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Elevate Your Marketing With A People-Based Approach

Leveraging Identity Resolution To Reach Your
Customer Across All Touchpoints

Table Of Contents

- 1 Executive Summary
- 2 Firms Focus On People-Based Marketing To Understand And Optimize The Consumer Journey
- 5 Data Integration Challenges And Privacy Concerns Create Roadblocks
- 6 Marketers Look To Expand People-Based Marketing Use Cases
- 7 The Path To People-Based Marketing Maturity
- 9 Marketers Using Identity Resolution Are Ahead Of The Curve
- 10 Key Recommendations
- 12 Appendix

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Marketers expect increased sales revenue and better CX from their people-based marketing.

Executive Summary

In this era in which consumer media consumption is fragmented across an ever-increasing number of devices and channels, marketers face the overwhelming task of recognizing their customers and prospects across thousands of disconnected touchpoints with their brand. Resolving consumer identity across these touchpoints is the key to optimizing both the consumer experience and the effectiveness of marketing, ensuring each person gets the right offer at the right time and location in their journey. Without “people-based” targeting and measurement approaches, marketers are doomed to waste resources and miss opportunities to form stronger consumer relationships.

What is people-based marketing? It’s the ability to perform targeting and measurement at the level of real individuals by resolving consumer identity across digital and offline channels. This kind of marketing is unlocking enhanced customer experiences and increased business performance for many companies. Firms that work with identity resolution providers see the greatest benefit and find incredible value in the data stewardship and integration services lent by these providers.

In March 2017, Acxiom commissioned Forrester Consulting to evaluate people-based marketing challenges and benefits. We investigated expansion, starting in established digital channels like premium publishers (social, search, and content sites with high volumes of logged-in users), all the way to emerging channels like virtual reality. To explore this topic, Forrester conducted an online survey with 212 respondents and two interviews of B2C marketing decision makers at organizations with 1,000 or more employees in the financial services, insurance, retail, automotive, and travel industries. We found that all firms are forging ahead with people-based marketing approaches across channels, but those partnering with an identity resolution provider are far better poised to reap the benefits.

KEY FINDINGS

- › **The path to people-based marketing usually begins with premium publishers, but marketers are looking to expand to other channels.** Ninety percent of firms surveyed have implemented people-based targeting on premium publishers. From there, marketers eye implementation in display and search, as well as video, mobile, and addressable TV.
- › **As channels multiply, data integration challenges and privacy concerns may slow expansion.** Marketers confront a great deal of complexity expanding their efforts due to the growing number of channels. This complexity also means more work to marry data sources across channels and ensure privacy requirements are addressed.
- › **Firms working with an identity resolution partner are over twice as likely to have a more consumer-centric marketing approach.** Firms are more likely to be able to integrate their marketing across existing channels and on emerging platforms when they work with an identity resolution provider. They are also better able to build an omnichannel view of their customers.

Firms Focus On People-Based Marketing To Understand And Optimize The Consumer Journey

Firms are focused on implementing people-based marketing to create more contextual interactions with the consumer, using identity resolution technology to build a more complete understanding of an individual, and then activating this understanding in marketing campaigns seamlessly across channels. People-based marketing is an emerging approach defined as:

The ability to perform targeting and measurement at the level of real individuals by resolving consumer identity across digital and offline channels. In digital channels, people-based marketing implies the ability to definitively recognize a customer or prospect on their digital devices and on digital marketing platforms, as opposed to relying on digital approximations of people such as cookies and mobile identifiers.

People-based marketing is predicated on the ability to resolve consumer identity across channels, platforms, and devices. Forrester defines identity resolution as:

The process of integrating 1) identifiers across available touchpoints and devices and 2) behavior, transaction, and contextual information into a cohesive and addressable consumer profile for marketing analysis, orchestration, and delivery.

