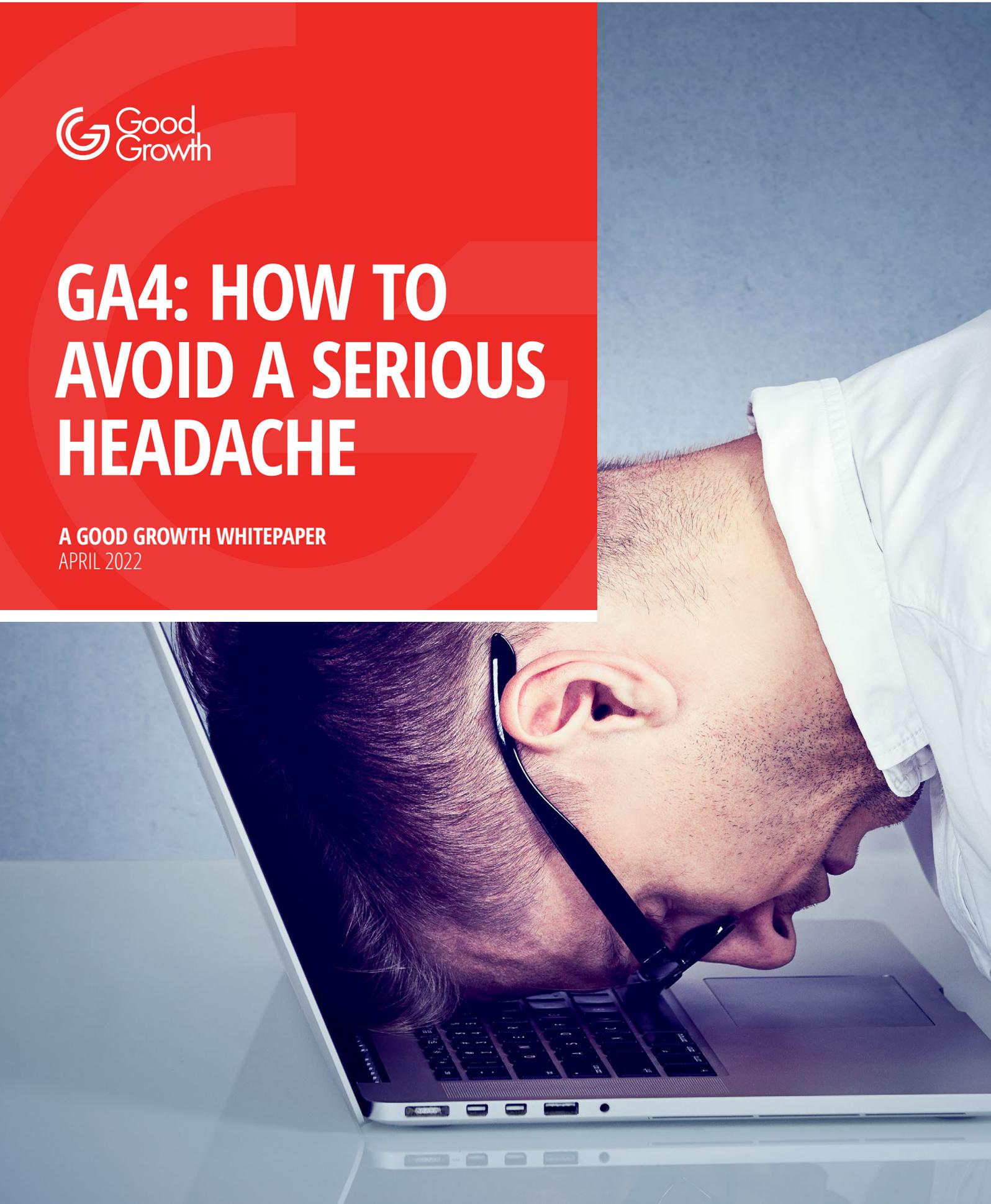




GA4: HOW TO AVOID A SERIOUS HEADACHE

A GOOD GROWTH WHITEPAPER
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WHAT YOU NEED TO KNOW, WHY YOU NEED TO WORRY AND WHAT YOU NEED TO DO ABOUT IT

Since the launch of Classic Analytics in 2007, Google Analytics remains the most widely adopted digital analytics platform in the market, used daily by members of marketing, CRO, product and E-Commerce teams (to name but a few). Whilst the platform has evolved over the last 15 years, fundamentally Google Analytics has remained largely unchanged which has provided the foundation to a wide range of analytical expertise in the market and provides organisations the ability to develop robust insights into customer behaviour in the digital channel.

