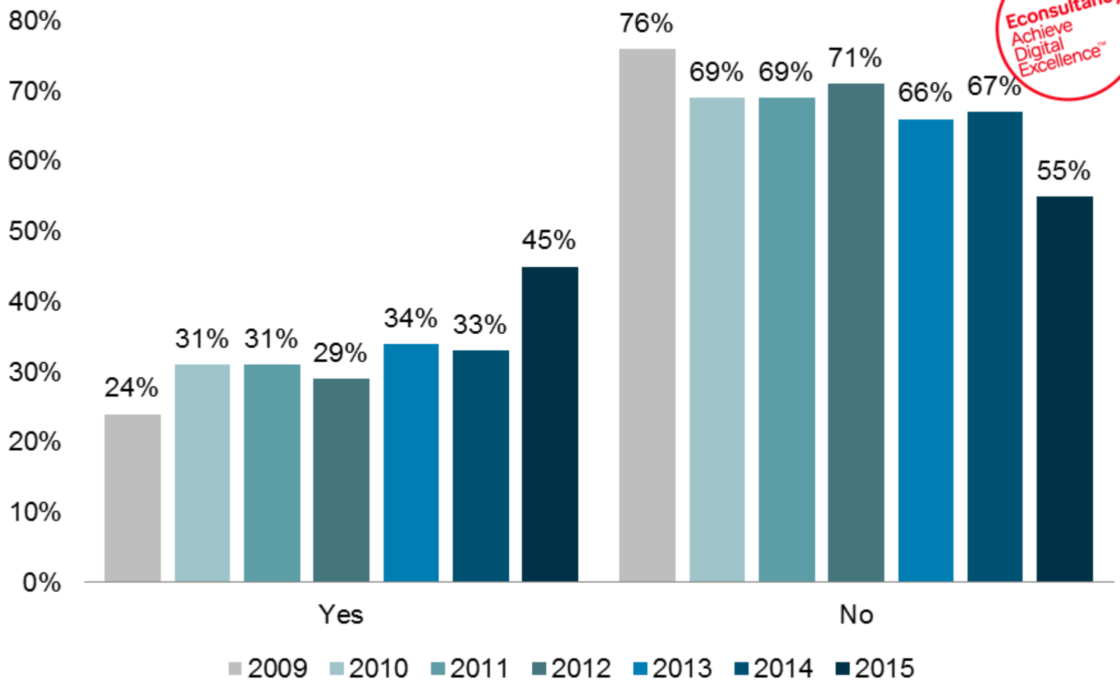
Company respondents (cross-tabulation)
Figure 69: Structured approach and reported changes in sales



Respondents: 308

Agency respondents

Figure 70: Do your clients adopt a structured approach to improving conversion rates?



Respondents 2015: 218

Respondents 2014: 296 | 2013: 259 | 2012: 238 | 2011: 238 | 2010: 207 | 2009: 214