PEOPLE-BASED TARGETING IS TAKING OFF

When we asked B2C marketing decision makers how they currently approach consumer targeting, we found:

- › **“Owned” channels such as email and websites are table stakes.** Nearly every marketer in our study is currently applying people-based marketing techniques in their email campaigns and against authenticated users on their websites, where they can be sure of consumer identity. However, there are a host of other channels that are being used to varying degrees where it is more difficult to identify specific consumers. While social and mobile are popular, options like out-of-home and VR/ gaming consoles are far less commonly used (see Figure 1).
- › **Nearly all have enacted people-based targeting on premium publishers.** Currently, leading premium publishers with large volumes of logged-in users enable the ability to target on a people-based level, and marketers are taking advantage of this service. Ninety percent currently conduct targeting on these publishers.
- › **Beyond premium publishers, the focus is initially on display.** Premium publishers make it reasonably simple for marketers to take advantage of targeting capabilities, but those we surveyed are not stopping there. Outside of premium publishers, respondents are most commonly focused on enabling people-based marketing for display advertising. Nearly half have expanded people-based marketing efforts to display while another 26% are beginning the transition.

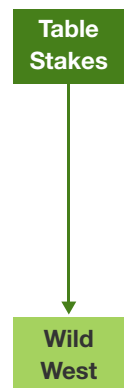


Achieving an omnichannel view of consumers is important to 99% of marketers surveyed.

Figure 1

“Which of the following channels are you currently using to deliver marketing messages to your target customer?”

- 82% - Email
- 82% - Website
- 72% - Social
- 67% - Mobile app
- 45% - Search
- 40% - Display
- 32% - Internet of things
- 17% - Addressable TV
- 8% - Out-of-home
- 6% - VR or game console



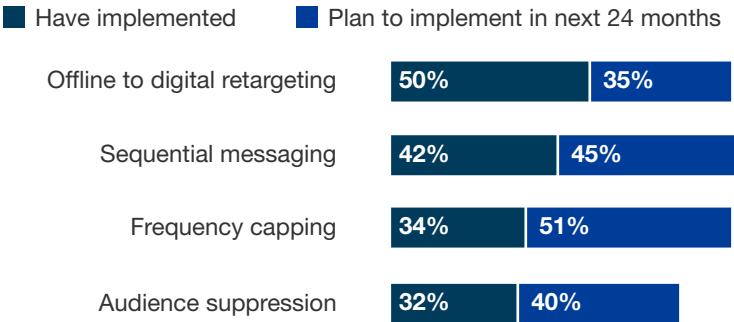
Base: 212 marketing respondents at the manager level and above with influence over their firm’s marketing strategy at organizations with 1,000-plus employees in financial services, insurance, retail, automotive, and travel
 Source: A commissioned study conducted by Forrester Consulting on behalf of Acxiom, November 2017

Typically, offline to digital retargeting is the most common use case enacted via display, and most companies have plans to deploy multiple use cases if they aren't already doing so. Just over half of firms plan to implement frequency capping in the next two years, followed closely by sequential messaging and audience suppression (see Figure 2).

- › **Marketers aren't working alone.** Firms are seeking help to face the complex world of people-based marketing. Three-quarters of marketers currently work with an identity resolution technology provider to enable their people-based marketing efforts.

Figure 2

“Which of the following statements best reflects the people-based targeting use cases you have implemented in display channels at your company?”



Base: 212 marketing respondents at the manager level and above with influence over their firm's marketing strategy at organizations with 1,000-plus employees in financial services, insurance, retail, automotive, and travel
Source: A commissioned study conducted by Forrester Consulting on behalf of Acxiom, November 2017

