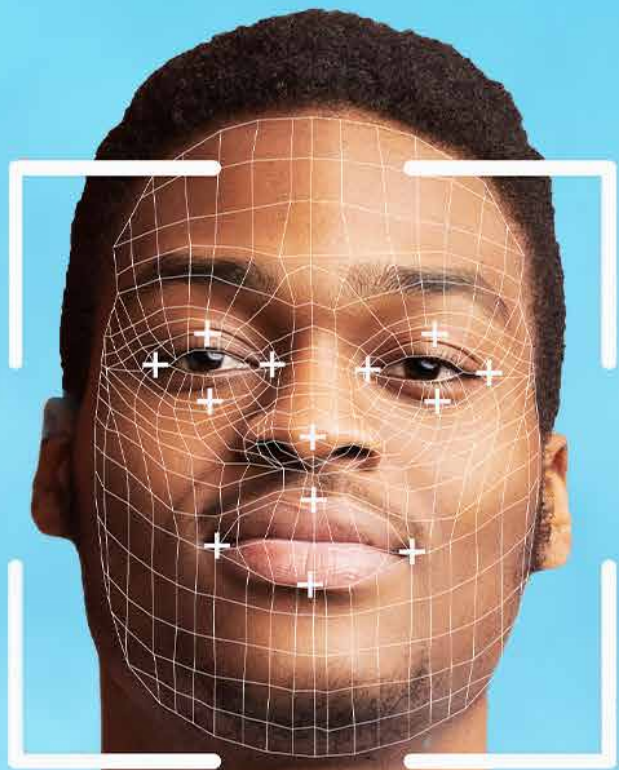


Future-proof identity:

Private ID graphs to get ahead of third-party cookie deprecation

GUIDE



Say goodbye to disconnected customer profiles with private ID graphs that leave third-party cookies in the dust.

Key takeaways

- Why a first-party ID graph out-delivers against third-party solutions
- How first-party ID graphs eliminate silos, persist and connect identity faster, and deliver real-time insights
- Why first-party ID graphs can deliver a detailed picture of customer journeys across domains, sessions, brands, and channels
- How to leverage first-party ID graphs to enable real-time hyper-personalization

Third-party cookie deprecation is inevitable

As a successful marketer, your goal is to deliver relevant communication in real-time and build engagement across all channels. You can't do that without a robust customer identity profile, which requires connecting customer data across every possible touchpoint. This is why third-party cookies were born, storing and thereby matching data about consumers and their web experiences over time and across domains, sessions, and devices.

For most customer data and identity resolution solutions, third-party cookies are the only way to persist identity and create a customer profile. Enter the changing landscape. Apple ITP, browser changes, IDFA, third-party cookie deprecation, CNAME restrictions – it's all designed to stop third-party data collection.

After years of relying on this approach, it's not surprising that marketers are worried about the impending loss of third-party cookie data and its impact on personalization. Without third-party cookies, marketers are facing challenges such as drops in attribution for ad spend relating to programmatic advertising, return on ad spend (RoAS), and loss of top line revenue as organizations struggle to understand provable ROI and marketing attribution. Another concern is that most customer data capture solutions are third-party themselves, meaning they're owned by the vendor and not the brand, allowing the possibility of data integrity and privacy compliance issues.

So, now what? The answer may be simpler than you think – private, first-party ID graphs.

What exactly is a first-party identity (ID) graph?

Every individual has several identifiers across channels and devices. For multi-brand properties there are also different identifiers across domains. A first-party ID graph captures and connects these identifiers to build and persist identity across all owned properties (i.e., brand websites, apps, loyalty portals, etc.) This data is captured for all interactions, building a complete view of every individual across domains, channels, devices, and over time, for both known and unknown visitors. Capturing and persisting profiles over time builds deeper context and continually layers data, progressively building a profile while enabling instant

merging of profiles from anonymous to authenticated as soon as the ID graph matches identifiers. The more layers, the better the profile.

The ability to identify or recall context over multiple user interactions across channels, domains, sessions, and platforms is critical to understanding identity and using data to make crucial business decisions. Despite concerns over third-party cookie deprecation, there are other (arguably better) options already available. A first-party ID graph provides insight around individual users as they engage with your brand, progressively building detailed and comprehensive customer profile of journeys, preferences, and behaviors by capturing data across channels and over time. By its nature, a first-party ID graph is private because it's assembled from owned datasets, using first-party data, which means it's also unimpacted by industry challenges and privacy regulations.

A first-party ID Graph unlocks much deeper data and insight than a standard customer profile and allows you to cast a wider net to identify someone in a compliant manner.



Third-party vs first-party identity

There are many reasons first-party data outperforms third-party data. In addition to getting ahead of third-party cookie deprecation, there are two major benefits to consider.

Real-time insights

Traditional solutions that use batch data or third-party data can only see what happened in a single

moment – and by the time they're able to act on it it's too late. First-party identity solutions capture the data in real-time and connect it to decisioning systems within milliseconds, enabling in-the-moment personalization. By managing and persisting identity in real-time, while remaining compliant, brands can deliver relevant, individual-level experiences while the consumer is still in the channel. Think of it as third-party for one-to-many, and first-party for one-to-one.

