

Make Mobile Analytics Digitally Intelligent

Continuous Improvement: The Digital Intelligence Playbook

by Cinny Little and James McCormick

May 27, 2016

Why Read This Report

Mobile has changed your customers' expectations. They expect access to anything, anywhere, anytime. Customer insights (CI) pros must up their game in mobile engagement measurement to gain insights and optimize customers' mobile moments. But don't separate mobile analytics from action-based insights in other channels — especially digital.

This is an update of a previously published report; Forrester reviews and updates it periodically for continued relevance and accuracy. It is has been updated with data from Forrester's Q3 2015 Global Mobile Executive Online Survey.

Key Takeaways

Mobile Analytics Demands A New Approach

Standard techniques such as web analytics developed to understand customers within websites are insufficient to optimize customer interactions within mobile moments.

Mobile Analytics Is Gaining Traction

Most firms are behind in using their mobile measurement to gain a holistic view of the customer. However, over the past year, there's been significant increase in use of mobile optimization and behavioral targeting tools and techniques that depend on measurement and analytics.

Mobile Extends Digital Intelligence Into The Physical World

Mobile is the hub of engaging customers both on- and offline. And mobile analytics delivers an enticing opportunity to gain a more complete on- and offline view of the customer — a key goal of digital intelligence — by reaching into the customer's physical-world experiences.

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Notes & Resources

Forrester used research interviews, inquiries, and data from Forrester's Q3 2015 Global Mobile Executive Online Survey for this report.

Related Research Documents

- [Make The Most Of Analytics To Meet Your Mobile Objectives](#)
- [Optimize Customer Experiences With Digital Intelligence](#)
- [Organize For Mobile Success](#)

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The Battle For Mobile Moments Is Lost With Traditional Analytics

The mobile mind shift is upon us: Customers engaging with brands via mobile devices expect to get what they want within their immediate context and at their moment of need.¹ As this shift progresses, the pressure to compete for customers in their mobile moments intensifies. CI professionals are key playmakers in this battleground, as Forrester's IDEA cycle places data and analytics at the heart of optimizing customer experiences.² But there is a problem: Standard analytics techniques are not enough to leverage mobile moments because the analytics of mobile moments must extend to:

- › **Contextual insights.** Mobile is the hub of customers' offline and online contextual data, which provides information on not only where customers are and what they are doing, but also on the world around them during mobile moments.³ CI pros must grasp the opportunity to leverage this contextual understanding and optimize engagement during mobile moments. For example, Vancouver Airport plans to track travelers' dwell times at duty-free shops along with departure times and current local weather conditions to optimize offer targeting and increase airport revenues.
- › **Real-time insights.** Successful mobile engagement depends on delivering the coupon, message, etc. in the mobile moment. Having real-time contextual insights about customers is imperative to delivering well-timed and optimized experiences. For example, 7-Eleven's app collects data like time and location — in real time — to offer customers Slurpee coupons valid for the next 12 minutes when customers are near a store on a hot day. Also, Fandango sends customers a push notification asking for a review in their app minutes before a movie ends, which gets customers to engage with other moviegoers and watching trailers for other films.
- › **Application of additional mobile-specific KPIs.** While success is measured against KPIs that look similar to traditional web and social engagement (e.g., open rates, click-throughs, and even revenue), CI pros must take into account additional KPIs unique to mobile for a complete understanding of engagement success within mobile channels — specifically in mobile apps.⁴ For example, Dunkin' Donuts measures the success of its marketing campaigns with local professional sports teams by monitoring app downloads on days its teams win the big game.