But all that is about to change.

In the two years since launch, the new iteration to Google Analytics (Google Analytics 4 aka GA4) has experienced relatively low adoption and, in our experience, is not being used widely in the market. This has not been particularly impactful in the last two years as Universal Analytics (the iteration prior to GA4) remains available and well supported. However, in March 2022, Google announced that as of July 2023 Universal Analytics is to become obsolete and GA4 is to become the only supported Google Analytics version and that this will change digital analytics forever.

If this seems familiar, that's because it is – the claim that analytics is going to change forever is made every other week by one or more of the numerous customer analytics and insight platforms in the market and it has never proven to be true. But in this case the statement is warranted; GA4 represents such a shift in implementation and reporting that to say that July 2023 marks a seismic change in the analytics space is justified.

WHAT YOU NEED TO KNOW

This document will not delve into the technical differences between Universal Analytics and GA4, that has already covered at great length in dozens of other articles in the past two weeks alone, but rather focus on these strategic and organisational challenges. It is these challenges that will truly determine whether your migration to GA4 is a success.

In simple terms – as of July 2023 all analytics produced through Google Analytics is going to change and you have 16 months to manage a migration to a new digital analytics solution.

Without approaching GA4 in the right way you will encounter several fundamental challenges from July 2023, for example you might find:

A conversion rate increase, for no obvious reason

E-Commerce conversion rate is calculated as transactions / sessions, but GA4 instead calculates conversion rate as transactions / users.

Given that a single user may have multiple sessions this change in reporting will impact your conversion rate, for example: assuming you have 10 users to your website who between them have 15 sessions and 5 transactions, current reporting in GA will report a conversion rate of 33% (5 transactions against 15 sessions), however GA4 will report a conversion rate of 50% (5 transactions against 10 users).

If conversion rate increases due to a different calculation, how do you maintain an unbiased view of effectiveness, particularly given that historical reporting of conversion rate uses a different approach. How will you know if you are better or worse than before GA4?

A sudden change in marketing channel return on investment

GA4 uses data driven attribution as standard, compared to last non-direct click in Universal. This is a more robust methodology for attributing conversions but will result in marketing channel ROI changing; you will see some channels suddenly become more effective and other channels become less effective without any explanation as to why.

Many organisations invest their marketing budget according to ROI as reported by last non-direct click. But what happens when the ROI of these channels suddenly drops 50% (for example)? Were all your marketing investment decisions up to this point wrong or is the challenge to marketing channel attribution and ROI more nuanced? How do you ensure that you continue to make the right investment decisions, particularly given that data driven attribution is a black box and therefore not something that you can interrogate further at scale?

An inability to report page engagement

Because GA4 reports at the level of the user rather than the page and the session, many metrics organisations rely on to understand user engagement will cease to be available, this includes, but is not limited to:

- **Page views**
- **Entrances (now called session_start)**
- **Exits**
- **Bounce rate**

These metrics are not as crucial as, for example, users or conversion rate, but are used widely by marketing and E-Commerce teams to understand user engagement in the digital journey. By losing the ability to report these metrics, teams will need to use a different suite of KPIs to interrogate landing page and journey effectiveness. The core challenge posed by this is that a different suite of metrics will result in a different suite of findings – you may find some pages to be more effective and some to be less effective, but how much of this is a quirk of the data and how much, if any, represents genuine shifts in user behaviour in which case does the new data add any value?

“We chose Good Growth due to their unique combination of customer-led innovation and their ability to enable large organisations to move with rapid agility. It’s classic growth hacking and they got our prototype up and running in five weeks. That is unheard of in our business.”

RYAN BIRCH
Global D2C Lead, Diageo (Formerly)

WHY YOU NEED TO WORRY

In truth GA4 does offer numerous advantages over Universal Analytics with the most intriguing being cross platform reporting of web and app (admittedly not so useful if you do not have an app) and the use of “machine learning to create predictive insights” (which at least sounds valuable). But these potential benefits go hand in hand with multiple strategic challenges. These challenges are both technical and organisational:

Technical challenges

As mentioned earlier, GA4 needs to be thought of as a migration to an entirely new analytics platform. This poses an immediate challenge to larger organisations given that, if you started this migration today, you only have 16 months to complete it.

