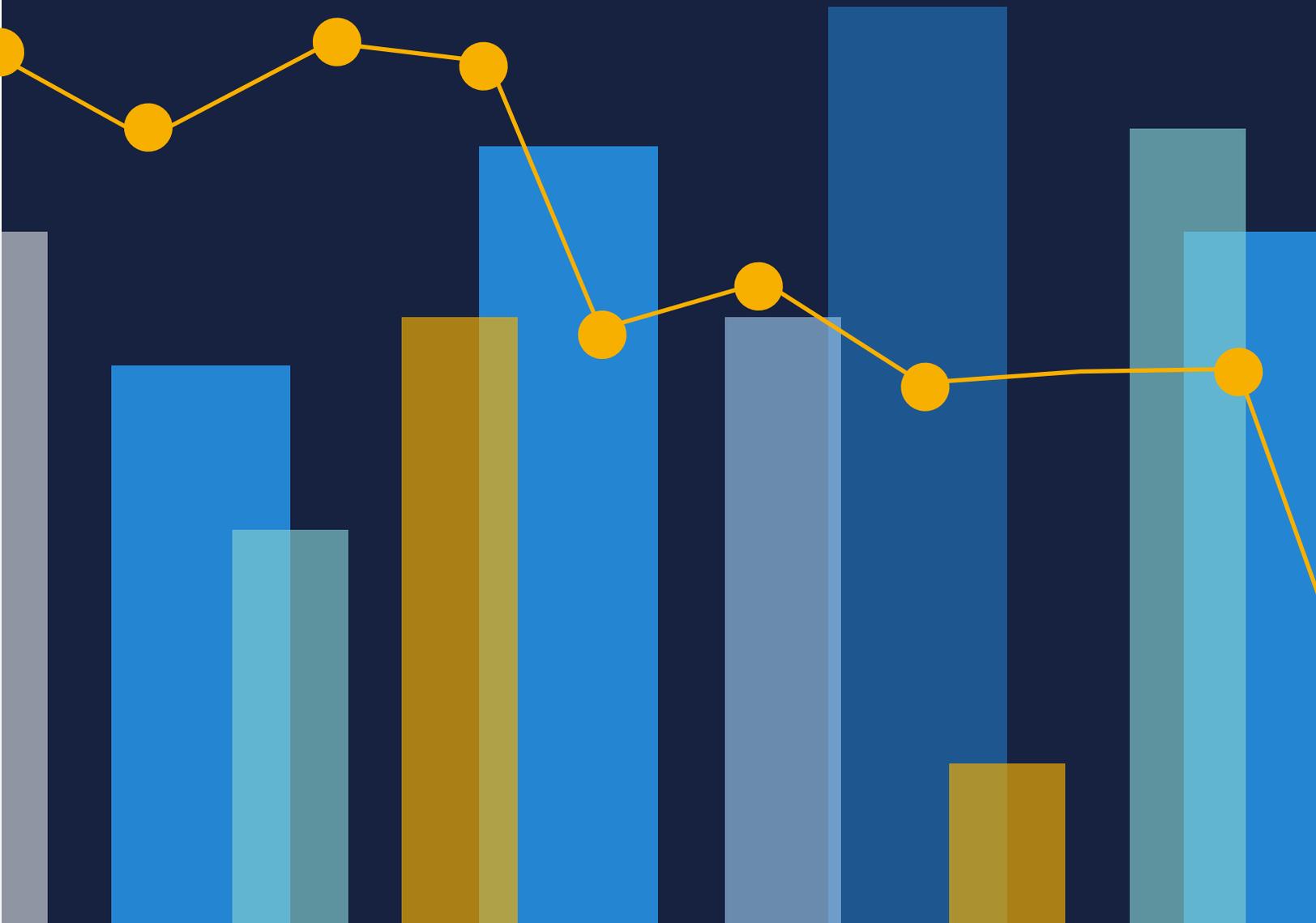


# 3 STEPS

To Close the Gap Between  
Your Audience Insights and  
Ad Campaigns





## Introduction

In an age of unprecedented audience data and targeting capabilities, what prevents smart marketers from achieving record-breaking ROI and ROAS?

We asked a panel of industry professionals, and discovered that an inability to bridge the divide between **insights** (audience research and intelligence) and marketing **execution** (audience modeling and advertising) represents one of the most significant roadblocks to marketing success. This nearly universal problem results in a tremendous waste of advertising dollars, lost revenue and missed opportunities.

In this eBook, we'll examine the widely acknowledged industry gap between insights and marketing campaigns, and provide insider tips on how to close the loop within your organization. We'll begin by exploring what marketers have learned about gathering valuable audience data, and how to seamlessly leverage this information for relevant targeting and programmatic advertising.



