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The Fastest-Growing Brands Are Built on First-Party Data

Why brands are converting their unknown audiences into known contacts — and their formula for success.

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Knowing your customers and prospects is essential to marketing success today. Accurate contact information and data about the needs, preferences and motivations of individual consumers is key to providing them with relevant content and offers, personalizing their experiences, and developing new products for them. And consumers, for their part, have come to expect tailor-made content and individualized experiences with brands – otherwise, they quickly tune out and move on.

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Marketers are acutely aware of what is at stake. When a hair care brand, for example, sends an email to a consumer, the marketer knows the brand and the consumer will both benefit if the content of the email is personalized based on that consumer's specific needs or interests.

Delivering relevant content and personalizing experiences starts with having the right data. In the past, however, there was no practical way for brands to collect the exact data they needed at a meaningful scale. E-commerce retailers that controlled the point-of-sale could at least collect contact information and purchase history from each customer, but most brands had an indirect relationship with their audiences — and as a result, they were constrained in their ability to convert anonymous, unknown audience members into known contacts, and collect data first-hand from those contacts (i.e. first-party data).

Because brands couldn't get the data they needed by themselves, they instead relied heavily on other data that they could purchase or rent from third-party aggregators and brokers (i.e. third-party data). Third-party data, however, suffers from inherent problems — the exact data needed is usually not available, so proxy data is used instead; the data is often inaccurate; and the data may only be available for rent, for one-time use or for use through a single channel or media outlet like Facebook. Third-party data has also recently come under intense scrutiny in the industry because the methods used to obtain the data are often questionable (if not illegal), and the data is frequently sold or used without the consumer's knowledge or consent. Fortunately, new regulations like GDPR and the California Consumer Privacy Act (CCPA), which goes into effect on January 1, 2020, are adding new protections for consumer privacy, and giving consumers more control over who has their data and how it is used.

At the same time, as mobile devices and social networks have become ubiquitous and media has continued to fragment, brands have found new ways to engage consumers directly with a mix of mobile-first digital experiences — across a growing number of touchpoints and moments, both online and offline. In the process, brands have developed a new, enlightened formula for collecting the first-party data they need. The new formula is based on transparency, consent and trust, and is fully-aligned with GDPR and CCPA.

The First-Party Data Formula

By crafting experiences in which customers and prospects want to participate, and by asking questions or structuring experiences to collect specific information (e.g. enter your email to claim a coupon, or tell us your hair type and primary hair concern to get a personalized product recommendation), brands can get the exact data they seek — growing the size of their database by converting unknown audience members to known contacts, and enriching the profile of each contact.

Moreover, by engaging consumers in an ongoing conversation — using a variety of digital experiences — brands can progressively enrich profiles over time.

The act of participation alone often yields valuable insights — for example, signing up for a coupon or completing a product configurator (like the one shown here) is a strong signal of intent to purchase.

Why do consumers share their personal data with a brand? While privacy is top of mind these days, consumers are more than willing to share data if it's worth their while and they trust the brand. Conversion rates are high when the experience offers clear value in exchange for participation, and the brand clearly communicates how the data collected will be used.

"Companies need to be creative in developing applications and offers that reward customers for sharing data," according to McKinsey. "Our research shows that 35 percent of online buyers are willing to share personal information in exchange for promotional coupons." A recent survey from BRP Consulting found that "64% of consumers are fine with retailers saving purchase history and personal preferences if more personalization is offered."

This is the first-party data formula that the most competitive brands and fastest-growing, direct-to-consumer upstarts are following. They are taking a deliberate, methodical approach to creating a variety of digital experiences that collect the exact data they need — from email, age and location to personal preferences, needs, intent and more — and offering value to consumers in exchange for sharing their personal data. They are integrating this data with their marketing, advertising and e-commerce operations and leveraging it to target individuals with highly-relevant content and offers, deliver personalized experiences, recommend products — and ultimately fuel growth for their brand.

