

A photograph of a modern glass-walled building at night, likely a Google office. The building's facade is covered in a grid of glass panels that reflect the surrounding environment. A large, bright lightning bolt strikes the sky above the building, creating a dramatic, high-contrast scene. The word "Google" is superimposed in white, serif font across the upper right portion of the building's facade. In the foreground, there are dark, silhouetted bushes and a small tree on the left side.

# Google

## **GOOGLE ANTICOMPETITIVE PRACTICES IN DIGITAL ANALYTICS**



# 1. GOOGLE ANALYTICS HISTORY

*Extract from Wikipedia: [https://fr.wikipedia.org/wiki/Google\\_Analytics](https://fr.wikipedia.org/wiki/Google_Analytics) & [https://en.wikipedia.org/wiki/Google\\_Analytics](https://en.wikipedia.org/wiki/Google_Analytics)*

Google Analytics is a freemium web analytics service offered by Google that tracks and reports website traffic. Google launched the service in November 2005 after acquiring Urchin. Google Analytics is now the most widely used web analytics service on the Internet.

Google Analytics is offered also in two additional versions: the subscription-based Google Analytics 360, previously Google Analytics Premium, targeted at enterprise users, and Google Analytics for Mobile Apps, an SDK that allows gathering usage data from iOS and Android Apps.

Google acquired Urchin Software Corp. in April 2005. Urchin on Demand traffic analysis system, which was offered to the public at US \$ 495 per annum (\$ 199 just after Google's buyout), is available for free for sites with less traffic than ten million-page views per month and per account. The newer version of Google Analytics tracking code is known as the asynchronous tracking code, which Google claims is significantly more sensitive and accurate, and can track even very short activities on the website.

In April 2011 Google announced the availability of a new version of Google Analytics featuring multiple dashboards, more custom report options, and a new interface design. This version was later updated with some other features such as real-time analytics and goal flow charts.

In October 2012 another new version of Google Analytics was announced, called 'Universal Analytics'. The key differences from the previous versions were: cross-platform tracking, flexible tracking code to collect data from any device, and the introduction of custom dimensions and custom metrics.

In October 2017 the newest version of Google Analytics was announced, called 'Global Site Tag'. Its purpose was to unify the tagging system to simplify implementation.

Google's business strategy for leveraging the Analytics product is essentially the parallel consumption of another service, AdWords, a paid advertising channel. As an indication, you can read on the Analytics admin board: «Increase targeted traffic on your site, use AdWords with your Google Analytics account. »

A paid version, previously called Google Analytics Premium and renamed Google Analytics 360 Suite in 2016, is available for large companies and web agencies.