PEOPLE-BASED MEASUREMENT IS ON THE HORIZON

- › **Marketers see the value in people-based measurement.** Nearly every professional we surveyed — 96% — agrees that people-based measurement is important to implement on premium publishers. Marketers see the potential of people-based marketing capabilities to bolster ad impact and conversions.
- › **But measuring the impact of their marketing continues to vex firms.** Firms struggle to accurately measure the impact of their marketing — across channels — on their offline sales. Even the channels that typically cause no problem for targeting, like email and website, are a challenge when it comes to measurement. Forty-four percent say it's difficult to measure on the website, and 42% say it's difficult for email.
- › **Within display channels, adoption of people-based measurement is rapidly growing.** More than 40% of respondents have already implemented people-based measurement to measure campaign return on investment (ROI) for one or more publishers, perform attribution, or create an omnichannel view of a customer. Approximately three-quarters of respondents plan to reach this state within the next 24 months.
- › **Many marketers are implementing or planning to implement people-based measurement in channels other than display.** Sixty-three percent of the firms we spoke to are looking to add measurement in mobile to their repertoire. Additionally, 56% plan to add measurement in search and 49% in video channels.
- › **The highest value use cases for people-based measurement include analyzing campaign ROI across multiple publishers and attribution.** The ability to measure campaign ROI across multiple publishers was the most valuable use case for 45% of marketers surveyed. Although some premium publishers don't permit cross-publisher analysis, 31% of respondents still find value in measuring campaign ROI on a single publisher. Some marketers take it a step further, practicing attribution to understand which specific touchpoints attributed to those returns. In fact, 44% consider attribution to be the most valuable use case for people-based measurement.



Ninety-six percent of marketing decision makers feel it's important to use people-based measurement on premium publishers.

Data Integration Challenges And Privacy Concerns Create Roadblocks

Despite widespread implementation of people-based marketing approaches and strong positive returns, the overall pace of adoption is hindered by growing channel complexity, privacy concerns, and data integration challenges. Our study found:

- › **People-based marketing efforts are complicated by increasing channel complexity.** Despite the slew of marketing channels currently in play, almost three-quarters of those surveyed expect the number of channels they use to increase over the next year. A growing number of sources of identity means that targeting and addressability efforts are going to get more complicated.
- › **Marketers struggle with data integration on channels other than website and email.** Firms express difficulty connecting different types of data across marketing channels. Connecting third-party data to first-party data is difficult for 78% of marketers when it comes to gaming consoles. Furthermore, 71% of marketers say it is difficult to tie data generated from addressable TV marketing back to a specific customer profile. But it's not just the emerging channels that cause trouble. Tying marketing data back to a customer is difficult for 64% of marketers in video channels, and 62% have difficulty connecting third- and first-party data in search channels.
- › **As firms invest in identity resolution capabilities, consumer privacy concerns are top of mind.** Despite their growing ability to resolve identity across a broader range of channels and devices, almost half of marketers surveyed say their primary challenge with people-based marketing is privacy concerns. This signals that marketers need to work with their colleagues in privacy and security to evaluate identity resolution providers and implement people-based marketing use cases.¹

True identity resolution spans all touchpoints available to the consumer. Today's hyperadoption of new platforms vastly complicates marketing's ability to coordinate customer experiences across devices, leading to gaps in data and imprecise measurement.²



The growing number of channels on which to resolve identity has the potential to overwhelm even the most confident marketer.

Marketers Look To Expand People-Based Marketing Use Cases

Despite the challenges, marketers are seeing early wins and are working to expand people-based marketing deeper into consumer engagement. Our study found:

- › **Current use cases produce business value.** Fifty-two percent of marketers say that using offline data to retarget in digital channels produces the most business value of their people-based targeting use cases so far, with sequential messaging close behind (51%).
- › **People-based marketing efforts drive better customer engagement and sales increases.** Regardless of the headwinds, people-based marketing has produced business and marketing benefits. Just under half (49%) see increased sales revenue from people-based marketing, 47% report improved customer experiences, and 45% experience more effective customer engagement (see Figure 3).
- › **Most firms are midway on the path to an integrated, people-based approach.** If the goal for today’s marketer is to achieve an integrated program that incorporates all or most customer touchpoints, only a few firms are there yet (17%). On the other hand, few firms have solely channel-based programs where touchpoints are managed in entirely separate systems (8%). Most firms are somewhere mid-journey, working on integrating and enhancing their data and targeting abilities (see Figure 4).
- › **Marketers focus on the basics to succeed in their people-based marketing efforts.** Firms believe that, to succeed in their people-based marketing efforts, they must target based on customer information and context, and activate that data across channels and devices. These capabilities lay the groundwork for greater visibility into the customer journey, leading to better customer experience and proper attribution.³