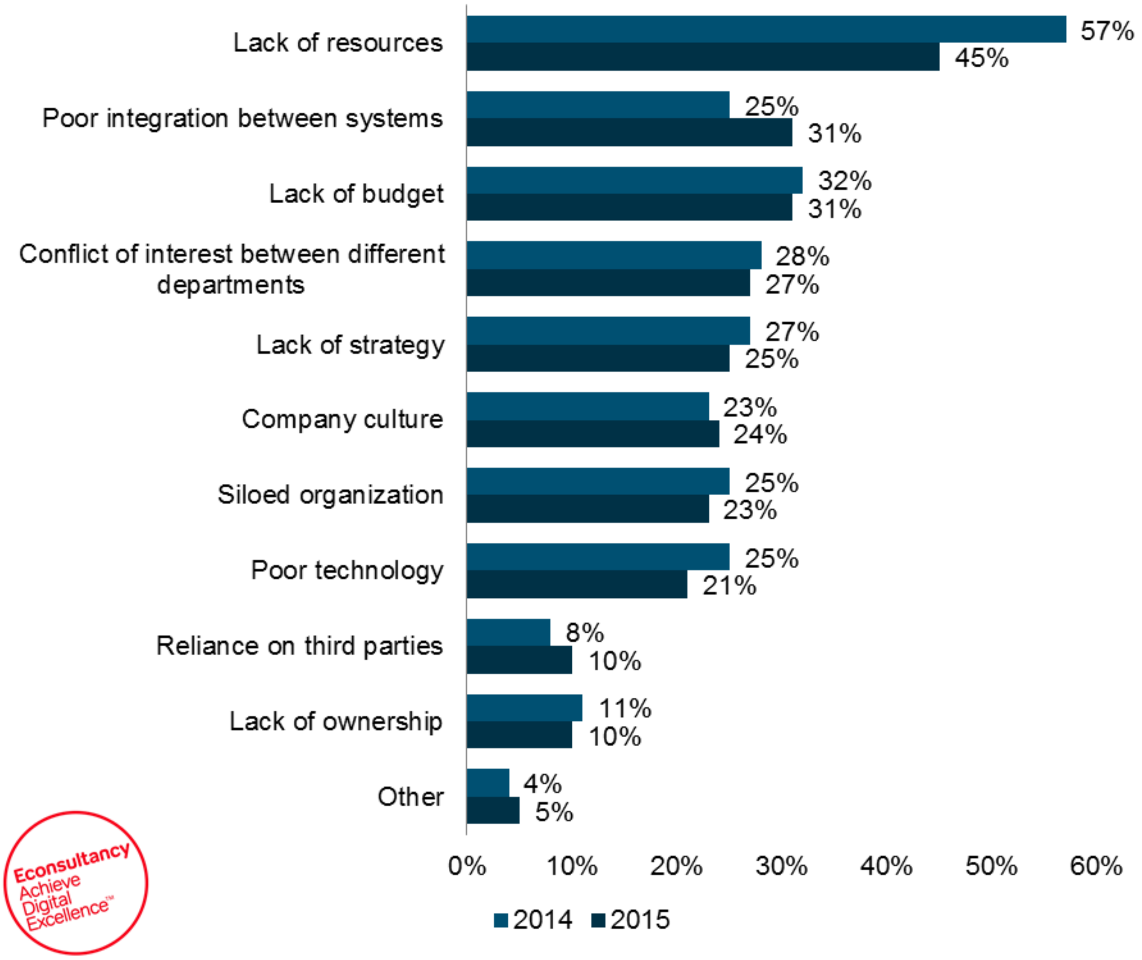
5.7.6. Barriers to improving conversion rates

For nearly half (45%) of companies surveyed, *lack of resources* is a key barrier to improving conversion rates, but the percentage citing this as an issue has fallen from 57% last year. A growing number of companies (now 31%) are seeing *poor integration between systems* as having an impact, which may be due to adoption of an increased number of technologies within this area.

According to agencies (*Figure 72*), *lack of budget* (45%), *lack of resources* (40%) and *lack of strategy* (38%) are the three main barriers preventing their clients from improving conversion rates. The proportion of agencies saying their clients are struggling with *company culture* has increased by 23% since last year, indicating some internal changes may be necessary.

Company respondents

Figure 71: What are the biggest barriers preventing your organization from improving conversion rates?



Respondents 2015: 367
Respondents 2014: 446

What the experts say

"The recent progress many companies have made with low barrier CRO tools has led to a new level of dissatisfaction; not so much on having the tools or resource but more so on having access to good setup, integrations and learnings. As CRO matures as a discipline there's a learning curve for those experimenting with CRO to learn how to use the tools effectively.