## 1) Segment First-Party Data

The foundation of audience intelligence begins with your own first-party information. First-party data is a combination of the personal information that consumers share when interacting with your brand and the clickstream and online behavioral data your digital properties can track — that is, the details collected on your customer’s path to purchase within your own app or websites.

A great first step in translating your first-party data into valuable insights is to identify interesting correlations between your audience’s declared demographic information (age, gender, etc.) and observed patterns of online behavior (path to purchase, cross-device behavior etc.).

### Personas

Many brands group their customers into “personas” so that they are digestible from a higher level and can be easily disseminated across the organization. Personas are developed based on basic customer profile information collected over time, such as website behavior, loyalty member data, focus groups or



customer surveys.

Although personas can be a useful starting point, in some cases they can be overly reductive or outdated. As they are passed around the company and integrated into marketing strategies, campaigns may unintentionally drift further from tangible data and instead serve the needs of an abstract caricature. Declaring that a company with six million customers has “four buyer personas” is a decent place to start, but a deeper look at the data might reveal that the company in fact has 50, 100, or 200 unique customer types.

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## Segmentation

The better you’re able to meaningfully segment your audience, the more likely you are to find powerful correlations between their unique attributes. As Mark



Fauntleroy, Global Product Manager at Hitwise, explains: “For example, you might find that one of your customer segments is women who own a Toyota and have kids between the ages of five and twelve who eat Chex cereal. When you know all of that, you can identify compelling lookalike audiences online that reveal that same group’s interest in wellness websites. Then you can buy media on a white-list of wellness sites for an audience that conforms to your customer type.”

**Micro-segmentation enables marketers to strategically tailor their targeting and messaging around real-live individuals, instead of generalized personas.**

The richer your data signals, whether they are demographic, locational, behavioral, survey-based, clickstream or attitudinal, the better you can segment your audience; micro-segmentation enables marketers to strategically tailor their targeting, creative and messaging around real-live individuals, instead of generalized personas.

Each campaign should take into consideration not only *who* the target customer

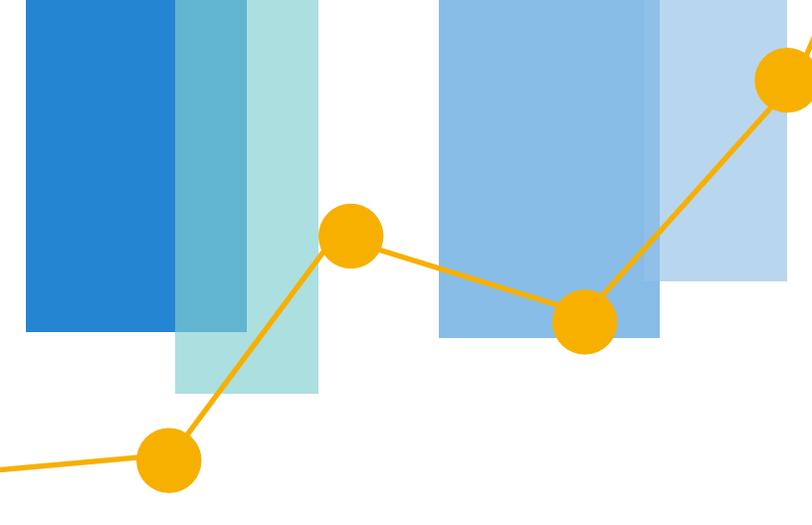


is and *what* he or she wants, but also *where* they are in the buyer journey. Acronym Media's VP of SEO, Winston Burton, argues that "you should have campaigns for the 'See' stage, for the 'Think' stage, and for the 'Do' stage. If your ad is shouting, 'buy now, buy now, buy now,' it's probably going to have a negative effect on customers who aren't in a 'Buy' stage."

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Effectively targeting consumers higher up the sales funnel requires broader consumer intelligence. Identifying early indicators of buying intent isn't always possible with first-party information alone — to produce insights that will be of real value to your campaigns, you'll also need to layer on third-party audience data.