Mobile Analytics Is Gaining Traction

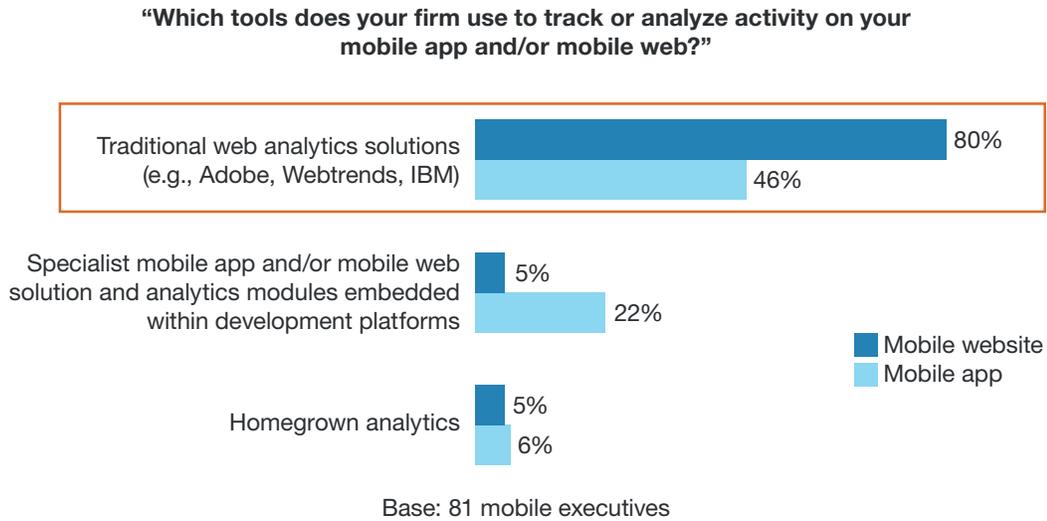
Mobile is a regular starting point for many common online cross-device customer activities.⁵ And merging your understanding of customers and their mobile engagement with channels (e.g., web, email, social) and other screen types (PC, tablet, etc.) is critical to gaining a holistic view of your customers. However, for most firms, mobile analytics is dissociated from other channels — less than a third of those with mobile programs actually use their mobile analytics to augment their cross-channel analytics insights.⁶ While discouraging, mobile analytics' contribution to the holistic view of the customer is growing rapidly. In fact, when mobile analytics practices are viewed through the lens of the four key digital intelligence strategic components — technology, functional ownership, measurement and KPIs, and experience optimization — we find that CI professionals:

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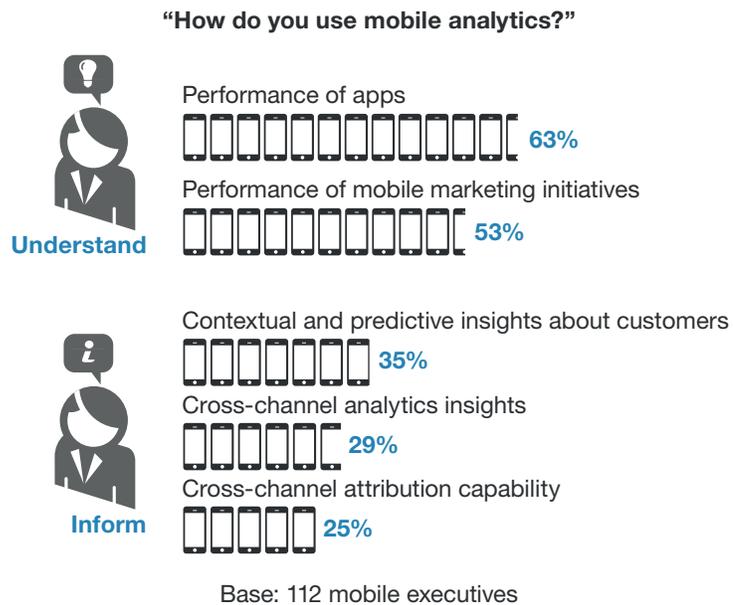
- › **Look to traditional analytics tools for quick wins on mobile measurement.** Nearly half of firms turn to traditional web analytics tools (e.g., Adobe, Webtrends, and IBM) to deliver their mobile app analytics — and 80% utilize these same tools for the mobile web (see Figure 1). CI pros have taken advantage of capabilities already offered by current service providers to get the ball rolling on mobile analytics. While traditional vendors may not always have the strongest mobile analytics capabilities, there is a perceived convenience and value to sticking with a single vendor to measure multiple channels.
- › **Are slowly preparing for mobile analytics.** Most firms manage their mobile web and app analytics in-house; however, only 35% feel they have the right skills to do so, though that is up slightly from 28% a year ago.⁷ The result? The organization and structures are tactically arranged and mobile measurement programs are slow to deliver business value. Meanwhile, some firms, such as Walgreens, Hertz, and Dish Network, have invested and developed capable mobile analytics practices. These mature practices provide deeper understanding of customers and give firms a competitive advantage.
- › **Are beginning to evolve their mobile metrics and KPIs.** Today, over half of firms (53%) deploy mobile analytics to understand mobile application and marketing campaign performance using operational metrics such as app downloads and time in app. (see Figure 2). However, only about a third of firms (35%) use analytics to gain contextual and predictive insights about customers. We've seen a similar evolution in web analytics: firms used web traffic volumes as a measure of engagement success, but then moved on to measuring customer behaviors and experience across channels.⁸ The same is now happening with mobile — and still has a ways to go.
- › **Are rapidly adopting data-driven mobile customer experience optimization.** While mobile measurement programs are still developing in the past year, there has been significant increase in the use of measurement to optimize customer experience. Half of all mobile executives are still experimenting with mobile optimization techniques, but 38% (versus 11% last year) now have optimization programs that are 12 months or older and apply online testing tools and techniques (34% versus 9% in the previous year) (see Figure 3). As the importance of doing business with the consumer via mobile continues to grow, Forrester expects continued growth in firms' mobile optimization programs over the next 12 to 24 months.