Forrester agrees, noting in a recent report that in 2019, the industry will "say goodbye to third-party data" and hello to data that consumers are sharing with the brands they interact with, which in turn is empowering marketers and brands to build direct relationships to give consumers what they have always been asking for – personalization and relevance.

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Wyng and the First-Party Data Formula

Wyng specializes in providing technology to help brands collect and activate first-party data at scale.

Using the Wyng platform, non-technical users at brands and agencies can quickly and easily create one-of-a-kind, mobile-first digital experiences, called "microexperiences", designed to engage consumers and ask them questions via interactive visual elements and forms. Microexperiences can be embedded on an existing brand.com website or mobile app (it's as easy as embedding a YouTube video), or published with a single click as a landing page or microsite hosted by Wyng.

With Wyng, brands have myriad ways to engage consumers with fun, entertaining, interactive and informative experiences – and by creating a variety of microexperiences over time, brands can facilitate highly-relevant, ongoing conversations with consumers. Each microexperience provides an opportunity to learn something about the individuals participating.

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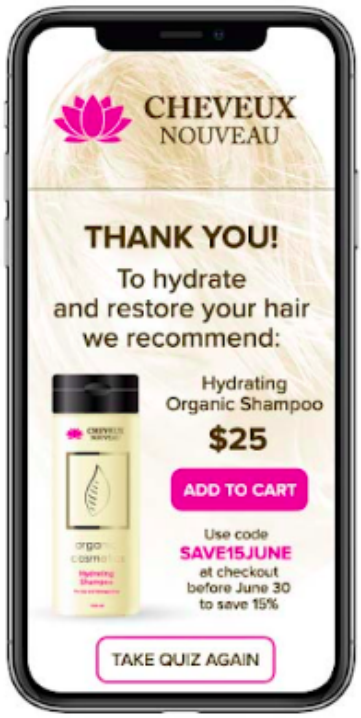
The data that consumers self-report and freely share with a brand while participating in microexperiences is securely collected by the Wyng platform on behalf of the brand. Wyng automatically joins the contact information collected from an individual (e.g. email address, phone number and/or social profile) with the other data collected from the same individual (preferences, interests, etc.).

High conversion rates depend on consumers getting value in exchange for participation, and the Wyng platform has a variety of powerful, built-in features that streamline and/or automate the value delivered to consumers through:

- Entertaining, fun, or gamified experiences
- Access to exclusive content or offers
- Educational content or learning experiences
- Product configurators, and personalized recommendations
- Offers and promotions including sampling programs, coupons, promo codes,sweepstakes, and other incentives or rewards
- Opportunities to be featured by the brand — e.g. user generated content (UGC) on a brand's website