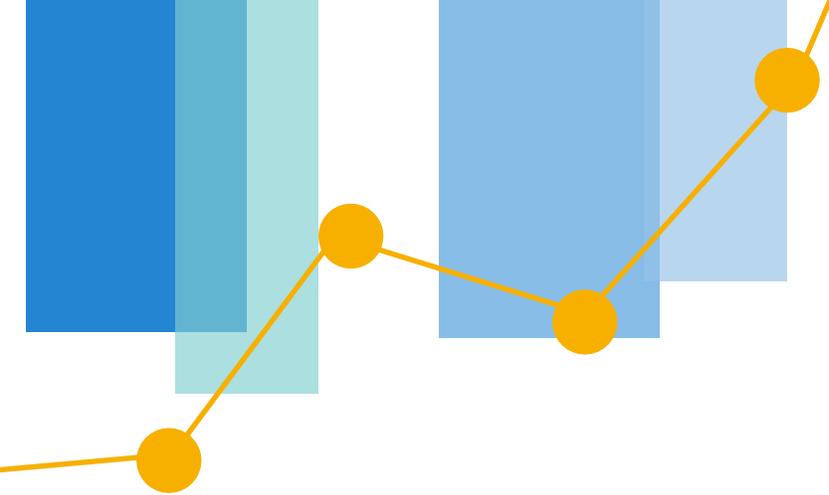
## 2) Add Third-Party Data

Most marketers use outside, third-party data vendors to help them gain access to data that could not be collected otherwise; this enables them to target new customers outside of their first-party data set. Marketers can also use third-party data to enhance their audience segmentation by expanding and enriching their current information on their customers.

### Supplementing 1st Party Data

First-party clickstream data is often limited to purchase data, customer information, online and in-app behavior, and in some cases the search terms that led users to your site. Third-party data can provide a clearer and richer picture of how shoppers moved across the web before they arrived at your doorstep,

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the kind of content they consume, or simply a greater depth of demographic data to flesh out their customer profile.

For example, Connexity worked with a premium diaper brand that wanted to discover new customers for its product. The brand worked with Connexity to layer a larger collection of third-party demographic and behavioral data onto their own customer information. The analysis showed that the brand's best customers had graduate degrees and high incomes; they also happened to make more visits to home décor websites. These attributes not only provided deeper perspective into the brand's audience, they proved to be powerful insights for more effective segmentation, audience modeling and targeting based on a richer view of their "best customers."

## Selecting Data Partners

Often third-party data partners are chosen based on industry relevance. A marketer for a loan servicing company is more likely to purchase credit score data from a provider like Experian and background or identity information from one like Intelius, for example. Both of those data streams are layered on first-



party data collected from loan candidates, and the resulting insights about that candidate can inform whether or not they're approved for a loan.

The quality of data is also deeply important. Data providers should be willing to disclose their sources, whether their data sets come from declared or observed audiences, and whether or not these audiences have been modeled (learn more about these data terms [here](#)). Being unaware of your data's origins and limitations could have a significant impact on the accuracy of your insights.

## 3 Ways to Evaluate Third-Party Data



### Data sourcing

The data partner should be willing to tell you where the data is sourced.



### Data uniqueness

How different is this data set from other data providers (is it largely unduplicated?)



### Data recency

If you are trying to target audiences who are in a high-purchase-intent stage, real-time data is critical (at least daily).



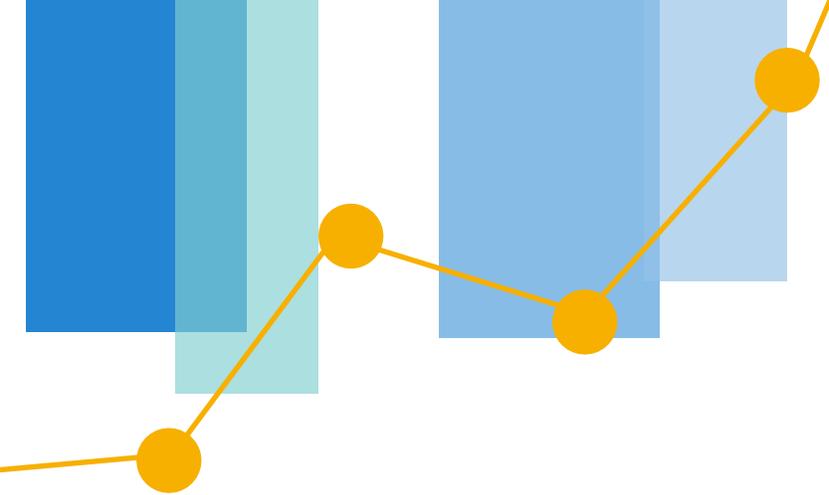
### 3) Integrate Your Data Streams

Graham Ratcliffe, the co-founder of the marketing analytics company Abakus, believes that an ideal campaign “combines audience data, dynamic creative, and first-party data to deliver a much more creative message that not only engages the user, but also drives them to take action.”

For most organizations, layering multiple data streams and targeting their audiences with personalized, dynamic advertisements requires solving quite a few structural challenges. Marketers must ensure that the first- and third-party data sets that inform their campaigns integrate with one another, accurately represent real consumers, can be optimized in real-time, and remain constantly available to inform media buying.

#### The Challenge of Disparate Data Sets

In order for your audience insights to effectively power your marketing efforts, it's vital that your data is collected in one centralized database. The software tools you use for audience intelligence, modeling, and campaign optimization



should freely share data with one another.

Say you're collecting the email addresses of online customers, and you purchase email address enhancement from Towerdata, which is able to match those addresses to the owner's annual income. You might also purchase audience research from Nielsen on which media drives consumers to make purchases.