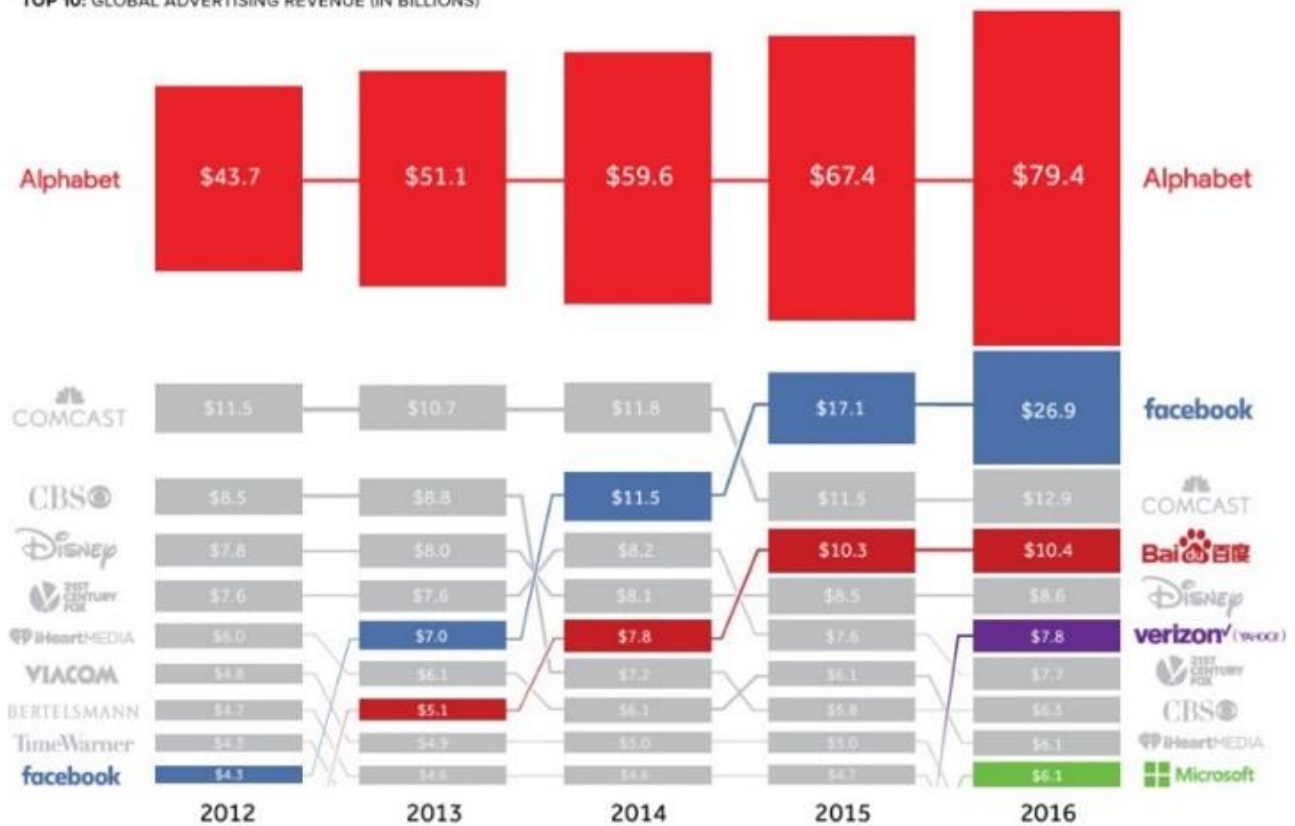
- unsampled reports
- sampling done at the site level and not the property
- integration with Google BigQuery
- access to all suite software: Google Tag Manager, Google Optimize, Google Data Studio, Google Surveys, Google Attribution, Google Audience Center
- professional support

You can link a Google Analytics property to one or more Google AdWords, Google AdSense, or Google Ad Exchange accounts. A link to the Google Search Console is also available, although this data cannot really be interconnected with the other statistics collected. It also connects to other products published by others than Google.

## THE TECH TAKEOVER OF ADVERTISING

Legacy media brands are falling hard and fast

TOP 10: GLOBAL ADVERTISING REVENUE (IN BILLIONS)



SOURCE: Bloomberg, Zenith Media

visualcapitalist.com



a) Google dominant position in the digital analytics for websites is easy to certify because the presence of tracking pixels is readable in the source code. It is more complicated to record for applications, but it is common to use the same tool for measuring different digital properties so Google dominant position for measuring applications is more than likely.

[https://w3techs.com/technologies/overview/traffic\\_analysis/all](https://w3techs.com/technologies/overview/traffic_analysis/all)

## Usage of traffic analysis tools for websites

This diagram shows the percentages of websites using various traffic analysis tools. See [technologies overview](#) for explanations on the methodologies used in the surveys. Our reports are updated daily.