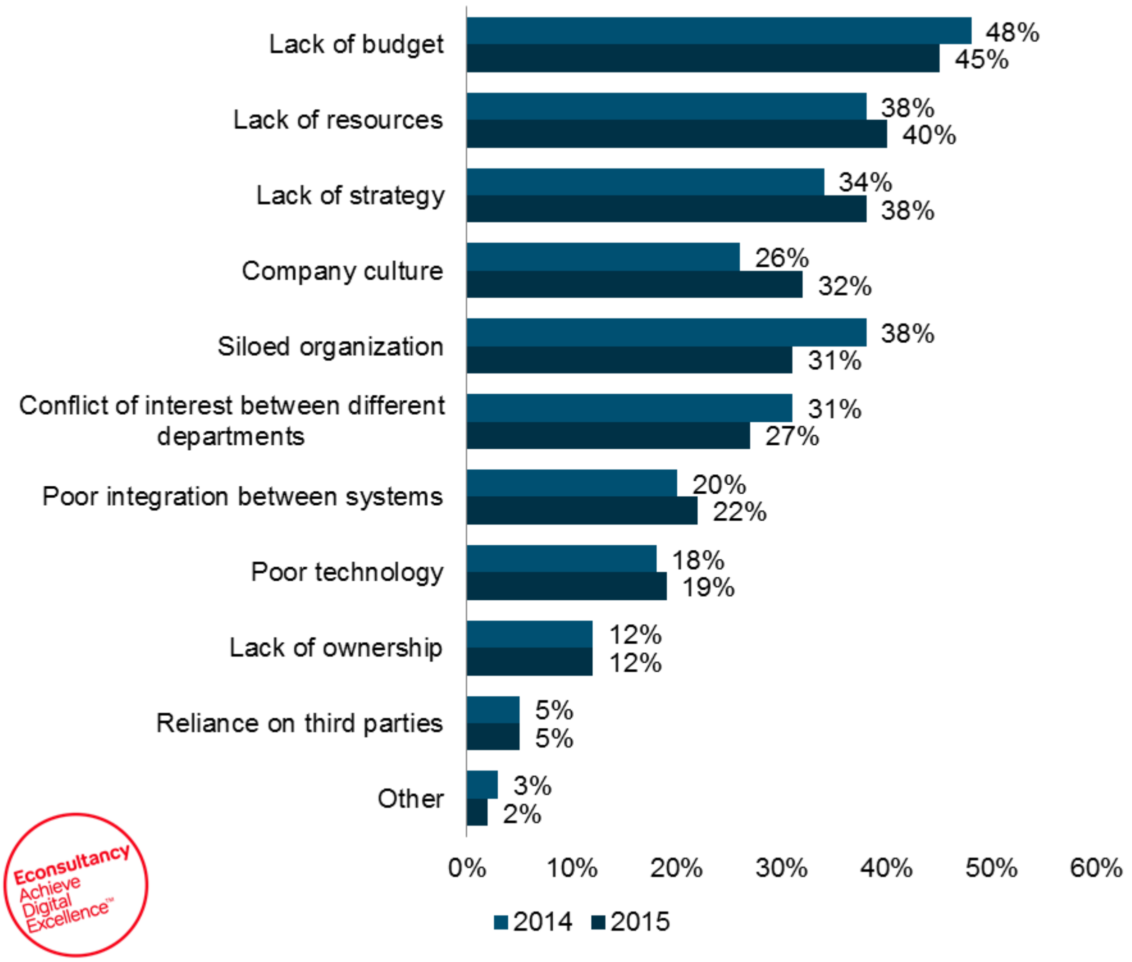
"There is still a premium on those that really understand the ins and outs of conversion rate optimization. It goes beyond using tools to accomplish an action (i.e. run an A/B test) into creating actionable insights (version B works better than A because…). A tool is not the answer to uncovering the hidden conversion improving gems."

Depesh Mandalia, Head of Digital Marketing, Lost My Name

"Across the board we have seen that a difficulty in integrating technologies is a growing barrier to improving conversion rates. As the marketing technology landscape continues to grow, and more companies choose a best-of-breed approach to technology procurement, it becomes increasingly important that each technology chosen by a company speaks to the other tools in their stack, and that technology allows them to enrich and leverage their existing data sources, as well as creating new ones."

Tai Rattigan, Head of Partnerships EMEA, Optimizely

Agency respondents
Figure 72: What are the biggest barriers preventing your clients from improving conversion rates?