If your Towerdata stream doesn't integrate with your first-party data, you would never discover that consumers who make \$100 - 150K a year are more likely to buy a specific product. And if that income information doesn't inform the analysis of Nielsen data, you wouldn't realize that those same consumers are more likely to make purchases from a particular media channel.

However, if these data sets could be transferred to a central data management platform, they could lead to a more efficient campaign that targets specific consumers with the product they want, purchased from the media space they're most likely to be in.



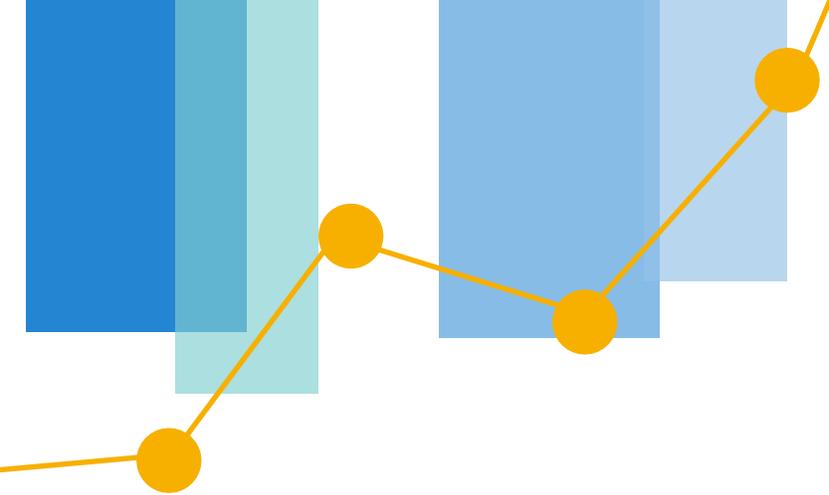
## Solving the Data Disconnect

Building these integrations in-house can be very expensive: not just in terms of upfront development costs, but in maintenance costs as well. The technology and experience required to support ad targeting is advancing constantly, from the media platforms that host the campaigns, to the devices where the ads are served, which means that integrations will need to be updated as well. Finding talent with the right development skills to maintain those integrations can be a huge drain on your marketing budget.

One option is to ask your data partners to integrate their tools for you. They often have a vested interest in integrating with as many platforms as possible, as this adds lasting value to their product.

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- Peter Kang  
Co-founder at Barrel



“When we go to a client, we’re asking them to let us handle the integrations,” Peter Kang, co-founder of Barrel says about the companies he works with. “The responsibility of the client is to either select software and tech that does integrate, or to apply the necessary pressure to their existing software providers to build those integrations.” The latter option is far easier in many cases because changing software requires a significant investment in terms of cost and time.

## The Importance of Real-Time

It can be difficult to reliably inform media purchases using popular marketing analytics tools from companies like Google or Facebook. While these platforms have considerable reach and valuable insights into particular behaviors, they “are still using a last ad or single-touch view of performance,” explains Ratcliffe. “Marketers are increasingly using many channels, many different formats, and reaching their customers many times on the purchase path. Without having a solution to measure that, it’s hard to make good marketing decisions.”

Overall, it’s crucial that your measurement system is not only robust, but that it’s



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being actively interpreted in real-time (or as close to it as possible) by the people who need it to inform purchasing decisions. When data is passed along from team to team, telephone-style, multiple interpreters can cloud the statistical insights.

As decks get passed from the team assigned to a campaign, to marketing execs, to an agency, the data is reduced to interpretations of data, to interpretations of those interpretations, and so on. Real-time data availability replaces this hierarchical game of telephone with a constant feed of relevant insights, creating a reliable stream of information that allows stakeholders to make up-to-the-minute, relevant decisions.



## Conclusion

As the amount of data available increases, so do the challenges surrounding effectively converting consumer research into effective campaigns. As these roadblocks become clearer, forward-thinking marketers can begin to envision a path towards more effective, seamless marketing campaigns. Currently, data-driven marketers are charged with segmenting and distilling the most useful data within and without their organization.

In the near future, however, data integration will be simplified, so that marketing teams can worry first about creating the perfect message, not whether their data sets will communicate with one another and their ad will be served to the right audience.

Imagine a marketing tool that will simplify gathering audience insights and activating those audiences into a two-click process, rather than a confusing, technical nightmare. As marketing technology advances, simplifies and integrates, marketers will be empowered to easily convert their latest audience intelligence into effective campaigns. Until then, it's the job of savvy marketers or organizations to connect the dots between insights and activation.



# Close the Marketing Loop

With over 100 million shopping profiles, Connexity reaches consumers with a unique combination of audience intelligence and programmatic targeting. Learn how to unify your customer intelligence and advertising strategy today.

LET'S TALK

