



The Identity Driven Marketing Value Chain

Contents:

- Situation Analysis: Going Beyond Cookie Replacement
- The Identity-Driven Marketing Value Chain: How identity impacts every stage of the marketing journey
- Five Common Gaps in the Value Chain: Where things break down
- Closing the Gaps: Taking a more comprehensive approach to enterprise identity
- Conclusion

Situation Analysis:

GOING BEYOND COOKIE REPLACEMENT

The end of the 3rd Party cookie has certainly generated interest and concerns around identity, especially with the failures of the biggest tech players who now control the 3P cookies in offering replacement solutions. The challenge, however, is bigger than the pending loss of a 3rd Party cookie. It includes not having a complete and persistent view of your customer, an inability to manage personalized customer conversations across media channels, having to overpay for customer data you already have, and the intrusion of low value middleware tech providers that add cost and complexity in your customer activation. In addition, media fragmentation has made it nearly impossible for marketers to identify, reach and follow their target audience through paid media effectively and efficiently.

The Identity-Driven Marketing Value Chain:

HOW IDENTITY IMPACTS EVERY STAGE OF THE MARKETING JOURNEY

The Marketing Value Chain



The answer to these challenges is to use people-based data and identity as the foundation for every step in the Driven Marketing Value Chain. A solution that improves how a brand engages with its customers, how they create value for both the customer and themselves, and how having a clear and persistent understanding of its customer's identity unlocks tremendous enterprise value.

While AdTech and MarTech have brought innovation to much of the value chain especially in the areas of audience targeting, media buying and activation by leveraging people-based identity and data, there are still parts of the value chain such as planning, creative development and measurement that have been slower to evolve and fully utilize people-based data.

Marketers set campaign objectives, identify who they're targeting, and develop creative and media plans based on 'measured media' and panel-based data. The dominant providers don't deal with individual level data, they deal with broad segment level data, and they estimate what people are doing. For example, Nielsen TV ratings has been the measurement standard for TV and the dominant way you could buy media. Yet, those ratings that supposed to represented the entire 300M US consumers and each of their individual characteristics and viewing behaviors are based on a survey of less than 20,000 households. Using samples of consumers and projecting the results to the entire population can lead to misleading information, decisions, and results. And as new technology and addressable channels evolve (such as Advanced TV), it becomes even more critical to use a people-based approach.

Five Common Identity Gaps in the Marketing Value Chain

WHERE THINGS BREAK DOWN

There are numerous places in the marketing value chain where brands have seen the issue of customer identity driving meaningful impact. But the bigger challenges actually arise from where brands miss the existence of an identity gap in their marketing value chain, leading to perpetual inefficiency and customer dissatisfaction.

Gap 1: Target audiences rarely developed or sized from people data

Impact – Marketing dollars misspent on individuals who are unlikely to buy, incorrect messaging made to those who might buy, and digital bots who could never buy

Gap 2: Upstream research data is usually disconnected from operational people data

Impact – Creative design and messaging based on a sample misses the mark, reducing the likelihood of success in roll out

Gap 3: Real customer and 3P Data cannot be matched to media research tools

Impact – Inability to adjust and optimize marketing spend execution while campaigns are in flight. Leads to wasted dollars and missed opportunities with customers, and potential long term unintended brand perceptions

Gap 4: Omnichannel activation of panel data yields poor results when measured

Impact – Inconsistent audience recognition across media channels leads to inconsistent and inaccurate messaging at the point of activation, reducing the likelihood of success

Gap 5: Limited exposure data and ability to conduct match-backs for measurement and limits marketers view on ROI

Impact – Incomplete and inaccurate data leads to gaps in matching back results, increasing the long term waste of marketing spend and missed opportunities to meet customer needs and wants

As we look at each of these gaps, we see a common theme. In a world where data should be effectively driving both decisions and activation, today's panel-based approach does neither as it does not leverage people-based data and identity that is accurately integrated into the marketing process.

Closing the Gaps

TAKING A MORE COMPREHENSIVE APPROACH TO ENTERPRISE IDENTITY

Against each of the defined Gaps, here are specific solutions on how the gaps can be addressed through the use of people-based identity and data

Gap 1: Target audiences rarely developed or sized from people data

Solution – Use people-based data (brand's 1st party plus 3rd party data) for ranking and scoring the entire US marketable universe, enabling more accurate segmentation and market sizing, more effective audience insights, and improved test plans and campaigns.

Gap 2: Upstream research data is usually disconnected from operational people data

Solution – Creative can be tested and refined based on feedback from a verified sample that is an actual representation of the target audience. Creative elements can be isolated and optimized using designed experiments at the individual consumer level.

Gap 3: Real customer and 3rd Party Data cannot be matched to media research tools

Solution – Use people-based data matched and calibrated against programmatic, addressable and platform ecosystems. More granular segments mean less wasteful media plans

Gap 4: Omnichannel activation of panel data yields poor results when measured

Solution –

1. Media planning panels matched to people-based data for improved media planning and not disconnected media planning based on proxy data
2. Use people-based IDs loaded into walled gardens, publishers, and platforms directly. Provides the ability to orchestrate and optimize CRM and paid media campaigns against verifiable audiences across all touchpoints including walled gardens. Same exact audience can be reached in any addressable medium

Gap 5: Limited exposure data and ability to conduct match-backs for measurement and limits marketers view on ROI

Solution –

1. Using privacy compliant people-based data and identity for match back of addressable ad exposure with marketers first party data.
 2. Improved MTA and MMM. More comprehensive match-back analytics between all partners in the ecosystem
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Conclusion

Using people-based data and identity as the foundation all the way through Marketing Value Chain from insights, targeting and measurement, fills many of the gaps and disconnects that exist today. People-based data and identity as the foundation can then be aggregated as needed, becoming the connective tissue for layering in other types of data sets such as panels or market research data needed to refine and give depth and insights on target segments. And it eliminates the need for so many middlemen that add complexity and cost in the process. In the end, a People-based Identity Driven Marketing Value Chain is the best way to maximize success and future proof marketing to all the changes that will continue to confront brands.

If we look at the forces of change that exist today, it is easy to see that a people-based identity and data solution is one that offers the best outcome. The shift to a more DTC oriented marketing process; the fragmentation of media consumption channels; and the ineffectiveness of panel-based media measurement – These are all priorities driving change at successful marketing companies today that a people-based identity driven marketing value chain address.