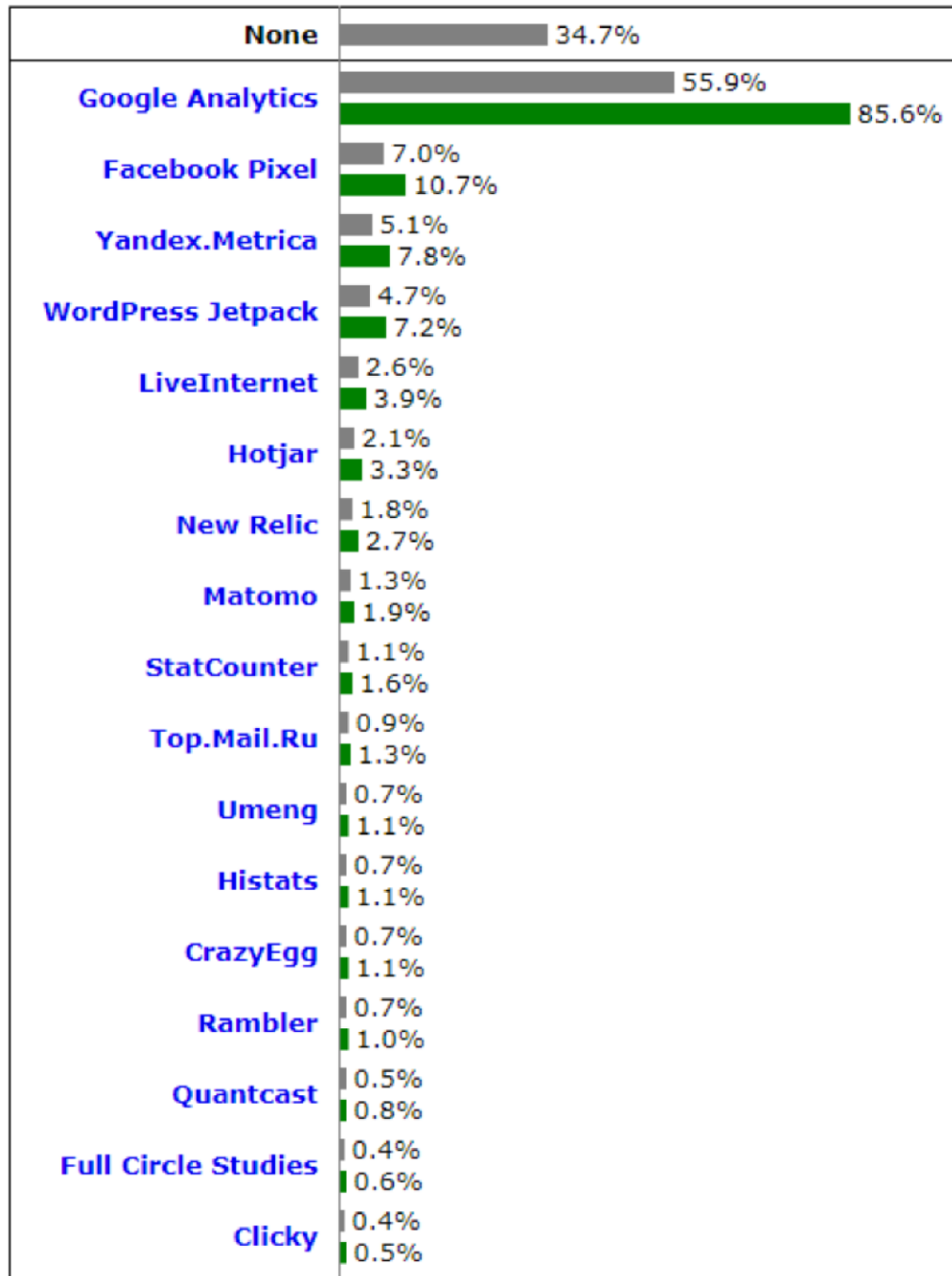
How to read the diagram:

34.7% of the websites use none of the traffic analysis tools that we monitor.

Google Analytics is used by 55.9% of all the websites, that is a traffic analysis tool market share of 85.6%.

Request an extensive market report of specific traffic analysis tools.

[Learn more](#)

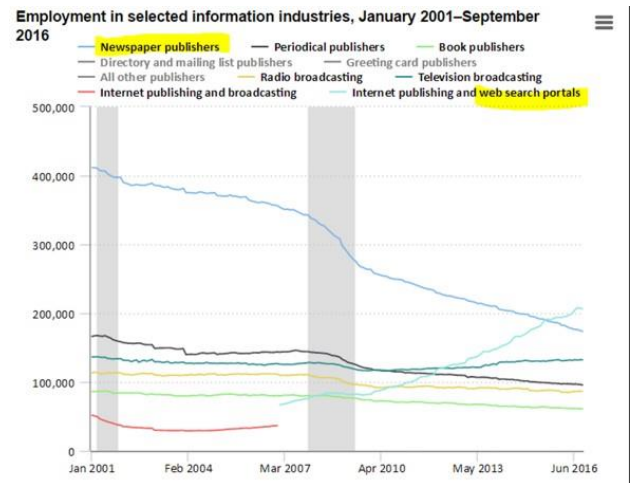
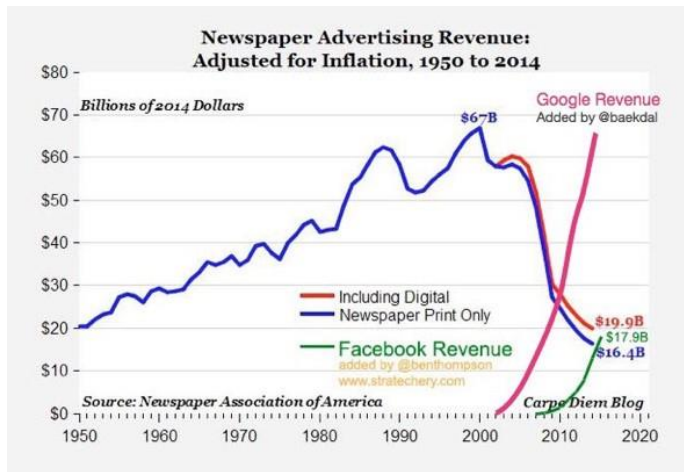


