

Navigating the Future of Data Driven Marketing

Optimizing first-party data
in a cookieless landscape



As marketers confront a new regulatory landscape and make the transition away from third-party cookies, the future may look uncertain. It will be challenging to retain a broader view of prospects and customers beyond what can be observed through direct interaction with owned digital properties.

In order to continue delivering targeted, personalized user experiences, marketers should consider developing robust core marketing data management strategies.

71%

of consumers say they expect companies to deliver personalized marketing experiences.¹

Preparing for the data evolution



Facing the challenges of a world without third-party cookies

Marketers have long relied on third-party cookies to understand their target audiences and measure campaign effectiveness — which is why the recent announcement of their phaseout by the largest global browsers will require an industry-wide reevaluation of consumer data strategies.



How can organizations **gain meaningful insights** to inform their targeting and segmenting strategies?



What sources can they use to **obtain actionable information**?

Removing cookies will require a major shift

75% of advertisers rely heavily on third-party cookies²

45% are spending at least half of their marketing budgets on cookie-based activations¹

39% reported a lack of preparedness for a cookieless future³

This shift will reinforce the need for core marketing data management strategies, which bring tried-and-true audience segmentation strategies back to the forefront as marketers traverse the future of consumer data analysis.

Maintaining a high level of data quality will only become more important.

The challenges of gaining meaningful insights from constantly evolving datasets

In a worldwide survey of marketers from April 2023, respondents named the decline in the ability to measure campaign effectiveness on tech platforms and open web as the leading concern in media and marketing initiatives.³

Data quality and accuracy are the foundation of effective marketing strategies. However, one of the greatest challenges marketers must overcome is the speed at which contact data decays. On average, contact data decays at a rate of 2.1% per month. While that may not sound like much, this translates to 22% of customer data becoming outdated every year.⁴

Crafting robust consumer profiles from **more accurate and more up-to-date first-party data will be the key** to building and maintaining customer relationships, mitigating potential revenue losses and increasing advertising performance amid the shift away from cookies.



Poor data quality costs organizations an average of

\$12.9M annually⁵



A recent study found that brands using first-party data for key marketing functions are seeing up to a **2.9x increase in revenue** and a **1.5x increase in cost savings**.⁶



Crafting core marketing data management strategies

How can marketers make the most of first-party data?

In a global 2023 survey, first-party data was reported as the solution with the greatest promise in replacing cookie-dependent strategies.⁷ In fact, 76% of marketing respondents said they are collecting more first-party data in response to data deprecation.⁸



Uncover new insights that help **fill in gaps** in consumer data to **improve segmentation** and engagement across channels.

However, in order to get a more complete view of customers and prospects, it's important for marketers to integrate terrestrial third-party data while also implementing strategies to address:

- 1 High decay rates
- 2 Poor segmentation
- 3 Lack of personalization

Marketers can leverage third-party data to help enhance their overall marketing data strategies



Cleansing the core

Incomplete or duplicate data can hinder the quality and accuracy of consumer insights, and negatively impact the customer experience — making it difficult to build strong connections with individual prospects or customers.

Refining engagement strategies requires precise data and identity validation, powerful data linking capabilities and the ability to deduplicate large volumes of data in order to outpace the rate of data decay.

Expanding the view

Incorporating new attributes can help marketers learn more about their contacts and improve segmentation strategies. Pairing these attributes with advanced analytics and modeling can help marketers discover insights that empower them to further refine segment strategies.

For example, by expanding the attributes analyzed by a lookalike model, marketers can identify new prospects that share similarities to their target audience, beyond the traditional factors such as age, gender and income.

Uncovering links for growth

Attribute enrichment and data modeling can also enable marketers to evaluate existing consumer portfolios for links to relatives, associates and even small businesses (via business authorized representatives).

Finding these connections can help marketers discover new growth opportunities and maximize the value of their existing data sets and customer relationships.

Maintaining a clear view of data amidst the decline of third-party cookies



Getting a fresh perspective on your best prospects

As digital behavior-based insights diminish with the removal of third-party cookies, marketers can improve campaign performance with the right attribute enrichment and advanced modeling capabilities.

LexisNexis® Profile Booster delivers model-ready predictive attributes that empower marketers to pinpoint promising prospects and improve marketing outcomes. By enabling you to augment your existing first-party data to enhance targeting and segmentation, Profile Booster helps you develop a deeper understanding of prospective customers, reduce marketing costs and improve data management.

There may also be growth opportunities hidden within your existing customer portfolio. To help maximize the long-term value of your accounts, **LexisNexis® Business People Link** helps you uncover potential small business clients who are connected to your consumer portfolio.

Discovering links can help you leverage positive relationships with clients to establish trust with new individuals and organizations, while differentiating between viable and risky opportunities.



By pairing LexisNexis Business People Link with powerful modeling solutions such as LexisNexis Profile Booster, you can **expand your prospect universe and unlock new growth.**



Interested in learning more about keeping your customer data updated across your enterprise?

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7. Statista, 2023. "Solutions that held the greatest promise in replacing cookie-dependent solutions according to advertisers and publishers worldwide as of February 2023". <https://www.statista.com/statistics/1184683/solutions-replace-cookies/>
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