



As the cookie crumbles:

The Marketer's Guide to First Party Data Led Advertising



Poor Customer Insights Fuel Costly Advertising Efforts

Customer insights for advertising have traditionally been guided by market research - even though less than 50% of companies know how to measure their impact on business goals.

Yet, \$47 billion dollars is still spent annually to understand consumers and how to divide them into personas with key purchase indicators to use in advertising.

The challenge with this approach is that it cannot factor in or measure dynamic changes in customer behavior, skewing insights towards generalization, in a time when customers are increasingly demanding 1:1 personalization.

\$47Bn

Investment in customer Insights

<50%

Companies can measure impact of customer insights on business goals

3.1Tn

The cost of poor data quality

Changes in the Data Landscape

Old World	
One-way Marketing	3rd, 2nd-, and 1st-party data used to target segments based on inferred buyer traits
Cookie-based Tracking	Customers (data owners) rarely influenced how data is collected and used

The data landscape is changing, drying up the availability of most 3rd party data and forcing marketers to capture and retain the consent of their customers, to use data for marketing.

1st and 2nd party data is the easiest way to maintain the permission and is also more valuable as it yields higher quality customer

New World	
First-Party Relationship Marketing	Brands need to switch to 1st party data and be accountable for usage and value-exchange with customers
Privacy-first	3rd -party cookie support is withdrawn (technical barriers) and customer opt-in is required by law (legal barriers).

insights and increases the accuracy of customer traits, which allows marketers to create much more valuable audiences for advertising.

The switch to permissioned data is not optional.

This playbook breaks down how to use it to your advantage.

The Transition To The Cookie-Less World

The cookie-less world is about getting permission to use customer data to create more value for customers, through personalized and relevant shopping experiences.

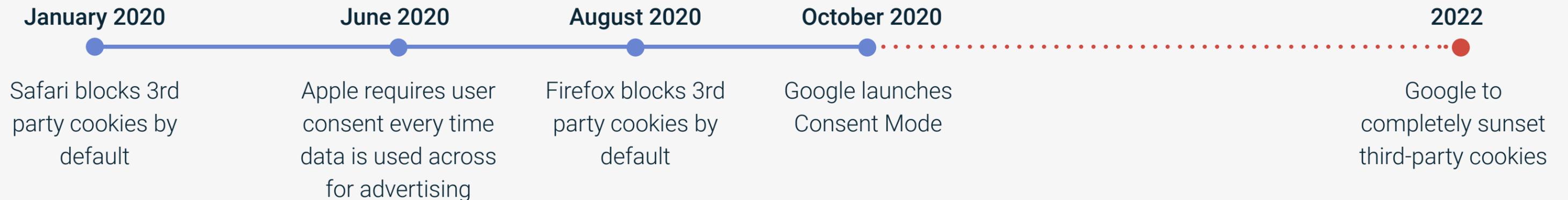
To use this 1st party data, you need a solution that natively integrates with online and offline channels, and that has built-in permission management flows for each channel in order to honor permission commitments to make your transition to 1st –party data risk-free.

Since Jan 2020 changes in the data landscape have been accelerating, and with more and more vendors locking down data, which means brands must adapt to a new permissioned way of working before the end of 2021 to stay competitive.

The Data Value Exchange

Make customers happy to give permission by being clear about what they get from the deal, and since they can revoke permission at any time – honor the agreement.

Keeping the permission is as important, if not more, than getting it!



Find and Use Your Best Customer Traits

Customer traits are the data-backed insights derived from purchase or engagement patterns in Emarsys, which can be used to achieve your desired outcomes in customer engagement campaigns.

Customer traits allow you to:

Increase Engagement Relevancy

Advertising the right products based off known product affinity data.

Improve Average Order Value (AOV)

Targeting audiences most like your active, loyal, or high-spending customers.

Develop Long-Term Loyalty

Combine Recency Frequency Monetary (RFM) and Loyalty insights to move customers along the path to loyalty

With permission to work off customer data, you are in a position to build more precise audiences by deriving these valuable customer traits which lets you improve ad relevance and engagement.

Switching to permissioned data is actually an opportunity that allows you to evolve your advertising strategy that puts you in a much better position to retain and maximize CLTV.