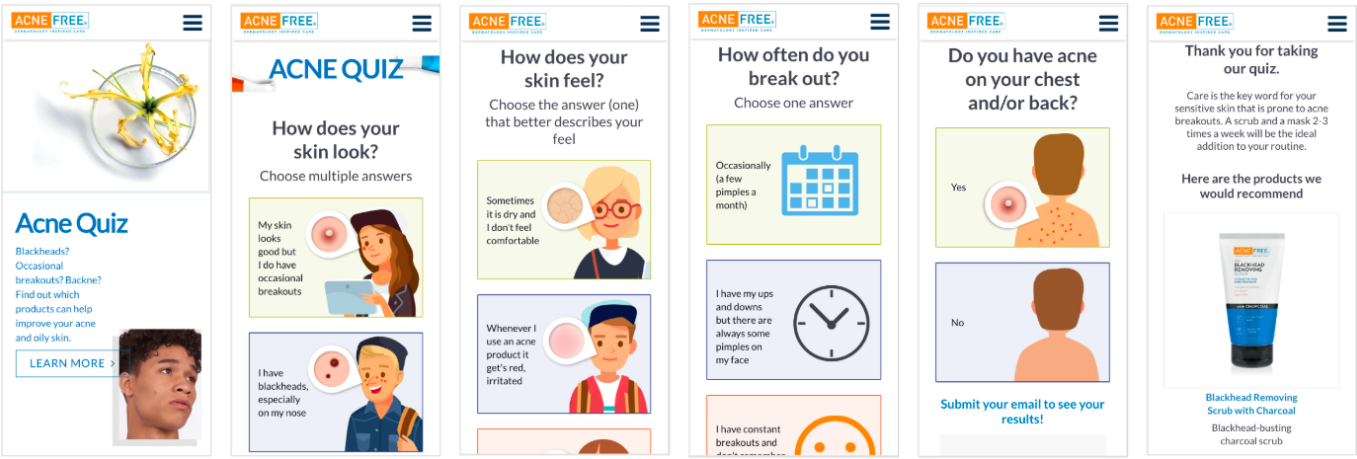


A Digital Campaign Index analysis of thousands of microexperiences deployed in 2018 revealed an average conversion rate of 57% for promotional use cases — specifically, sampling programs, sweepstakes and giveaways.

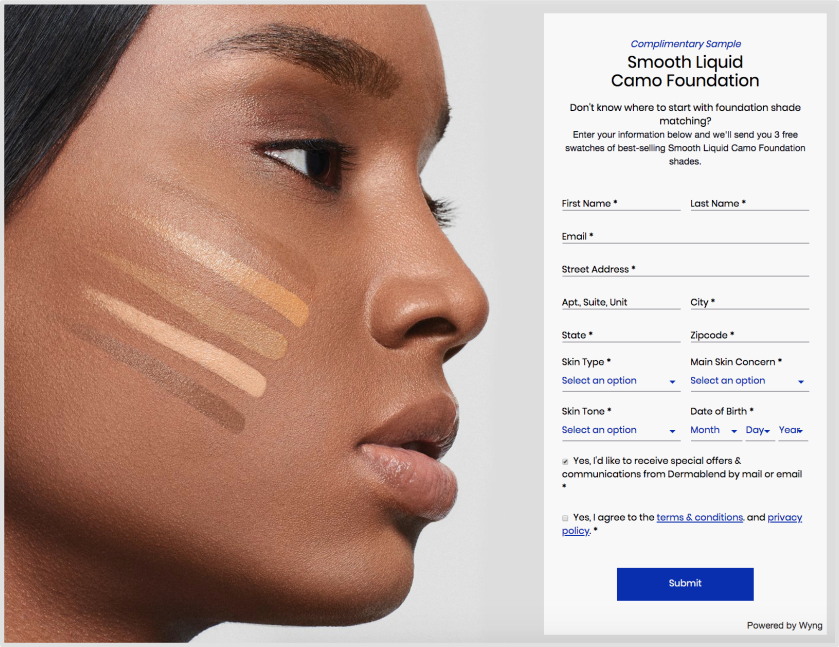
Conversion rates are also influenced, in part, by the transparency and trust that comes from direct engagement with the brand. Wyng enables brands to clearly communicate how they will use the information they collect from consumers, and get informed consent from each participant in accordance with GDPR and CCPA.

