First-party behavioral data is a priority at all stages of the customer journey, not just discovery

Article

"Digital advertising was founded upon third-party cookies, which are going away next year if Google sticks to its current timeline," said our analyst Evelyn Mitchell-Wolf. "That makes first-

party data more valuable because there is a direct relationship between the data owner and the person from whom the data originates."

First-party data doesn't just include identifiers and lead generators like name, email, and phone number. Behavior signals like clicks, page views, searches, and churn reasons are first-party data that reveal insights into how engaged a consumer is, what products they're likely to revisit, and at what point they are likely to either convert or abandon cart. All of that information can help marketers not only reach the right audience, but also help them along their shopping journey.

Marketers' actual first-party data collection isn't meeting their goals, according to an April 2024 report from Forrester and Acoustic. Marketers need to improve collection of first-party data, either through their own tracking or through partnerships.

- 84% of marketers consider channel engagement data (via email, mobile, or website) important or critical, while 68% collect that data.
- 81% deem web and mobile data important or critical, while 63% collect that data.
- 75% consider real-time experience data important or critical while 47% collect that data.

"The biggest thing that makes first-party data difficult to collect is that you have to have infrastructure in place," said Mitchell-Wolf. There has to be a way to collect the data, governance on the back end to connect data with marketers, and compliance standards built into the system.

Most (78%) marketers consider behavior intelligence data, which includes all of the above signals, as impactful or extremely impactful to product discovery, per Forrester and Acoustic. Fewer recognize its impact on later stages of the customer journey. But data on everything from how many images a customer clicks to cart abandonment can help marketers understand how consumers interact with their websites and apps and how to retarget those customers who have churned.

"First-party data can be aggregated and analyzed for broad trends, too," said Mitchell-Wolf. Advertisers can use the data to understand where consumers are most receptive in their journey and which ad channels work best. For publishers, this data can also be used to segment audiences, noted Mitchell-Wolf.

Marketers list automation, segmentation, and personalization as the leading challenges to their organizations, according to Forrester and Acoustic.

- Taking a behavioral approach to first-party data collection improved performance marketing among 56% of marketers.
- It improved segmentation among 48% of marketers.
- And it improved customer satisfaction among 63% of businesses incorporating customer behavioral signal data.

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