FIGURE 1 Traditional Tools Drive Mobile Analytics



Source: Forrester’s Q3 2015 Global Mobile Executive Online Survey

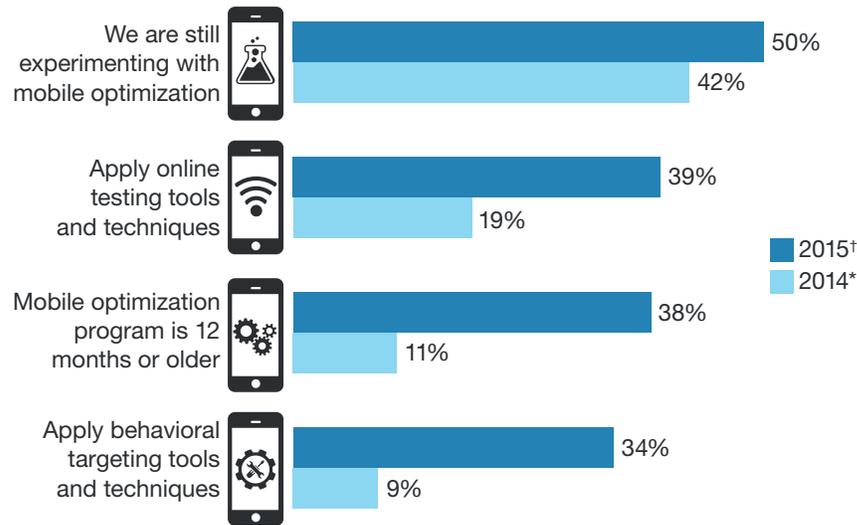
FIGURE 2 Traditional Practices Drive Mobile Analytics



Source: Forrester’s Q3 2015 Global Mobile Executive Online Survey

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FIGURE 3 Mobile Customer Experience Optimization Programs Are Accelerating**“Which of the following are true for your mobile optimization program?”**[†]Base: 123 mobile executives^{*}Base: 182 mobile executives

Source: Forrester's Q3 2015 Global Mobile Executive Online Survey

It's Time To Get Intelligent With Mobile

Our customers have embraced the mobile mind shift.⁹ Mobile has become a critical contributor to the holistic view of our customers — and the way we interact with them to deliver an optimized cross-channel experience. At the heart of digital intelligence is the intent to optimize engagement by leveraging a holistic view of the customer experience and analytics. Digital intelligence is therefore incomplete when mobile analytics remains isolated and outside its remit.¹⁰ Conversely, being intelligent with mobile means making it part of our digital intelligence strategy and capabilities — it's time to bring mobile into the digital intelligence fold. To do this, Forrester has defined the practice of mobile intelligence as:

The capture, management, and analysis of mobile customer data to gain a holistic understanding of the customer experience that drives execution and optimization of mobile moments in sync with other engagement channels.