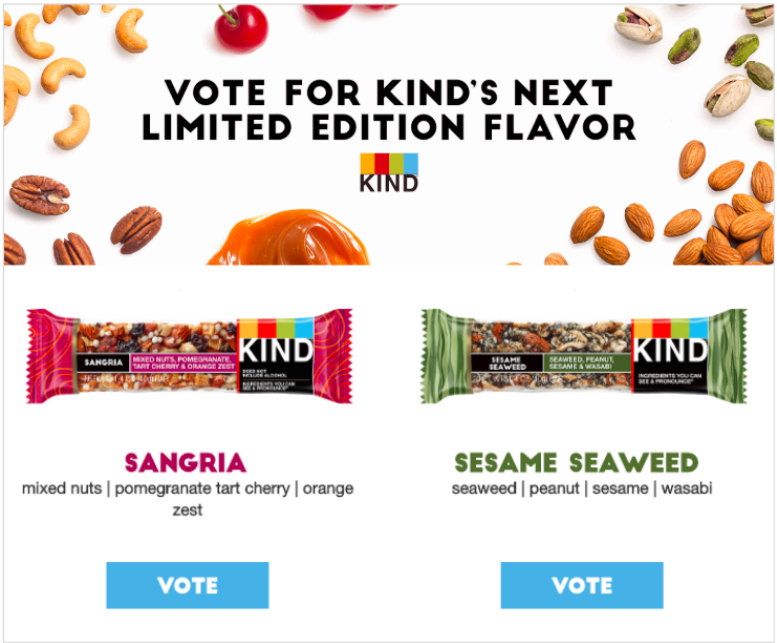
Examples and Idea Starters

1 Acnefree, a L'Oréal brand, provides a diagnostic questionnaire powered by Wyng embedded on acnefree.com. After sharing their individual skin conditions and email address, consumers get a personalized product recommendation along with a link to the product details page which includes a coupon offer.



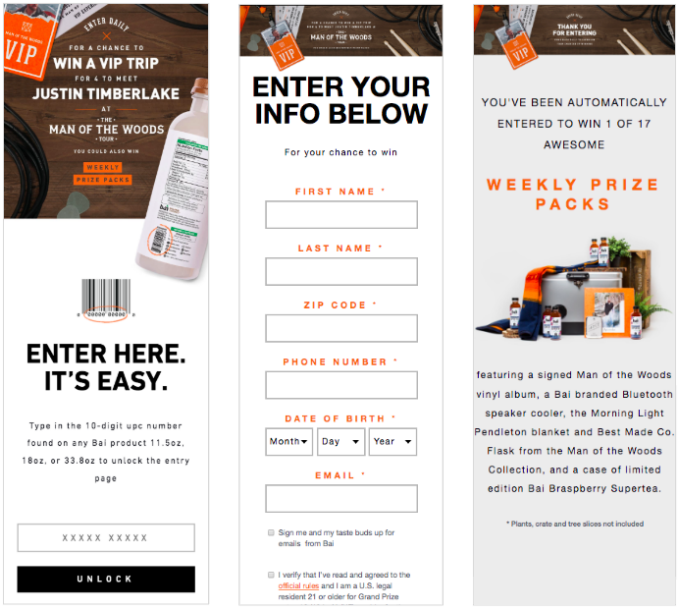
2 Dermablend, a L'Oréal brand, offers a limited number of free product samples via a branded, mobile-responsive landing page hosted by Wyng. Consumers receive samples in exchange for sharing their skin type, main skin concern and skin tone, in addition to name, email opt-in, date of birth and address.