Respondents 2015: 220
Respondents 2014: 298

5.7.7. What would make the biggest difference to conversion rates?

Strategy emerged as a key theme for many survey respondents when asked about what would make the biggest difference in improving conversion rates. There is also a feeling that they lack the required budget and resource for the plans they would like to implement moving forward.

Having a clear focus and increased understanding through testing were also key themes highlighted by both company and agency respondents.

What do you think would make the biggest difference to your (or your clients') company in improving conversion rates?

"A clear strategy from management."

"A dedicated analysis/conversion staff member."

"A defined strategy with assigned resources for achieving set targets and objectives."

"Acting upon the analytics provided rather than simply reviewing them each month."

"Full site review – a true site review has not been done since the 'new' site launched in 2014."

"Have a marketing team on board with commercial focus rather than brand messaging only."

"Adopting a digitally focused structure across the sales organization."

"Increase spend on internal resource instead of third-party providers."

"More collaborative working between teams/departments."

"If we stopped doing so many varied initiatives at once."

"Move focus away from short-term campaign metrics to consider longer-term gradual improvements in terms of conversion rates."

"If employees felt more at ease working with technology and data they would be able to dare to take more actions."

"Appointing a dedicated owner for CRO (who has influence or power at a senior level) and defining a strategy for how these activities should be conducted going forwards."

"Convince senior board members that CRO is actually a separate channel in digital. It requires its own monthly budget and the ability to test without being scrutinized."

Survey respondents

What the experts say

"If CMOs, CEOs or COOs look at one thing within this report it should be this section, breaking out a series of barriers that are surprisingly easy to address. If we look at those saying they achieve major improvements by removing these barriers, it feels like a very obvious activity to spend a couple of hours going through these to decide 'let's fix that', 'that's not applicable to us', 'let's build that into the plan for next year', etc. If we take the results elsewhere in this survey at face value, this simple activity may be the most cost-effective activity possible to increase conversion rates in the longer term."

Dan Barker, Independent Consultant

"It is interesting to observe that 'strategy' was the most mentioned word from respondents; it goes without saying that the initial rush into CRO is followed by a period of chaos from which strategy is the missing component. CRO is a multi-faceted discipline with no single blueprint for every business and so strategy becomes the overarching guide to bigger CRO wins."

Depesh Mandalia, Head of Digital Marketing, Lost My Name

"We use the acronym ADA to describe this problem. A goal won't be achieved until there's someone who has the 'duty' to achieve it (i.e. it's one of their KPIs), someone who is 'able' to do the work (i.e. has the hands-on skills), and someone who has the 'authority' to approve the changes (i.e. they are able to make decisions without having to beg for permission). Things move fastest – by far – when all of those attributes exist within a single person."