To succeed at mobile intelligence, CI professionals must align mobile analytics practices with the four strategic components of digital intelligence by:

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- › **Synchronizing digital analytics technology and data.** Start by preparing mobile customer data for integration. Use a customer recognition strategy to focus on collecting information (e.g., social ID, email) about customers during their mobile moments, which you can use to associate customers with their interactions at other touchpoints.¹¹ Deploying standardized customer data models at all interaction points, including mobile — using modern tag management techniques — will also help bring data together and synchronize cross-device experiences.¹²
- › **Scaling mobile analytics by merging digital analytics resources.** Depending on the needs of the business, a spectrum of analytics ownership structures exists, from centralized to federated.¹³ Whatever the chosen model, CI pros must find a way to scale support for their business partners and leverage analytics insights across the firm — from marketing, product management, sales, call centers, etc. And given the limited internal skills and the current level of mobile analytics maturity within firms, CI pros must leverage services vendors to accelerate the adoption and value of their mobile analytics practices.
- › **Adapting measurement and KPIs for mobile.** Mobile is well positioned as a hub of online and offline customer insights and provides firms an opportunity to capture contextual data on mobile moments within both the digital and physical environments.¹⁴ Mobile intelligence extends digital intelligence into analytics for mobile moments, including analytics for offline-online moments (e.g., using QR or 2D bar codes to research physical products in-store), online-offline moments (e.g., pushing messaging with a voucher based on location to a store or outlet), and offline moments (e.g., measuring driving behavior to determine insurance risk).
- › **Extending mobile optimization beyond marketing.** Digital intelligence emphasizes the application of analytics to optimize customer engagement. Mobile analytics is not different, but places greater demands on delivering real-time analytics and insights to optimize mobile moments. Adoption of mobile testing is increasing rapidly as firms recognize the opportunity for competitive differentiation. This opportunity extends past optimizing marketing campaigns for the rest of the enterprise; it includes helping app developers decide on changes to their next release, operations predict demands on support infrastructure, and product management apply dynamic pricing models, etc.¹⁵

What it means

Mobile Intelligence Will Bridge Online And Offline Worlds

As CI pros continuously improve their DI practice with mobile intelligence, they should consider that:

- › **Early adopters of mobile intelligence have the competitive advantage.** The industrywide adoption of mature mobile analytics practices is nascent — but increasing rapidly. Firms that invest in mobile intelligence practices now will position themselves ahead of their competitors in the race to meet the rising tide of expectations brought on by the mobile mind shift.

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- › **Mobile intelligence needs multiple tools and services.** No one platform provides the level of data management, analytics, and actionability you need to maximize the opportunity for leveraging customer insights for mobile moments. As you build out your mobile intelligence practice and refine your requirements, be prepared to leverage services partners to skill-up and integrate processes and technology.
- › **Mobile's role as the bridge between digital and physical-world engagement will grow.** The importance of the capability to match online and offline behaviors with the physical-world environmental context will grow as firms expand existing mobile engagement models and build out new ones. The relevance and value of CI practices will be measured by the ability to leverage mobile customer insights to support business partners in understanding and engaging customers.

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Supplemental Material

Survey Methodology

Forrester's Q3 2015 Global Mobile Executive Online Survey received 360 complete or partial responses from professionals from our ongoing marketing and strategy research panel. For quality assurance, panelists are required to provide contact information and answer basic questions about their firms' revenue and budgets. Forrester fielded the survey in July and August 2015. Respondent incentives

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included a summary of the survey results. Exact sample sizes are provided in this report on a question-by-question basis. Panels are not guaranteed to be representative of the population. Unless otherwise noted, statistical data is intended to be used for descriptive and not inferential purposes.

