

The key to the battle between privacy and personalization? It's in the hands of the shopper

Article

As the **data privacy landscape** shifts, it's become increasingly difficult for retailers to collect and manage customer data.

- Many state-level **privacy laws** will take effect in 2023, and a federal privacy law may not be far behind.
- In addition, **third-party cookie deprecation** is approaching.
- Customers aren't too eager on data sharing either: Over three-quarters of Gen Z consumers say that having an **ad experience based on their data** is invasive, and only about 40% are willing to **give data to get a more personalized experience**.

Now, more than ever, retailers need to navigate the fine line between privacy and personalization. The solution lies with shoppers themselves. If retailers can convince consumers that sharing their data is worth it, it's a win-win for everyone.

Here are some strategies:

1. Incentivize

One way to persuade customers to share their data is through value exchange, Heidi Bullock, CMO of Tealium, said on our **"Reimagining Retail"** podcast. Retailers can use discounts or free gifts to entice customers to provide their emails or phone numbers.

But timing matters. A new customer may be deterred if they're asked to give up too much information too soon, but, "if you're a loyal customer and you've been shopping with [a retailer] for years? Sure, that's not unreasonable," said Bullock.

2. Personalize

While one-to-one messaging is difficult to achieve at scale, the closer you can get, the more you can create the right moment for when customers are ready to buy, Bullock said.

Who's doing it well? Athletic apparel company New Balance, which uses its customer data to personalize its messaging in a couple of ways:

- Through its app, New Balance gives users the ability to track their runs. But taking it one step further, the app also reminds them when they need new shoes.
- During the New York City Marathon, New Balance created a campaign that focused on the Northeast, featuring product deals targeted to those customers.

3. Optimize

A common consumer gripe is that, after making a purchase, ads for that very same item follow them around the web. A bummer for the customer, and ultimately, bad for the retailer too.

One way to avoid this friction is a connected technology experience that collects data in real time and feeds it into all of your channels. For example, if the point-of-sale data isn't connecting to some of the ad channels, there will be a delay. "And that's a problem. [It's] what we're trying to avoid," said Bullock.

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