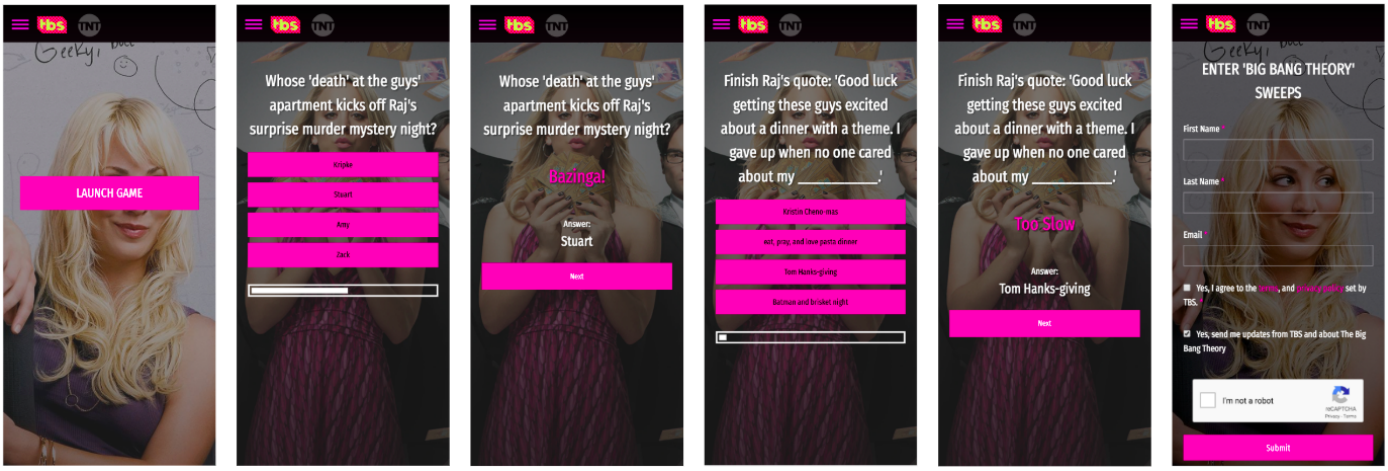


3 KIND Snacks, a nutritious snack foods company, rolled out its first ever Raise the Bar contest. With help from celebrity chef Daphne Oz, the company created four new potential flavors and turned over the power of choice to their audience. Participants voted on their favorite flavor via a microexperiences embedded on kindsnacks.com and Facebook, and then provided name and email address. KIND was able to easily conduct market and product research, while simultaneously acquiring contact and preference data.

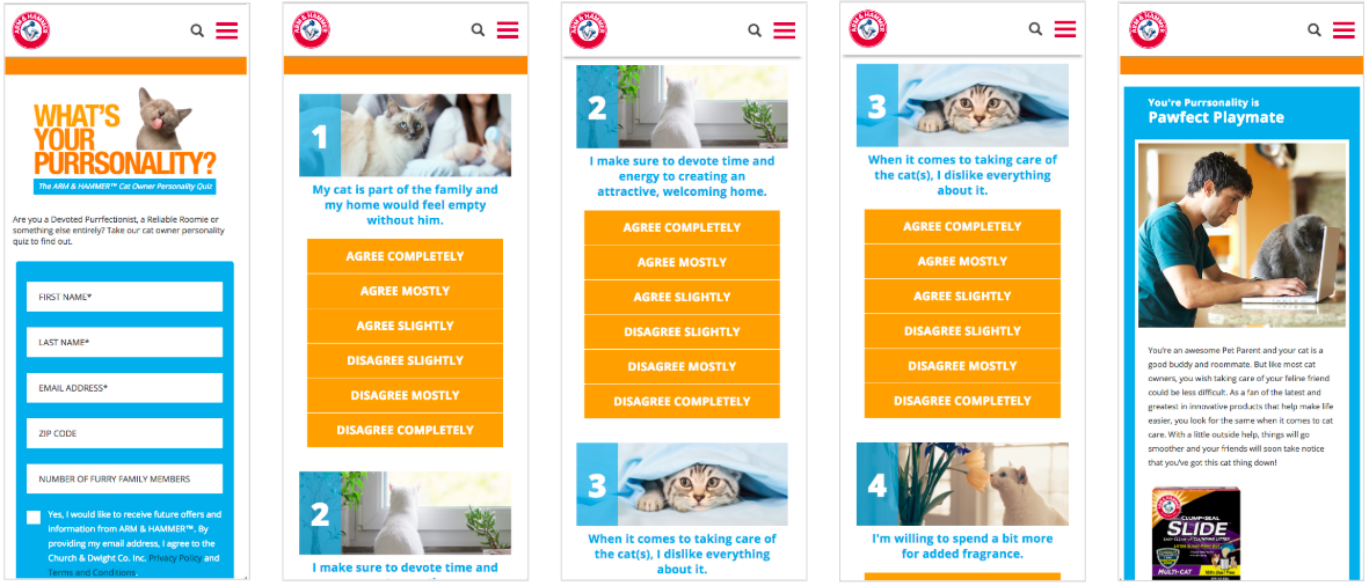
4 Bai Brands, a division of Keurig Dr Pepper, created a microexperience that leveraged one of the code validation features in Wyng to power a "proof of purchase" campaign. Customers who purchased a bottle of Bai and entered the UPC code could unlock a chance to win prizes. In addition to rewarding consumers who purchased, the microexperience acquired the name, ZIP code, phone number, date of birth and email of each customer.