Figure 3

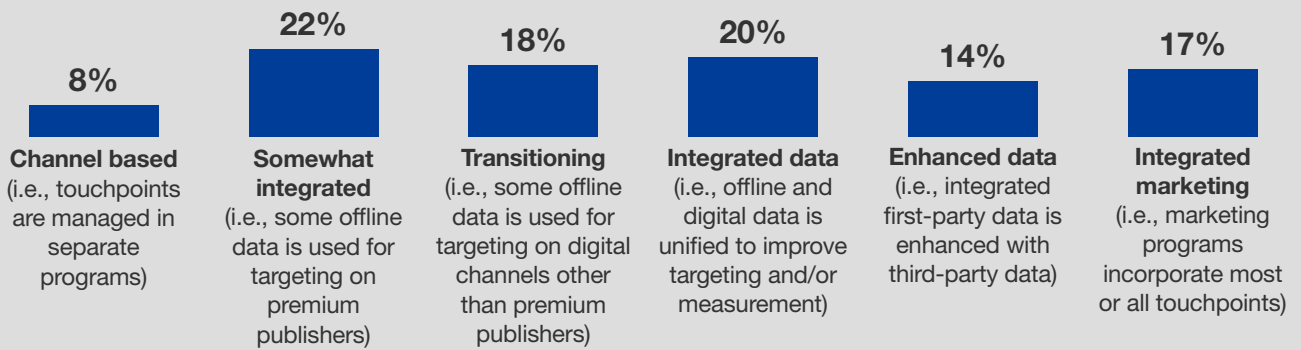
Business/marketing benefits experienced or expected as a result of people-based marketing



Base: 212 marketing respondents at the manager level and above with influence over their firm’s marketing strategy at organizations with 1,000-plus employees in financial services, insurance, retail, automotive, and travel
 Source: A commissioned study conducted by Forrester Consulting on behalf of Acxiom, November 2017

Figure 4

“How would you rate the degree of digital/offline marketing program integration at your firm overall?”



Base: 212 marketing respondents at the manager level and above with influence over their firm’s marketing strategy at organizations with 1,000-plus employees in financial services, insurance, retail, automotive, and travel
 Source: A commissioned study conducted by Forrester Consulting on behalf of Acxiom, November 2017

The Path To People-Based Marketing Maturity

Nearly all marketers — 97% — agree that it’s important to expand people-based marketing to other digital channels beyond just premium publishers and display. However, currently only 12% of marketers have achieved people-based marketing maturity by expanding its use across most of their digital marketing channels.

MULTIPLE MILESTONES DEFINE THE PATH TO MATURE PEOPLE-BASED MARKETING

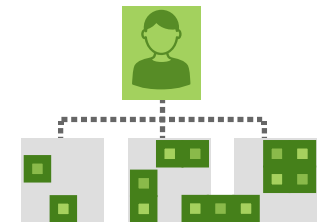
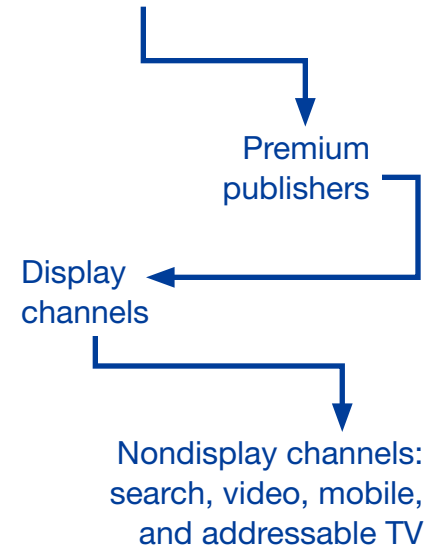
Our study identified several steps:

- › **People-based marketing efforts begin with targeting in traditional channels and on premium publishers.** Marketers then most commonly move on to implementing people-based targeting on display channels: 60% of organizations have expanded people-based targeting beyond just the leading premium publishers across their digital display channels, and another quarter are transitioning.
- › **In display channels, targeting paves the way for a range of people-based measurement use cases.** Nearly half of marketers have already implemented attribution as well as campaign measurement across one or more publishers.
- › **People-based targeting and measurement use cases expand to nondisplay channels.** Beyond display, people-based marketing methods are most fully implemented in search and video channels. However, full implementation is not nearly as common in other channels: In search channels, under half have implemented targeting and little more than one-third have implemented measurement. It is a similar story for video channels. Mobile and addressable TV are most likely the next channels that will get a people-based marketing focus after that (see Figure 5).
- › **The ultimate goal of a people-based approach is achieving an omnichannel view of the consumer.** Achieving an omnichannel view of customers is important to 99% of marketers we surveyed. In fact, 74% of marketers say it is critical to their organization’s marketing goals. An omnichannel view of the customer is defined as:

The ability to recognize and capture all touchpoints with your brand, in digital or offline channels, in a consumer profile that can be used to better contextualize your people-based marketing initiatives and understand the customer journey.

A foundation of strong identity resolution capabilities is a critical step in achieving this omnichannel view, yet again underlining how critical those capabilities are to the successful people-based marketer.

The path to maturity requires bringing targeting and measurement to:



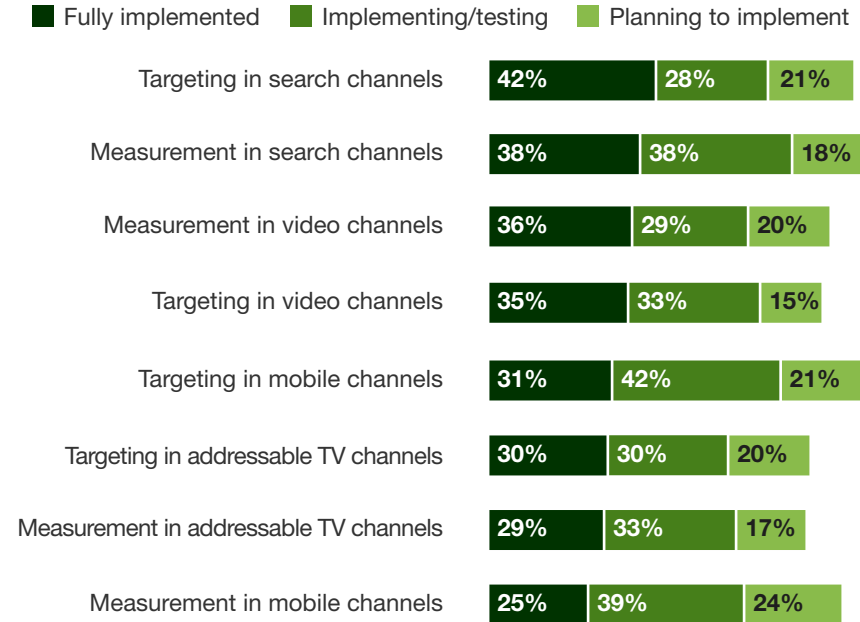
“The holy grail will be when we can marry point-of-sale data with what we know, who they are, and what they do via digital channels. We’re a few years off.”

*Director of digital marketing
at a US retail grocery
corporation*



Figure 5

“To what extent is people-based targeting and measurement implemented in channels other than display at your company?”