Data wrangling

In traditional tagging solutions and tag management, web and mobile create separate datasets, even though they're the two most important digital channels. When a user jumps from a website to a mobile app there's typically no way to know it's the same person unless they self-identify on each. Likewise, if a customer is visiting multiple brand sites or subdomains, even more separate datasets are created with no connection until the visitor self-identifies. Those datasets need to be connected by matching identifiers to create a consolidated profile.

Unfortunately, for most organizations using traditional identity profiles, third-party data, and outdated data capture solutions this translates into a ton of time spent just getting the data ready. The window of being able to actually do anything with it is extremely small. By the time these separate datasets are consolidated and connected, it's too late to use the data effectively in real-time.

First-party identity graphs eliminate these restrictions and frustrations by layering the data from various owned sources – brand domains, apps, loyalty programs, customer service, and more – to build one comprehensive identity for every individual in real-time. It becomes the single source of truth for customer identity. The data is collected from owned properties so there's no worry about data validity and no delays for collecting and transforming the data.

The result? Brands can serve their customers in the way they expect to be served, providing relevant and

timely content to encourage conversions, loyalty, and revenue. Organizations are free to spend more time acting on the data, rather than consolidating and adapting it, and make highly effective, data-driven decisions.

By compiling a single source of truth with complete, contextualized data, first-party ID graphs can also fuel unlimited profile data segmentation to feed multiple business units and downstream applications.

First-party ID graphs are the future of personalization

Identifying customers at every point in their journey enables enterprises to provide highly personalized, real-time experiences. For example, a customer may visit their bank's website and do some research into savings accounts, then click through to the bank's investment subsidiary to look at investment options. Third-party cookies may eventually allow the bank to connect a few of those dots between the different domains and merge limited user data under the same individual – but it would be a time-consuming process, and it won't be an option at all in the very near future.

A modern first-party data solution on the other hand can track that journey across the owned domains in real-time, without additional tagging or post-interaction reconciliation. Everything within the session carries across, including identity, so the bank can immediately benefit from insights into the user's behavior and interests and feed that through a decisioning engine to deliver real-time personalization. In the above example, it's highly likely the customer is looking at ways to effectively use their money – weighing the options of saving vs. investing. Offering an in-session pop up with a link to an article on saving vs. investing would be highly relevant, timely, and show the brand is a trusted resource. That same insight could feed to a decisioning solution that matches a current investment promotion and instantly

deliver an offer for the promo while the visitor is still on the site.

In addition to different data sets (aka silos) being created for mobile and website interactions, different teams typically use different systems, which also inherently creates unique datasets. It's not uncommon for an enterprise to have 5, 6, or even dozens of different systems collecting customer data. In a traditional model this results in different profiles being created within each silo. In an enterprise organization there are often distinct systems for merchandising, loyalty programs, customer support, marketing, sales, point-of-sale, reservations, etc. – with each collecting customer data. This expands even further for organizations with multiple brands, each with their own domains and possibly apps. It's easy to see how many customer profiles can potentially exist, but with multiple versions the entire benefit of creating a customer profile is lost.



Think of our example of the customer visiting their bank's website. In one visit they did some research into savings and investments, across domains. A few days later they log into the bank's mobile app to pay some bills and notice the sidebar for investments. They play around with a retirement calculator and look at the steps required to set up a children's savings account. A week later they look at insurance options on the bank's insurance subdomain. With a traditional solution there would be at least three or four profiles created for the same person – one from the mobile

data, one or two from the website data, and one from the insurance site. Each has valuable information, but none provides a complete picture. By using a modern data solution, the bank can compile a single first-party identity graph with all their datasets feeding into it, essentially assembling one comprehensive identity that includes ALL the data from the customer's journey – which makes sense since it's the same person.

Considering the impact on personalization, with the traditional solution each of the bank's customer profiles could activate a related follow-up, such as an investment campaign based on the website activity. They'd likely also trigger a campaign based on the mobile activity, possibly a promotion around the children's account and/or retirement. And there could even be a third campaign launched around the insurance interest. Not only is the organization missing the big picture, but they're also risking a poor customer experience with an excessive amount of marketing. This is bulk personalization, not one-to-one messaging, and it's not enough to stand out from the competition. The only other option would be to wait for all those separate profiles to be consolidated, de-duplicated, and cleansed so they could assemble one merged profile. That means giving up on the benefits of real-time personalization.

How personalization improves with a private ID graph

At the end of the day, marketers want to do two things:

1. Provide the best possible experience to consumers. This means providing relevant, timely, data-informed experiences and offers. No one is unhappy when you give them what they need, when they need it - whether it's offering a related product or service, recommending an enhancement to their purchase, or simply providing informational content to help them in the current phase of their journey.

2. Maximize marketing spend. This means serving the most effective ads and offers to the right people at the right time in order to increase conversions. It also means NOT serving ads and offers to the wrong people at the wrong time, for example not taking their life stage into consideration or presenting offers for products and services the individual has already purchased.

