

THREE KEY INVESTMENT AREAS FOR MARKETERS IN 2022

This is what top marketers are focusing on this year.
And so should you.



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INTRODUCTION

Martech innovations can redefine how you engage with customers, transform how you run your business, and be the edge you need to get ahead of the competition. But how do you know what to invest in, investigate, or ignore?

This eBook highlights three top investment recommendations for marketers in 2022.

ACKNOWLEDGMENTS

A big thank you to the following executives for their invaluable insights:

John Baronello - VP Digital Transformation, Cardinal Path

Dan McKinney - VP Data & Analytics and Audience Insights, Audacy

Jess Simpson - SVP Global Identity, Data & Tech Consulting, Publicis Groupe

Click [here](#) to watch the original Brave New Worlds panel session video from which this eBook was derived.

IN THE SPOTLIGHT

If you have limited time to explore marketing innovations this year, make sure the following three areas are on your list.

Customer Data Platforms (CDPs)

CDPs are not anything new, but they've been battle-tested amid some very challenging times. During the Covid-19 pandemic, marketers with CDPs have coped with channel fragmentation and rapid changes in consumer behavior better than most. They got their data house in order and developed a more agile marketing culture. Net-net, the world of marketing is moving fast, and you'd do very well to consider a strong CDP strategy to keep up.

Data Clean Rooms

The use of data clean rooms for marketing applications is a more recent development, and one that many marketers from across all industries are eyeing with great interest. There's lots of benefits to be gained from their use, and not all of it revolves around privacy compliance.

Consent Management Platforms

Speaking of privacy, the experts we talked to foresee a lot of activity taking place around consent management platforms this year. Consent is much more than a banner at the bottom of the screen. It's the backbone of your relationship with customers. It's a place where you can be transparent and define the parameters of your value exchange with them. It's high time you broke open your 10,000-word privacy notice.

WAIT, WHAT'S WRONG WITH MY EXISTING STACK?

Most marketing stacks are seemingly cobbled together with duct tape and chewing gum. You've probably had the same CRM for a while, or the same analytics platform. When a new channel opened up, or a promising new data source came into view, chances are you added a point solution to your existing stack to accommodate that change. After all, who has time to start from scratch? But over time, your stack starts to wobble. Your data gets stale, your match rates drop, and you find yourself holding a bunch of [leaky data buckets](#).

2021 was the year of the on-again, off-again third-party cookie saga. Over the past 12 months, Neustar has helped hundreds of clients size up the [impact of ID deprecation](#) (third-party cookies and device IDs) on their media investments and marketing capabilities. Most are horrified to

see how much their adtech and martech stacks depend on a piece of technology that's soon to be history.

It's not just about cookies either. Are you still confused over your obligations under CCPA and [CPRA](#)? Too bad, it's time to focus on [TLDR](#). Do you finally understand what FLoC is all about? Never mind, it's now [Topics API](#). Meanwhile, the tug of war between Apple and Meta over IDFA and app tracking rages on, but there are still all those Android users, right? [Not anymore](#).

If your head is spinning from all the changes in tech and data privacy, and their implications for you and for the marketing industry at large, you're not alone. Customer-centricity and the promises of data-driven marketing have never been so close, and so distant, all at once.

You need a marketing stack that can sustain your business through all those twists and turns.

INVESTMENT AREA #1

CUSTOMER DATA PLATFORMS (CDP)

[CDPs](#) have come a long way since they first emerged in the mid-2010s. According to the most recent [industry update](#) from the CDP Institute, there are now 64 CDP vendors in the US alone. Worldwide sales exceed \$2 billion. At Neustar, we [wrote](#) about our enthusiasm for CDPs nearly two years ago, and we remain big fans today. We've already teamed up with many of the industry's top players to integrate their functionalities with our own capabilities. But while many marketing organizations have deployed CDPs over the past few years in hopes of achieving a 360-degree view of their customers, only 14% have reached that goal, according to [Gartner](#). It's not that the technology is deficient, or particularly difficult to use. But it requires good data to work its magic.

**Worldwide
sales exceed
\$2 billion.**

- Customer Data Platform Industry Update,
CDP Institute, January 2022

So why are we advising you to invest in a CDP? Because that investment will be a catalyst for you to:

Sharpen your focus on your first-party data

With external data sources increasingly under scrutiny, you need to reorganize your marketing ecosystem around your first-party (and [zero-party](#)) data. That data is typically more reliable because you've collected it yourself, and it stands out from the rest because it relates to direct interactions you've had with your customers. Whether you're an advertiser or a [publisher](#), people don't interact with your brand, products, and services the same way they interact with other brands. Use it to your advantage.

Develop a unified identity framework

A CDP forces you to examine closely how you [ingest](#) customer data, and how you normalize that data to activate it efficiently across your favorite marketing use cases. The effort you put in to add a CDP will open your eyes to the waste and [inaccuracies](#) caused by your current marketing stack, and you'll see the benefits of developing a framework around a singular, consistent, and sustainable ID space. We call it [unified identity](#), and we think it's essential to the future of data-driven marketing.

Get your data house in order

The industry is finally moving on from an obsession with big data to a focus on good data. That's a very good thing. When organizations clean up, validate, and enrich their first-party data assets, every use case benefits: segmentations are on point, campaigns are on target, media budgets can be optimized—and end-users are happier. But you don't know how bad your data is until you look under the hood. A CDP will have you [look under the hood](#).

A CDP is much more than yet another piece in your marketing stack. If you do it right, it will help you modernize your entire data infrastructure.



We don't really think about the CDP in a traditional sense. We think about it as a way to support identity, consent, and first-party data, and modernize your architecture and infrastructure so that you can enable better relationships with the consumer.