Ben Jesson, CEO, Conversion Rate Experts

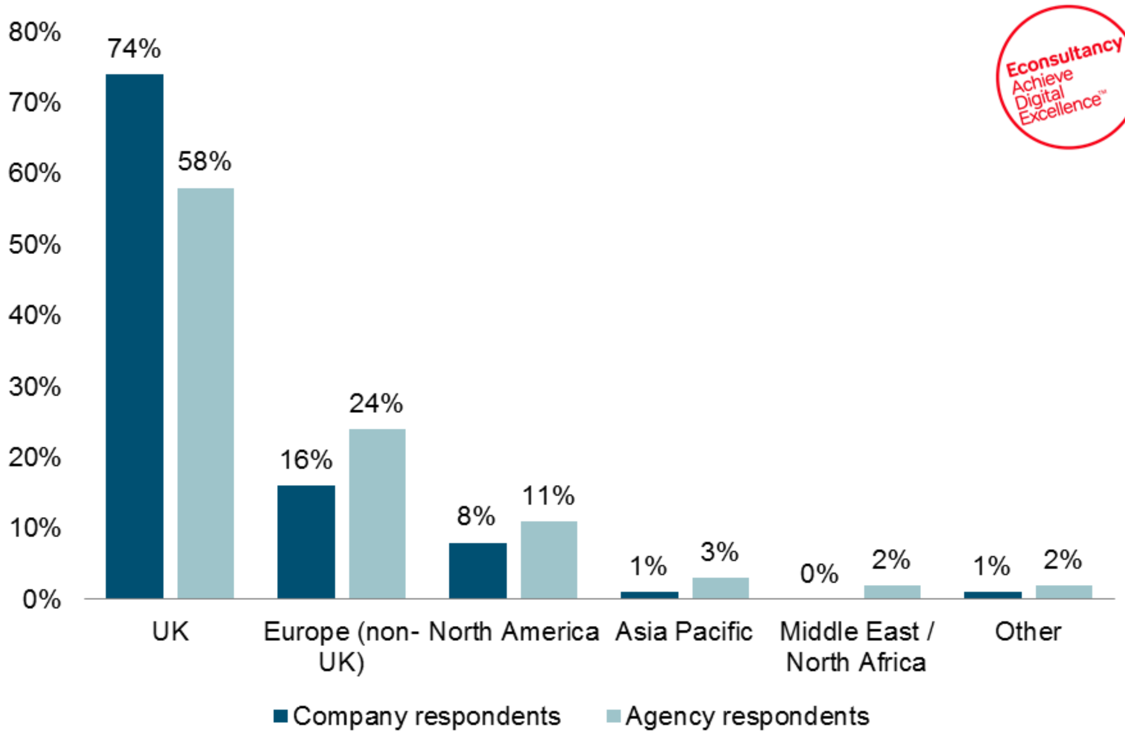
Figure 73: What do you think would make the biggest difference to your (or your clients') company in improving conversion rates?

6. Appendix: Respondent Profiles

6.1. Geography

Almost three-quarters (74%) of companies surveyed are based in the UK, with a further 24% spread across the rest of Europe and North America.

Figure 74: In which country / region are you (personally) based?

