

Personalization tools yield valuable zero-party data

Article

The (again delayed) deprecation of third-party cookies and Apple's AppTrackingTransparency initiative have fueled an imperative for brands and retailers to home in on proprietary first-party and zero-party data.

4 Types of Consumer Data

Zero-Party Data

- Data provided voluntarily and directly by consumers
- Examples: customer surveys, polls, quizzes, feedback forms

First-Party Data

- Data collected directly from consumers via retailer's own channels (website, app, etc.)
- Examples: browsing behavior; add-to-cart, conversion, and cart abandonment rates; purchase history; personal and demographic information

Second-Party Data

- Another organization's first-party data, purchased or shared via partnership

Third-Party Data

- Data aggregated from various websites and apps by providers without direct consumer relationships
- Examples: browsing history, interactions with websites, purchases

Source: EMARKETER, May 2024

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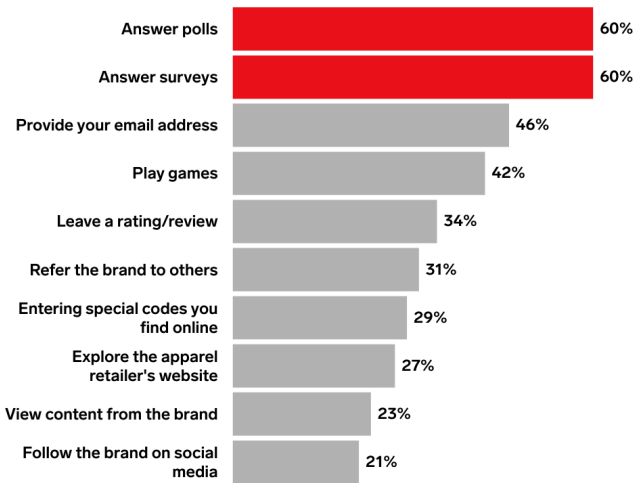


Consumers are willing to share data directly in exchange for benefits

- **Nonpurchase activities can increase loyalty program engagement.** A majority (60%) of US consumers would be willing to answer surveys or take polls to earn rewards from brands, according to an October 2023 Ebbo survey, and more than a third are amenable to playing games or providing ratings or reviews. Information obtained from these interactions can yield valuable insights into consumer trends and interests that retailers can use to fuel personalization initiatives.

Most Consumers Are Willing to Exchange Zero-Party Data for Rewards in a Loyalty Program

% of US adults who would engage with each nonpurchase activity to earn rewards, Oct 2023



Note: ages 18+

Source: Ebbo, "2024 Apparel Loyalty Data Study," Jan 26, 2024

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- **Young consumers are most interested in personalization—and most willing to share information in exchange for perks.** An impressive 89% of respondents ages 18 to 29 said a personalized experience is important when shopping online, compared with 70% overall, according to [Bizrate Insights](#). And 68% of the younger cohort were comfortable sharing personal information, versus 55% of all respondents.
- **Data that provides a full and accurate view of the customer journey is essential for monetization.** For retailers with sufficient scale to support retail media networks, extensive customer data boosts the value of their offerings to advertisers. Nearly two-thirds of retailers share or plan to share loyalty data with their retail media advertisers, per Deloitte.

Report by Sky Canaves May 15, 2024

US Retail Loyalty Programs 2024