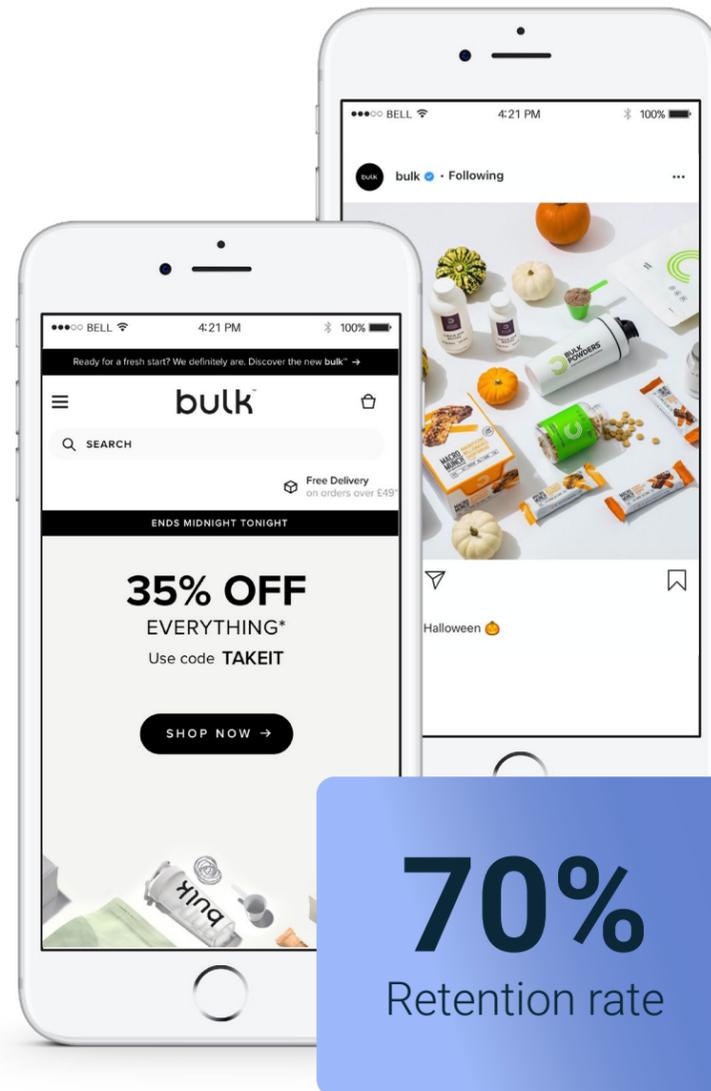
A Practical Solution to Over-Discounting that Boosted Retention

Competing in a heavily discounted market, Bulk Powders looked at how to make smarter use of their budget in order to not get sucked into a discount race against the competition.

Their approach was to **knowing their customer segments** and use them to target the right customers, with the right discount or product, on all key channels.

Instead of promoting blanket discounts, they targeted engaged customers with lower discounts, saving the larger discount incentives for new churn prevention or new business acquisition.

The result: Bulk Powders protected their margins and ensured consistency in message, price, and offers in their customer-centric programs across web, SMS, and email.



"We use CRM ads through Emarsys as well, and that allows us - across our channels - to say, okay, our high value customers who we know buy every three months will see our lowest discount vs. customers who perhaps haven't bought in six to nine months."

Amy Smith, Head of Customer Marketing, Bulk Powder

Align ROAS with Business Outcomes

ROAS is the metric when it comes to advertising performance, but it needs to be aligned with long-term business goals.

Use CLTV to bridge the gap.

When your ad teams have access to purchase and engagement scores that describe your best customers, via Emarsys audiences and segments, their pool of options expands.

They will consistently target high-performing customer segments - like customers who convert faster, spend more, stay active for longer, and develop loyal relationships that benefits the business.

The outcome is higher ROAS, greater audience segmentation options, and higher CLTV.

Tupperware[®]