Endnotes

- ¹ Consumers reserve meals, cabs, and flights; share music; make videos; and even screen potential mates on their phones. Whatever product or service you offer, your customers expect you to deliver mobile utility. See the [“Mobile Moments Transform Commerce And Service Experiences”](#) Forrester report.
- ² The four steps of Forrester’s IDEA cycle are: identify the mobile moments and context; design the mobile engagement; engineer your platforms, processes, and people for mobile; and analyze results to optimize outcomes and improve customer experience. See the [“Case Study: Win Customers With Mobile Analytics”](#) Forrester report.
- ³ As customer expectations of convenience escalate, the pressure will be on firms to tap new technologies to serve customers in context where they already are — not where brands find it convenient to serve them. See the [“Predictions 2016: The Mobile Revolution Accelerates”](#) Forrester report.
- ⁴ Take a holistic approach to measuring mobile apps. Forrester identified three major classes of mobile metrics that both app developers and business executives should collect: business metrics, engagement metrics, and technology metrics. See the [“Use Analytics To Create Mobile Best Practices”](#) Forrester report.
- ⁵ About a third (31%) of online adults who switch devices during a task start with their mobile phone. Source: Forrester’s North American Consumer Technographics Online Benchmark Survey (Part 2), 2015.
- ⁶ As part of Forrester’s Q3 2015 Global Mobile Executive Online Survey, respondents were asked, “Why do you use mobile analytics?” Twenty-nine percent replied “to augment our cross-channel analytics insights” and 25% said “to feed our cross-channel attribution capability.” Source: Forrester’s Q3 2015 Global Mobile Executive Online Survey.
- ⁷ As part of Forrester’s Q3 2015 Global Mobile Executive Online Survey, respondents were asked if they outsource mobile site analytics and mobile app analytics. Twenty-four percent and 29% respectively responded in the positive, suggesting that a significant majority of firms manage their mobile analytics in-house. We also asked about the availability of skills needed to build, operate, and analyze mobile apps for customers. Only 35% said they had the right skills to do so. Source: Forrester’s Q3 2015 Global Mobile Executive Online Survey.
- ⁸ Mobile-centric businesses, eCommerce firms, and online gaming companies lead the way in measuring what’s important to their business’s digital interactions with customers. Rather than focus on discrete events, conversions, or transactions, these types of firms are developing metrics and KPIs that provide a holistic view of customer activity and business value across the customer life cycle. See the [“Optimize Customer Experiences With Digital Intelligence”](#) Forrester report.
- ⁹ Forrester defines the mobile mind shift as the change of customer expectations to expect any desired information or services to be available, on any appropriate device in context within their mobile moment. See the [“Marketing Strategy For The Mobile Mind Shift”](#) Forrester report.
- ¹⁰ No single metric or source of data can provide a holistic view of customer engagement. To understand and optimize customer experiences and their impact on relationships, CI pros must collect and analyze a mix of data across all digital customer interactions. See the [“Instrument Your Business With Digitally Intelligent Measurement”](#) Forrester report.
- ¹¹ To optimally address customers across channels, firms must be able to associate customer interactions and track customers across multiple channels. In order to maximize the level of association and deliver a holistic view of the customer, firms must review and manage their touchpoint interaction keys (TPIKs). See the [“Customer Recognition: The CI Keystone”](#) Forrester report.

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- ¹² Beyond just the management of tags, tag management delivers flexible yet safe data governance, scalable action-based analytics, and optimized customer engagements. See the [“Boost Digital Intelligence With Tag Management”](#) Forrester report.
- ¹³ Customer insights (CI) teams, both digital and nondigital, must collaborate and cooperate to reach a full understanding of their customers if they wish to compete and win. Forrester describes a spectrum of digital intelligence ownership models and provides guidance to help firms build effective digital intelligence organizations geared toward the specific needs of your business. See the [“Compete With A Digital Intelligence Organization”](#) Forrester report.
- ¹⁴ Firms at a high stage of mobile maturity focus on creating cross-touchpoint customer experiences by blending physical and digital customer experiences. Even simple uses of mobile, such as alerts to create out-of-wallet authentication and let credit card holders know about charges or payments due, result in measurable increases in Net Promoter Score. See the [“Organize For Mobile Success”](#) Forrester report.
- ¹⁵ Uber is one example of a digital-only company that leverages customer contextual insights to optimize customer interactions — and business outcomes. Source: Bernard Marr, “The Amazing Ways Uber Is Using Big Data Analytics,” LinkedIn, May 24, 2015 (<https://www.linkedin.com/pulse/amazing-ways-uber-using-big-data-analytics-bernard-marr>).

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