Let's look at the same example from our banking customer and how an ID graph greatly enhances the quality of personalization. By collating and contextualizing the data from all sources into a single customer ID graph in real-time, predictive modelling can recognize that this customer is looking at investing and likely has a child in their life whose financial situation matters to them. Rather than enrolling the customer in multiple broad-segment approaches, the bank can trigger a targeted campaign around, for example, college savings funds. Further, they could present a hyper-personalized insurance offer for existing bank customers directly within the mobile app or any of their websites in-the-moment, while the customer is actively engaged.

Connecting all owned channels and domains to one comprehensive first-party ID graph enables enterprises to leverage the power of multiple datasets and full customer journeys to build a robust single customer view - layering data from multiple sources into one "super-profile" rather than dozens of individual, disconnected profiles. This is more than just click data and purchase history, it includes detailed insights into behaviors and preferences that provide a deep contextual understanding of individual customers. Imagine the insight of combining first and zero-party data from your investment domain, your insurance domain, and your banking domain into one unified profile – talk about a 360-degree view of the customer!



Good vs. bad identity-based personalization

First-party ID graphs overcome immediate and inhibiting identity issues, enabling enterprises to deliver highly relevant and timely moments-based marketing.

Good

An in-app offer for a new college savings account promo while you're researching college savings plans.

A chat pop up offering help with your investment strategy while looking at multiple investment options across related brand sites.

An in-app offer from your insurer for a discount on gyms and fitness centers based on your location and lifestyle preferences.

A loyalty email with tips on handling toddler tantrums, and a coupon for toddler snacks because you who input your child's birthday and now they're 2 years old.

A chat pop up suggesting you complete a heart screening questionnaire based on IoT data from your smart watch.

An ad or email prompting you to buy an item a week after you've already purchased it.

An in-app prompt to sign up for a baby registry when you're looking at baby toys for your grandchild.

Clicking on an ad for arthritis cream by mistake and getting bombarded with ads for arthritis treatments, when you're only 19 years old.

A survey asking how your healthcare visit went, after they rescheduled your appointment.

New driver and teenage driving discounts when your children are 26 and 30 and have moved out and off of your insurance policy.

Bad

Transitioning to a first-party data strategy

Building a private, first-party ID graph to get ahead of third-party cookie deprecation and provide true one-to-one real-time personalization demands not just data, but great data. Creating an effective first-party data strategy requires a [modern customer data platform \(CDP\)](#), to instantly assemble data from multiple sources to create a comprehensive single customer view and enable action on those insights in real-time. By leveraging first-party data, marketers ensure compliance with privacy regulations as the data is already known, owned, and consented for use, but consent management must be included within the CDP to avoid delays and streamline the handling of customer data. To maintain compliance and provide an optimal customer experience, consent changes must also be captured and shared with all enterprise applications in real-time. This includes internal systems as well as downstream applications.

For most enterprises, the transformation also requires increasing the amount of first-party data collected and shifting organizational effort and processes to maximize its use. Encouraging authentication and consent actions must be a focus to excel with this new marketing strategy. Leading enterprises must adopt a first-party mindset across business functions to fully maximize the potential of their ID graphs, and their complete customer data.

Capturing accurate attribution data is an equally critical piece of the puzzle. Once third-party cookies are obsolete, advertisers won't be able to connect the cross-site data that currently relies on them. This will negatively impact advertising analysis such as impressions, click-throughs, and influence. Contextual advertising and retargeting campaigns born of robust customer profiles will provide more accurate insights into RoAS and maximize the use of first-party data insights.

For brands trying to get ahead of third-party cookie deprecation, while continuing to enhance customer understanding to improve experiences, private first-party ID graphs are a game-changer – in fact THE game-changer.

Understanding customers at an individual level is key to creating great customer experiences, and data is the path to understanding customers at an individual level. Identity graphs are the vehicle that connects, holds, and streamlines that data, enabling it to be used in highly effective, individually targeted marketing campaigns.



Supercharge your CX with Celebrus

Many enterprise organizations around the world use Celebrus from D4t4 Solutions as an integral part of their data driven CX infrastructure because of how easy the solution is to deploy – a single line of code to be exact. Celebrus is 100% laser-focused on data capture and is constantly innovating and staying ahead of the curve. Data captured by Celebrus satisfies privacy regulations including GDPR, CCPA, and more, providing peace of mind across global businesses. Client revenues often run into the hundreds of millions of dollars as a result of delivering highly personalized customer experiences at scale.

Celebrus was the first data capture solution to combine advanced machine learning (ML) with natural language processing (NLP) and real-time data capture. These technologies enable enterprise clients to have total visibility of customer behavior, arming them with powerful insight into customer intent. These pioneering institutions deliver genuine, individual level personalization, in-the-moment. With out-of-the-box machine learning features, Celebrus removes the configuration headaches and costs typically associated with capturing behavioral signals. Offering patented capabilities, like cross-domain continuance and CX Vault, Celebrus delivers outstanding benefits for leading organizations that are serious about providing world-class customer experiences by shifting marketing activities from reactive to ‘in-the-moment’.



Learn how Celebrus can help you listen to your customers in every channel, leverage all interaction data, and start WOWing your customers in-the-moment.

CONNECT NOW