30x ROAS

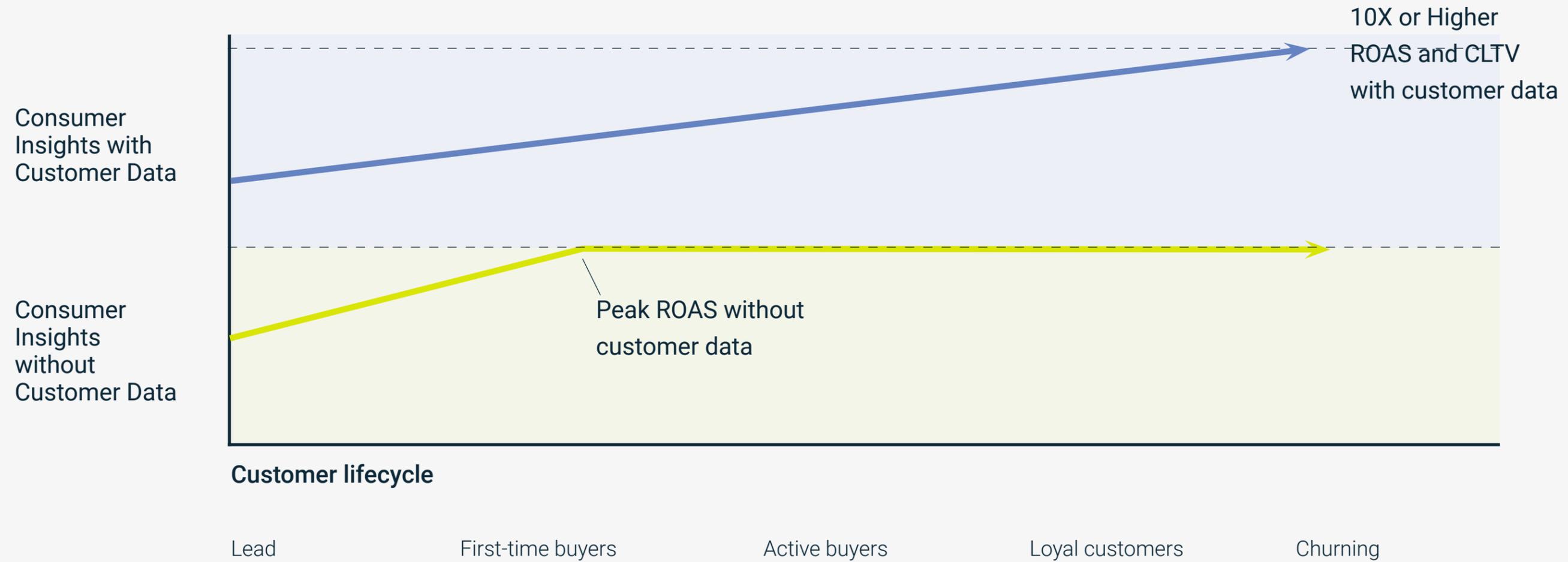


14x Facebook ROAS
+38% Active customers

**Love,
Bonito**

+60% ROAS
+32% Average order value

How Customer Data Drives Higher ROAS and CLTV





Identify Your Customers To Capture The Right Data

CUE Clothing understood that to know a customer, you need to identify them, so they removed the guest-checkout feature from their website, which turned every sale into a 1st-party data capture, allowing them to attribute 80% of offline revenue and 100% of online revenue to known customers.

By using inventory and product affinity, CUE were able to deliver campaigns that resonated with their customers, helping the migration from offline to online during the COVID-19 pandemic. The result of this approach put them in the best possible position by capitalizing on a robust first-party data strategy that helped the business stay profitable during a time when lockdowns put almost 80% of their revenue at risk.



“Having a compelling rewards or loyalty program is a priority for the customer shopping both online and in-store... to achieve that we turned off ‘guest checkout’ on our website. This really simplified that process online - we’re seeing 100% of those checkouts attributed to a [known] customer – at store level, we’re seeing upwards of 80-90% of transactions attributed to these customers.”