5 TBS, a television network owned by WarnerMedia, embeds fun trivia quizzes about their TV shows on the tbs.com site. The quizzes, powered by Wyng, test and collect data about each individual's knowledge of the show, along with name and email opt-in. The quizzes are also gamified, with countdown timers limiting the time allowed to answer each question, and participants are rewarded with an entry in a sweepstakes.

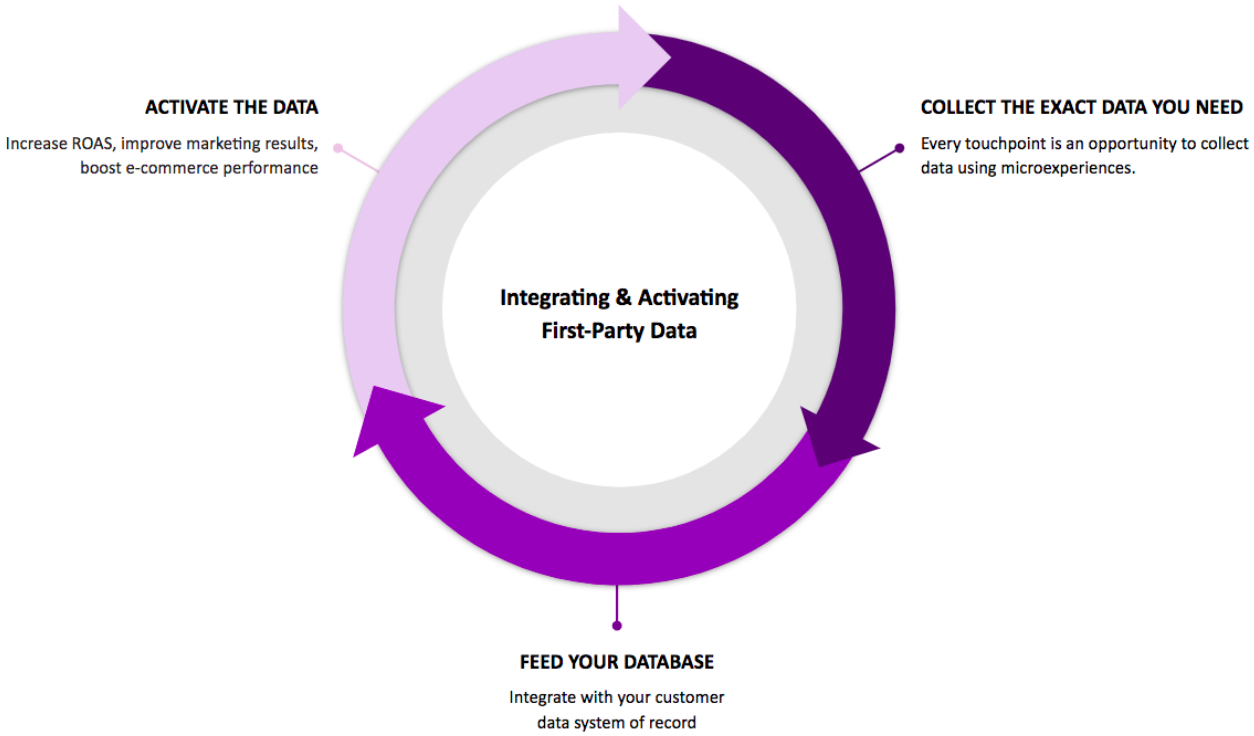


6 Arm & Hammer, a Church & Dwight brand, engages visitors to armandhammer.com with a fun personality quiz powered by Wyng. After completing a form and answering a series of interactive questions about cat ownership, participants are served up a personalized product recommendation, $2 coupon, and their "Purrsonality" type they can share on social media. In the process, the brand collects, name, email opt-in, ZIP code, the number of pets and their names, and preference data related to pet ownership.