Base: 212 marketing respondents at the manager level and above with influence over their firm’s marketing strategy at organizations with 1,000-plus employees in financial services, insurance, retail, automotive, and travel

Source: A commissioned study conducted by Forrester Consulting on behalf of Acxiom, November 2017

Marketers Using Identity Resolution Are Ahead Of The Curve

Given how critical identity resolution capabilities are to the success of people-based marketing, it's not surprising that marketers who augment their internal capabilities with outside expertise from identity resolution vendors tend to be ahead of competitors who don't work with these providers. Our survey found:

- › **These marketers are far more likely to describe their marketing as integrated.** Marketers that work with an identity resolution provider are two and a half times more likely to describe their marketing programs as “integrated.” Furthermore, those not working with identity resolution vendors are far more likely to describe their programs as “transitioning” than those working with these providers.
- › **Working with these providers gives firms far more confidence in recognizing individual consumers.** Firms that work with identity resolution vendors are more confident in their ability to recognize specific consumers in nearly all marketing channels. Even in more emerging channels like video and addressable TV, firms working with these vendors are 20% to 30% more confident in their ability to resolve consumer identity.
- › **Tying marketing touchpoints back to consumers is less difficult for these firms.** Firms that are not working with a vendor to assist in identity resolution have far more difficulty creating an omnichannel consumer view. This is because they find it difficult to tie data generated from marketing back to a specific consumer profile in channels like addressable TV, video, social, display, search, and email. Those that are working with identity resolution providers, not surprisingly, are far less likely to say this task is very difficult.



Firms working with identity resolution providers are far more likely to have:

1. An integrated marketing program
2. Better resolution on emerging platforms
3. An omnichannel view of the customer

Key Recommendations

A people-based approach to marketing is critical if firms wish to continue to win, serve, and retain their customers. But as marketers build people-based marketing capabilities, they may find themselves stymied by the level of difficulty that comes with integrating a growing number of channels. To rise above the competition, firms must map a clear strategy toward fully integrated customer engagement based on the principals of people-based marketing.

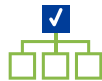
Forrester's in-depth survey of marketing decision makers about people-based marketing approaches revealed several recommendations. We found firms should:



Invest in identity resolution capabilities. Executing on a people-based marketing strategy fundamentally requires the ability to connect people, data, and devices at any level of granularity and across any channel. To build your identity resolution infrastructure, you must develop a plan to collect data across marketing touchpoints, manage the integration and privacy requirements to connect consumer identifiers across channels and devices, and make identity and customer profiles available to an orchestration layer that activates people-based campaigns across marketing platforms. Firms must also assess whether they will allocate internal resources for identity resolution or locate suitable vendors to support the process.



Create a consumer-friendly and privacy-compliant experience. People-based marketing involves collecting, connecting, and leveraging large amounts of consumer data, often at the individual level, which brings increased stewardship requirements. Firms must ensure that their initiatives align with industry, legal, and internal mandates to maintain privacy, security, and regulatory compliance. Beyond formal requirements of data usage, it's also critical to ensure that data usage aligns with consumer expectations and perceptions of how their data is being used.



Start with premium publishers and display channels. You can quickly prove the value of people-based practices and justify further investment by starting with targeting use cases such as audience suppression and CRM retargeting on premium publishers and across other display channels. As the program gains momentum and proves itself, extend it into new channels. Develop a roadmap early on that defines the initial and future use cases for the program. This will allow your firm to properly allocate resources, adapt processes, and plan identity resolution and data requirements in a manner that supports future expansion.



Implement people-based measurement. People-based marketing approaches typically focus on targeting and engagement tactics, but marketers can't lose sight of the measurement benefits and potential to address many traditional measurement limitations. People-based measurement provides visibility to campaign ROI across and within single publishers. People-based marketing also leverages a complete view of the customer and links multiple customer interactions to support cross-channel attribution and the development of more granular targeting and segmentation strategies.



Map the consumer journey and experience with your brand.