Figures updated on the 1st of August 2018.

## 2. ISSUES RELATED TO THAT DOMINANT POSITION

### a. Dominant Position Abuse

- By offering a free version of a previously paid service, Google, thanks to its brand and dominant position in the advertising and search engine markets, has monopolized the free and entry-level Analytics market since its free launch in 2005, formerly shared between about twenty actors (all of whom have almost disappeared within 3 years of the start-up of Google Analytics). Once Google Analytics has been present on more than 50% of websites, Google has launched a paid version on this captive perimeter, already installed and trained to its solution; positive commercial actions have naturally and easily followed to take over the remaining high end of the market.
- Google lets the word spread that you must use its Analytics tool to be correctly referenced in its search engine (not demonstrable, except by user or expert testimonials) and it plays the complementarity between its different tools (Ad server / ad broadcaster, keyword bid, tag manager) and its analytics tool. Google explains bluntly that to better buy its advertising and better manage its tags (which are used for measurement analytics), it is essential to use the entire suite of interconnected tools.
- Where other web analytics vendors have interconnections with other market tools (emailers, ad servers, ...), Google blocks connection (or make them laborious) between its suite of tools and theirs (including Google Tag Manager and DoubleClick - world leader in ad serving), to make less relevant the competitors analytics tools.
- A few years ago, Google has also cut the access for digital analytics tools to the keyword typed in its search engine before a visit to a site for all third parties (typical behaviour of the essential facilities theory). The only remaining way to understand which keywords are typed in Google is now to get data from AdWords – the paying solution from Google.
- Overall, this situation poses a massive problem of impartiality, since Google is the only judge of the relevance of its own performance. He is clearly judge and party, being both the leading provider of advertising and the analytics tool that assesses the relative effectiveness of different forms of advertising. By imposing its own tool to evaluate to evaluate its own performance, Google only reinforces its dominant position in a virtuous cycle for itself, but not for the other companies.
- There is a well-researched bias in the Google Analytics tool, which overestimates the weight of search engines in the marketing mix, to encourage the purchase of AdWords advertising<sup>3</sup>.
- Google does not hesitate to offer its analytics solution free of charge or at a lower cost as part of its marketing suite's tied-up business to ensure an anchor in the digital ecosystem of its major advertising customers.
- Google is also securing a captive market by freely training students, through universities and digital schools, free of charge in these analytical solutions. It ensures an unlimited number of users naturally inclined to promote and use the solutions they know. In a market where skills shortage is one of the major problems, they still distort competition<sup>5</sup>.
- Google pushes its own advertising blocker with a dual purpose: to considerably weaken its competitors and promote its own integrated tracking system. For the other ad blockers, Google is easily whitelisted by paying them<sup>6</sup>.
- Google and the media:  
The number of journalists is rapidly decreasing, especially in the press, because their business model has been brutally phagocytised by the platforms. Some of them only survive thanks to subsidies from Google (<http://www.finp.fr/>), who is obviously in a very strong sales position to make them understand that the money they give them must be reinvested primarily in Google tools.



## b. State Aids

- Google's 0.005% tax rate in Ireland can be qualified as a state aid favouring an actor to the detriment of other European players. This preferential rate makes it possible for Google to invest heavily in R & D, marketing and sales for their non-profitable solutions such as Google Analytics, but also in other markets (Tag Management, AB Testing, DMP, Ad Serving, ...).