Integrating and Activating First-Party Data with Wyng

Brands using Wyng to collect first-party data via microexperiences are also feeding the data to their enterprise systems of record, and activating the data to better understand and segment audiences, target individuals with more relevant content, and personalize experiences.



Wyng makes it easy to automatically feed first-party data to other systems. With pre-built connectors and open APIs, Wyng integrates with any Customer Data Platform (CDP), Email Service Provider (ESP), Customer Relationship Management (CRM) system, or customer login/identity platform. Examples include: Adobe, Braze, Cheetah Digital, Epsilon, IBM, MailChimp, Oracle, Salesforce.com and SAP.

Another best practice is to configure Wyng to automatically include a Facebook Pixel and Data Management Platform (DMP) tag on all microexperiences.

There are a variety of ways to activate first-party data to increase return on advertising spend (ROAS), improve marketing results, and boost e-commerce performance. For example:

› **Trigger a personalized message**. After an individual participates in a diagnostic quiz, for example, a hair care brand could trigger an automatic email that includes the personalized product recommendation and coupon code.

- **Remarket based on intent**. A direct-to-consumer brand, for instance, might spot signals of intent by offering a discount to the first 1,000 participants who sign up for unique, single-use promo code. Those who claim a code are perfect candidates for a remarketing email.
- **Send email tailored to microsegments**. A CPG brand could send content or offers based on a specific need (e.g. a specific skin condition) collected from past microexperiences.
- **Retarget with more relevant ads**. An airline or hotel group that learns an individual's preferences (e.g. desired travel destination, or type of travel) can retarget the consumer with highly-relevant ads.
- **Create custom audiences.** Preferences, needs, ages, geolocations and other first-party data (along with contact information) can be used to define custom audiences on Facebook, Instagram or Twitter.
- **Personalize ecommerce shopping experiences**. A children's apparel retailer that knows a visitor's preferences (e.g. a mother's 13-year old son wears shorts year-round, even in the winter), can personalize the products showcased in a carousel on the home page.

The Bottom Line

By engaging directly with your brand through relevant microexperiences, consumers will tell you who they are, what they want, what they look for in a service, and what motivates them to purchase, leaving your brand with the first-party data it needs to offer customers and prospects the uniquely personalized communications they demand and expect.

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About the Author

Wendell Lansford is the Co-Founder of Wyng. Wendell has over 20 years of internet and software industry experience, most recently as founding COO at Systinet through its acquisition by Mercury Interactive (now HP) in 2006, and Co-Founder & CEO of Sitebridge through its acquisition by eGain in 1999. Prior to Sitebridge, Wendell was Director of Technology at Conde Nast Digital where he built and launched their first web property, Epicurious.com. Wendell started his career as a software engineer at Bell Communications Research. Wendell holds an M.S. from Carnegie Mellon.

About Wyng

Wyng Microexperience Platform enables non-technical users at brands and agencies to quickly and easily create one-of-a-kind, mobile-first digital experiences to engage consumers, drive conversions, and securely acquire first-party data at scale. Our culture is rooted in technology and marketing, spanning diverse disciplines and decades of experience across mar-tech, ad-tech, data, CX, UX, and core mobile and web technologies. In 2011, Wyng powered the first ever hashtag campaign in connection with a Super Bowl ad, and continues to evolve its platform to align with shifts in consumer behavior. We believe great products are defined by intelligent architecture and a passion for innovation.

Wyng is headquartered in New York City's Flatiron neighborhood.

To learn more, visit wyng.com.