To complete this migration in what is ultimately a short period of time, organisations need to:

- **Manage a new tagging implementation** throughout the website including all the technical constraints to such activity.
- **Review existing digital measurement frameworks** (DMF) to ensure key user behaviours can be reported in GA4 and close any gaps.
- **Manage an entirely new event reporting infrastructure** that does away with the “category”, “action” and “label” values used in Universal Analytics.
- **Manage the implementation across both web and app platforms**, ensuring uniformity of implementation across the two platforms.

Organisational challenges

The technical challenges associated with GA4 are widely known and where many organisations will inevitably focus, unfortunately a focus solely on the technical will not result in a successful migration to GA4. This is because no matter how good your data is, without the right operating model and processes it is not possible to convert data into action.

We have worked with dozens of digital organisations in the past 10 years, many of whom have excellent data, and have encountered consistent organisational challenges:

- **A lack of strategy** – organisations typically focus on short term activities, for example “how can we increase revenue in the next week” or “why has traffic decreased”. Whilst this short term, tactical, activity is necessary it does not provide the foundation for long term growth and organisations who focus solely on the short term fail to grow as they are simply running in place. These organisations with will approach GA4 is simply a short-term challenge to overcome rather than an opportunity to build a better foundation of data to drive growth.
- **A lack of capacity** – all too often, organisations know what they need to do but simply lack the internal capacity to action this. This is exacerbated by a focus on short-term understanding of what is happening rather than a longterm interrogation of why it is happening. This is the major organisation challenge to a successful adoption of GA4; if the team is already struggling with current activities, how will they find time to ensure a successful migration to an entirely new digital analytics platform?
- **A focus on what, not why** – organisations typically focus on understanding what is happening but forget to ask why, GA4 allows for a rich interrogation of what users are doing but will not provide an understanding of why they are doing it. Most importantly, GA4 will not provide insight as to why users fail. This is the key question organisations must answer if they are to be successful.

WHAT DO YOU DO ABOUT IT?

Until now, the approach to GA4 has been to ignore it and hope it goes away. Many organisations we work with have opted for this approach, but this is no longer an option.

The underlying challenge is that your understanding of the digital channel is about to change; some metrics will no longer be available, some metrics will remain but be calculated differently and new metrics will appear. This poses a challenge to digital organisations, many of whom struggle to derive value from their existing analytics and simply migrating to GA4 will not solve this, in fact it will likely make it worse.

To be successful in 16 months up to July 2023 and in the months to follow, organisations need to focus not simply on migrating to GA4 but rather ensuring that the operating model for growth is in place.

Some of the questions you need to answer:

- **What are the trends** in performance over time, what marketing channels drive these trends and where are you failing to grow?

- **What does good look like?** What are the metrics you need to be able to report to determine success and which of these metrics will you lose access to in July 2023?
- **Where in the journey** do users abandon, how effective are your key landing pages and which stages in the conversion funnel display the largest rates of abandonment?
- **How many users** are on the website to buy and why do they fail to do so?
- **How do users describe** their experience, what causes frustration and what are the triggers to purchase?
- **How will you align** historical reporting in Universal Analytics with new reporting in GA4, how will you ensure consistency in reporting of key performance indicators and maintain a single version of the truth?

HOW WE SUPPORT ORGANISATIONS MIGRATE TO GA4

Good Growth has been working with Google Analytics for 10 years across dozens of organisations, we've seen top-tier and bottom-tier implementations and everything in between but have never been unable to add value through our approach and use of data.

Our view of GA4 is that, despite the scale of the challenge, the ability to interrogate user behaviour in the journey combined with better reporting of marketing channel effectiveness across platforms will help organisations make better decisions with better outcomes, faster.

“Their thorough customer-first approach helped us to see things in a new light and to focus on the most important challenges, stimulating different conversations with our team and challenging our business to rethink customer behaviours and our approach to testing and priorities.”

RICK ALMEIDA
VP of Ecommerce, Puma

We help organisations manage the migration to GA4 through a defined process that starts with the customer:

1

Review trends in performance to understand what is happening

2

Build rich customer insights to understand why it is happening

3

Audit the existing analytical infrastructure and digital measurement framework to identify any gaps

4

Prepare a GA4 friendly digital measurement framework and compare to current

5

Prepare a tagging and event tracking specification required to implement the GA4 friendly DMF

6

Working with current data and development teams, dual tag the website with both Universal Analytics and GA4

7

Quantify any difference across platforms and mitigate as necessary

8

Transition reporting from Universal Analytics to GA4

The above process aims to complete in 6-months with the remaining time prior to July 2023 being used for iteration and enhancement e.g. implementation of tracking of secondary user behaviours.



**Get in touch to find out more about how
we can support you to migrate to GA4.**

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