

4 ways your first-party data strategy can put consumers first

Article



"Data gives marketers the insights to create better experiences that consumers expect," said Carryl Pierre-Drews, executive vice-president and CMO at the Interactive Advertising Bureau during our <u>virtual summit</u>.

Yet, even in a scramble for cookieless <u>identity solutions</u>, collecting consumer data should never feel sneaky. Consumers are aware of the need for their data in providing better, more



tailored experiences. Nearly 3 in 4 consumers understand that sharing their data enables websites and apps to serve personalized ads, according to a January 2024 report by the IAB. The same report found that 70% of consumers are willing to share their personal data to support advertising. To work with them instead of against, here are four right ways to take a consumer-centric approach to data collection.

1. Start small and intentionally

"Everyone has almost too much data, and they don't know what to do with it. And because it can be very overwhelming to try to wrangle all that data at once, start small and build up," Sam Ngo, director of product marketing at Blueconic, said.

When unifying data across systems and sources, then segmenting it, start with one or two channels, she suggests. Begin by connecting just your website and email data, for example, to deliver a unified experience with relevant messaging.

This approach helps ensure that the data that is collected has a dedicated purpose. Collecting only necessary data also helps minimize the risk of organizations scrambling and making impulsive decisions amid third-party cookie deprecation.

2. Create experiences that build trust

Zero-party data, which the consumer explicitly consents and provides to a business, is a huge part of building a trusted relationship, Ngo said. It helps create experiences that consumers find value in.

"[Brands] forget that collecting data is actually part of the customer experience as well," Ngo said. Instead of relying solely on cookie banners, consider that data-ask as an opportunity to connect with your customer through a preference center or a quiz, for example.

Being transparent with customers about how the data will be used and how it will benefit them goes a long way too. "Give consumers tangible benefits in exchange for data," Pierre-Drews said, such as rewards or loyalty perks.

3. Hone in on your use cases

"You don't want to collect data just for the sake of collecting data," Ngo said. Your means of data collection should differ based on your end goal.

For example, if your use case is to drive more engagement from <u>loyalty</u> members, the data you need may be more interest-based or contextual. If your use case is to generate more newsletter subscribers, you will need email data and consent.

4. Measure the value of the data you collect

Test the data's effectiveness against KPIs such as conversion or engagement rates, and don't neglect measuring the operational efficiencies as well. "There are a lot of back-end benefits that can be gained from first-party data," Ngo said.

If brands centralize their data segmentation, for example, they can avoid relying on an analytics team or waiting on an agency. That enables them to go beyond consumer-facing KPIs and track time savings and go-to-market agility.

Watch the full session.

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