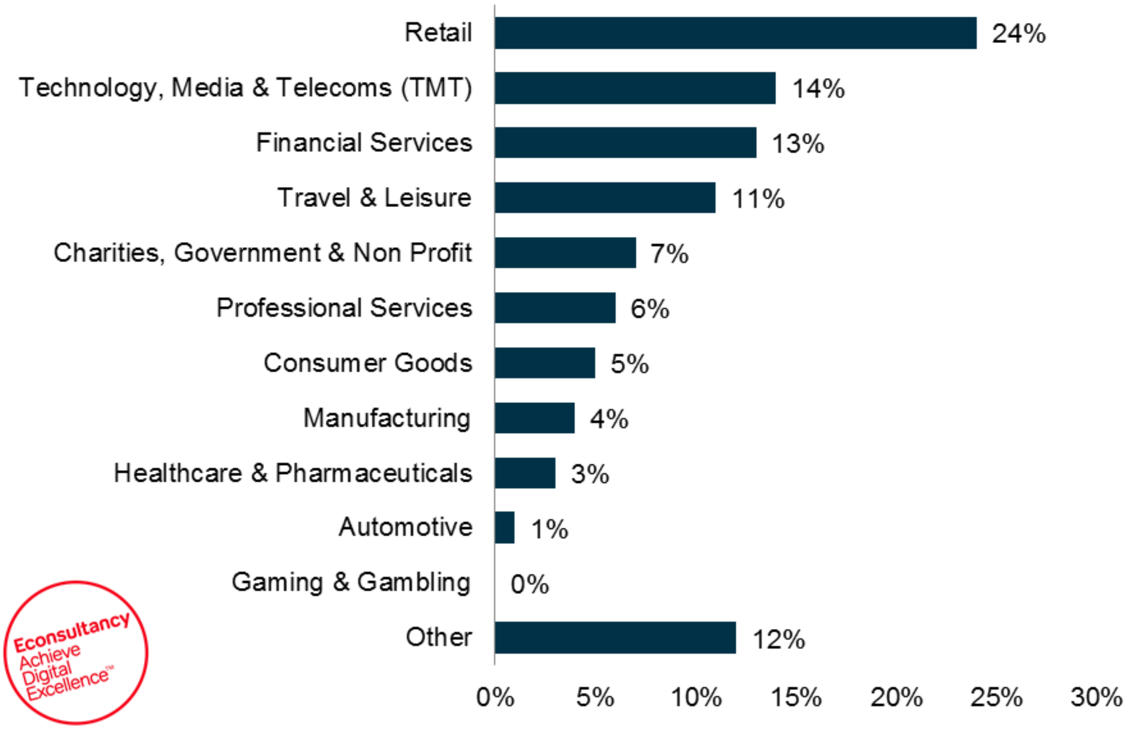


Company respondents: 379
Agency respondents: 227

6.2. Business sector

Respondents came from a broad range of sectors, including *retail* (24%), *TMT* (14%), *financial services* (13%) and *travel & leisure* (11%).

Company respondents
Figure 75: In which business sector is your organization?

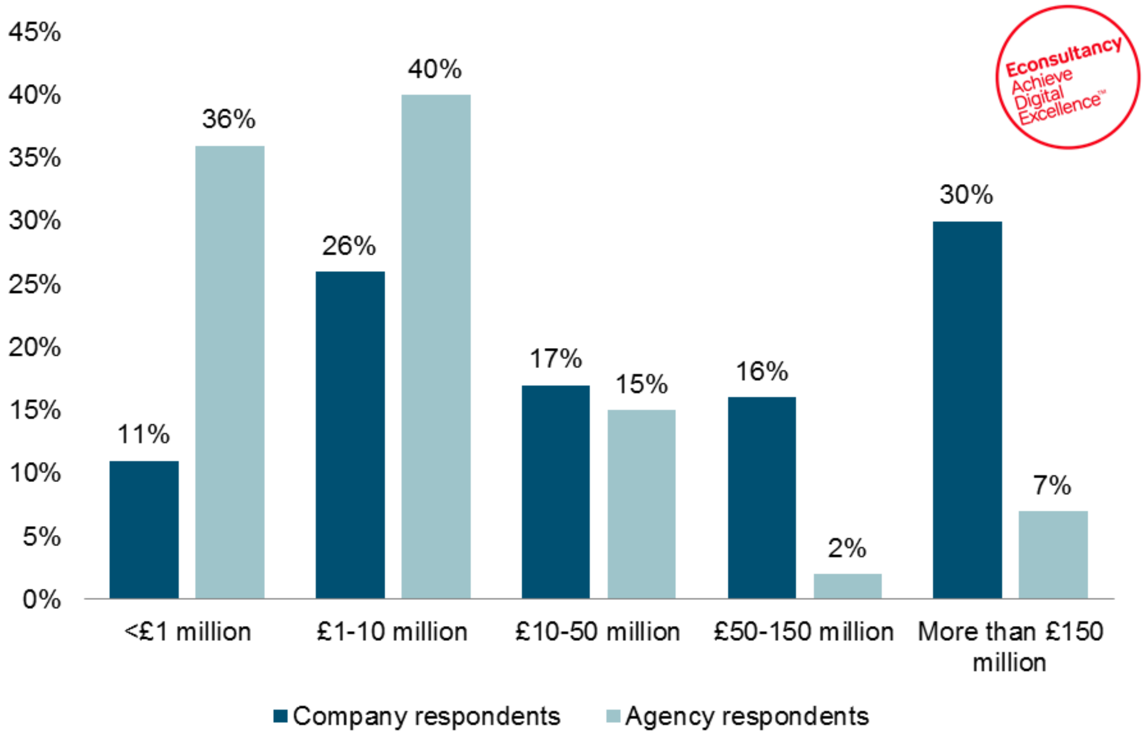


Respondents: 379

6.3. Annual company turnover

There was a good representation across all company sizes, with 37% of responding companies earning under £10 million, and close to a third (30%) of earning over £150 million.

Figure 76: What is your annual company turnover?



Company respondents: 374
Agency respondents: 225