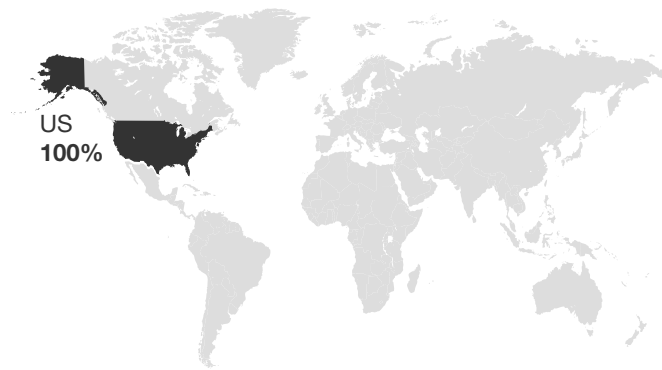
As marketers begin to realize the promised value of people-based marketing, due in great part to identity resolution, the next step will be to map customer journeys to establish a stronger intersection between marketing tactics and customer needs. With a view of customer journeys in place, brands can identify and prioritize critical customer engagement points and orchestrate interactions at these key moments to enhance the consumer relationship and drive ROI.

Appendix A: Methodology

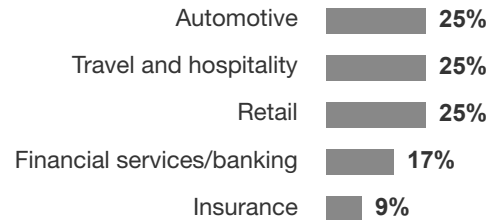
In this study, Forrester conducted an online study of 212 respondents and two interviews at financial services, insurance, retail, automotive, and travel organizations in the United States to evaluate the adoption of people-based marketing. Survey participants included decision makers in marketing responsible for their firm's strategy. Questions provided to the participants asked to what extent their firm has implemented or plans to implement people-based marketing approaches, on what channels, and what challenges and benefits they have experienced as a result. Interviewees were offered a copy of the report as a thank you for time spent speaking with us. The study began in March 2017 and was completed in November 2017.

Appendix B: Demographics/Data

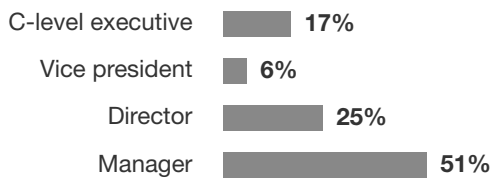
"In which country are you located?"



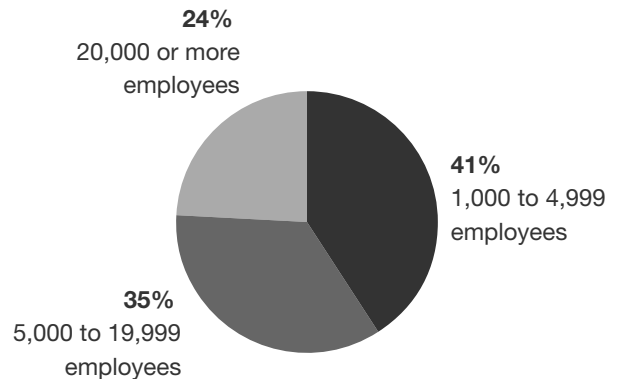
"Which of the following best describes the industry to which your company belongs?"



"Which of the following best describes your position at your organization?"



"Using your best estimate, how many employees work for your firm/organization worldwide?"



Base: 212 marketing respondents at the manager level and above with influence over their firm's marketing strategy at organizations with 1,000-plus employees in financial services, insurance, retail, automotive, and travel

Note: Percentages may not total 100 because of rounding.

Source: A commissioned study conducted by Forrester Consulting on behalf of Acxiom, November 2017

Appendix C: Supplemental Material

RELATED FORRESTER RESEARCH

“The Strategic Role Of Identity Resolution,” Forrester Research, Inc., October 17, 2017.

“The Next Generation Of Enterprise Marketing Technology,” Forrester Research, Inc., September 12, 2017.

Appendix D: Endnotes

¹ Source: “Protect Your Investment: Build Privacy And Security Into Your Marketing Technology Strategy,” Forrester Research, Inc., January 25, 2017.

² Forrester defines hyperadoption as a period defined by the rapid and unprecedented uptake of new devices and experiences.

³ Source: “The Next Generation Of Enterprise Marketing Technology,” Forrester Research, Inc., September 12, 2017.