Shane Lenton, CIO Cue Clothing

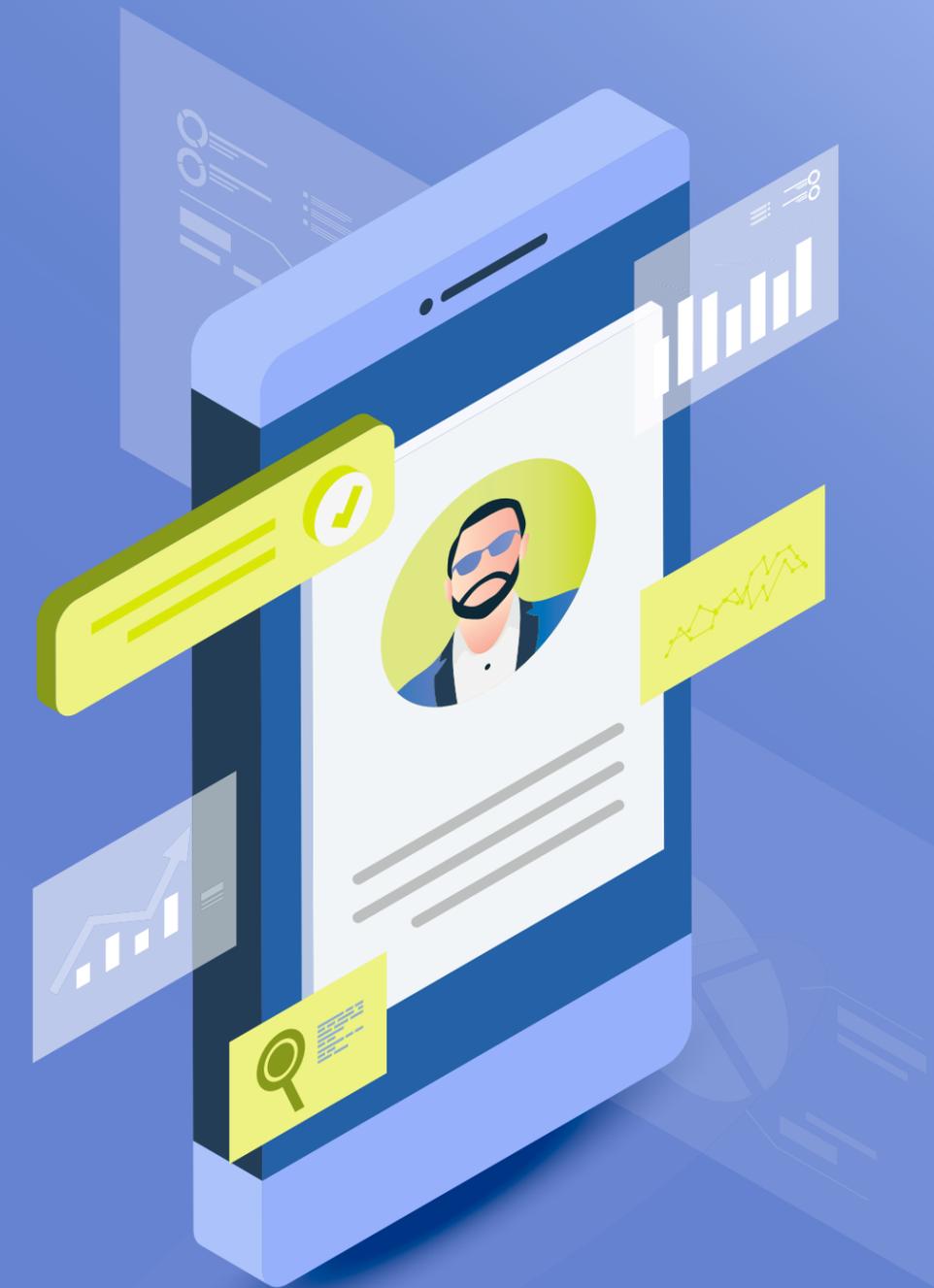
The New Face of the Ad Landscape

With un-permissioned 3rd Party Cookies rapidly approaching end of life, the implications on traditional ways of advertising are huge, with several outlets estimating a near [40% loss](#) in addressable audiences.

The signals and events used to attribute ad performance to sales and conversions will become much less reliable – leaving brands at risk of incomplete ROAS reporting.

Critical to success in a transition like this is not just down to successfully switching to new technology, it's also about how quickly brands are then able to identify the value in their customer data and use it.

Customer data can ensure the highest alignment between desired business outcomes, allowing brands to become customer-centric, as long as they are able to respect customers' expectations by trading consent for world-class experiences.



Work Smarter In a Privacy-Centric World

We've seen that the value of customer data has always been available to companies but has traditionally been under-utilized, primarily because of a fragmented approach caused by different teams working in different tools resulting in incomplete insights.

With Emarsys, we turn permissioned customer data into valuable traits and predictive segments, and then securely synchronize it via our Conversions API to plug in customer traits modelled in real-time into advertising campaigns.

The shift to first-party that is an opportunity to evolve advertising, increase ROAS, and improve CLV, and Emarsys has enabled hundreds of brands like CUE Clothing and Bulk Powders to achieve predictable, profitable outcomes by using their data to become customer-centric and really accelerate business outcomes.

Find out how we can help you, book a session with one of our experts now.

[Book a session ▶](#)

Hanna Andersson

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