## c. Privacy

- Monopolistic ownership of personal data accessible by a private company and US authorities, without judicial control. Google Analytics makes it possible to collect the IP and any other form field filled by the user; if the user is logged on a Google service (such as Android, Gmail or Google Chrome), Google Analytics allows to know individually all its actions on the 86% of the Internet tracked by Google Analytics. What would happen if this information would fall in undemocratic or controversial political hands?
- Google has a wealth of information on almost all Internet users (excluding China and Russia) through its search engine, Android, Google Maps, YouTube or the Chrome browser<sup>1</sup>. Today there are countless studies showing that Google knows intimately all its users, better than they know themselves. However, Google Analytics further increases this danger by allowing Google to retrieve information beyond its own site, on 86% of [sites using digital analytics](#) on the planet. In addition, having a particularly aggressive business strategy for two years, Google seeks to capture the remaining 14% market share with a clear strategy: to have extremely detailed information on all internet traffic.

The marketing power of Google and its ability to put forward its solution on its own search engine naturally gives him the opportunity to make it happen. Which means that institutions, public sites, media, sensitive industries could soon have no choice but to go through Google ...

- Illegality of Google Analytics with respect to the GDPR. Despite a recent update of its privacy Policy, Google remains non-compliant to the GDPR on many aspects (Data location, length of conservation, consent for analytics data, sharing analytics data with third parties, ...).

## d. Economic Intelligence

- Monopolistic possession of knowledge of Internet, private, public, institutional, economic, academic, etc. behaviours.
- Data accessible by US authorities without judicial review thanks to the Patriot Act.

<sup>1</sup> See the extensive research Google Data Collection by Professor Douglas C. Schmidt, Professor of Computer Science at Vanderbilt University: <https://digitalcontentnext.org/wp-content/uploads/2018/08/DCN-Google-Data-Collection-Paper.pdf>

- The future of the sector, artificial intelligence: all the experts agree that the next big technological breakthrough will be related to the development of Artificial Intelligence. Beyond the quality of algorithms, the battle of AI is about the amount of data that will feed learning; it is obvious that Google's strategy of dumping and foreclosing Google Analytics market allows it to secure one of the most powerful sources of data in the digital market that can be imagined and therefore make it competitive impossible in the medium term.

Most of the points noted above could be applied to a very large number of other digital marketing players (but not only), such as AB Testing, Ad serving, Data Management Platforms (DMPs) and so on.

Google has a clear strategy to conquest all the chain of value of the Ad Tech thanks to its various dominant positions.

"The internet's infrastructural diversity is directly tied to the success of diverse Web businesses and communities. The Web's openness is vital for its security, accessibility, innovation and competitiveness." <https://staltz.com/the-web-began-dying-in-2014-heres-how.html>.

What could be done to solve that competitive issue:

1. Break Google Analytics, Google marketing stack and all Advertising offers (AdWords, AdSense and YouTube especially) in different and independent company.
  - The same company cannot be at the same time the only judge and the main party when it comes to measuring online advertising. Those company cannot have common interests.
  - All analytics tools must have the same kind of access to Google marketing tools and advertising data to insure a fluid flow of data and a fair competition.
  - A same company cannot collect data from so many touchpoints (of its own properties and on most of the website of the planets) without any clear control and with a direct access for the US administration. Silos and firewall must be clearly set.
2. Insure a consistent and fair tax collection.
3. Enforce the GDPR: legitimate interest for digital analytics data collection, clear data geolocation, clear language and fair processing.

## Sources :

<sup>2</sup> As example, some reasons to connect AdWords and Google Analytics <https://www.optimizesmart.com/why-adwords-and-google-analytics-data-dontmatch-how-to-fix-it/>

<sup>3</sup> <https://techcrunch.com/2016/08/07/how-google-analytics-ruined-marketing/> or <https://blog.kissmetrics.com/google-analytics-gaps/> <http://www.adloop.co/comment-google-analytics-divise-par-3-votre-traffic-direct-au-profit-de-vos-canaux-payants/>

<sup>4</sup> Name of the companies could be disclosed if needed

<sup>5</sup> <https://start.lesechos.fr/actu-entreprises/technologie-digital/google-va-augmenter-de-50-ses-effectifs-en-france-9823.php>

<sup>6</sup> <http://www.businessinsider.fr/us/how-google-is-responding-to-ad-blocking-2016-5/>