Jess Simpson, Publicis Groupe

INVESTMENT AREA #2

DATA CLEAN ROOMS

At a time when marketers are hungry for more data co-ops, but walking on eggshells due to increased privacy and data security concerns, it's only natural to see [data clean rooms](#) in the spotlight.

In a clean room, two potential partners can share sensitive customer data knowing that operational security, regulatory compliance, and access permissions are tightly controlled. And thanks to sophisticated techniques like pseudonymization, [differential privacy](#), and distributed computing, the identity of individual consumers is never divulged.

There are many different flavors of clean rooms, and many different use cases too: brands might use them to size up market overlap with a potential partner; advertisers to run a campaign in a walled garden (and measure its performance); and publishers to activate new audience segments.

Confidence in clean rooms is growing: [Gartner](#) advises organizations of all sizes to “plan for the future today by defining the use cases and goals that can be met by leveraging data clean rooms within and outside of walled gardens.” Smaller organizations are at a disadvantage because they don't necessarily have the resources to handle the extra technical and legal ramifications of using another company's dataset. And clean rooms are still a bit difficult to use if you don't have a team of data scientists around to help. But those barriers are coming down fast.

Considering recent advances in data clean room ease-of-use, [Deloitte](#) expects to see interest in seamless, secure data-sharing capabilities pick up dramatically within the next 18 to 24 months.

18–24 months

More marketers to embrace data-sharing capabilities over this timeframe

- “Data-sharing made easy” article, Deloitte Insights, December 2021

Why is it a wise move to start working with clean rooms this year? Because you'll be able to:

Remove key obstacles to data collaboration

Oftentimes in life, we don't really know what we've got until we lose it. The same holds true in marketing. At first, the loss of third-party cookies and device IDs caused consternation in the digital marketing community, but it made two things very clear. One, modern marketing really needs data collaboration to thrive; and two, cookies were a poor excuse for data collaboration anyway. By erecting guardrails around sensitive data, clean rooms are in fact opening up new data-sharing possibilities.

Understand how you perform in the walled gardens

Google Ads Data Hub. Facebook Advanced Analytics. Amazon Marketing Cloud. Those are all privacy-safe data clean rooms where you can upload your customer data and match it with impression-level data for every campaign you run on their platforms. There's an element of trust involved—those platforms are, in effect, grading their own homework—but they're going to account for [nearly 75%](#) of all digital ad dollars this year. You cannot *not* work with them.

Stay one step ahead of new privacy regulations

When you work with clean rooms, you start to look at data governance differently. You think twice about what personally identifiable information (PII) you really need to collect, how long you need to store it, and who in your organization should have access to it. You gain experience in privacy-preserving techniques that you can incorporate into your own data environment. It's a cultural shift that will serve you well when the next round of privacy regulations arrives. And it will.



Every platform is going to have its own version of a data clean room, and they won't necessarily talk to one another. As a result, we're going to need to set up a privacy-compliant approach for managing multiple clean rooms. Clean rooms are going to be a part of every martech stack in the future, so now is the time to get in front of it.

John Baronello, Cardinal Path

CONSENT MANAGEMENT PLATFORMS

Ever since GDPR came into effect in 2018, consent notifications have (quite literally) popped up everywhere online. At the same time, consumers learned that websites and apps were using cookies and other trackers to collect, share, and resell their personal data—and that there was something they could do about it.

But there's a big difference between consent and the illusion of consent. The first generation of consent management platforms gave marketers a way to document their compliance with regional privacy regulations. But it also created an environment where consent could be manipulated, via [nudging](#) techniques, for instance, or outright [bad design](#).

In GDPR's wording, consent should be [freely given, specific, informed, and unambiguous](#). A 2020 benchmark study by [Deloitte](#) showed that 55% of website consent forms failed to give users a way to tailor their consent settings. Today, cookie policies are just as cryptic as ever, and half of all users queasily [accept all](#) cookies, just to get on with their day.

Patience is running thin. European regulators are [cracking down](#) on legitimate interest provisions in GDPR, and US lawmakers are proposing radical changes with [TLDR](#) to eliminate legal jargon in privacy policies. In short, you need to get ahead of the curve.



55%

of website consent forms failed to give users a way to tailor their consent settings

– Cookie Benchmark Study, Deloitte, 2021

Thankfully, there's a new breed of consent management platforms out there that can help you:

Clarify the nature of your value exchange

People are far more likely to share their personal data if they understand what you're offering in exchange. Don't assume they know the difference between a technical, functional, analytical, and targeting cookie. Even in a cookieless world, they won't understand why you're asking them about food allergies if you don't tell them you have a gluten-free newsletter you can share with them.

Get richer personal data from your customers

If you do a good job at communicating your value exchange with your consent management platform, people will share more interests and preferences with you. That richer data will not just enhance your interactions with existing customers, but also help you identify look-alikes. It can perhaps even open new markets for your brand. Your consent management platform should not be a one-and-done checkmark on a fancy dashboard, but an opportunity to engage in an ongoing conversation with your customers.

Build trust in your brand

In the words of Google's Neil Hoyne, "[trust is future-proof](#)." Consumers trust brands that are transparent with them about their data collection efforts. They're more likely to share personal data with companies that have a good track record. It's a virtuous circle, and all the more reason for you to get onboard now and start using a consent management platform to grow your business.



From a publisher standpoint, we want to have a conversation with our customers where they're willing to share personal information because they know that it will translate into a better customer experience for them. It all starts with trust.

Dan McKinney, Audacy

TRY BEFORE YOU BUY

We hope the recommendations outlined in this eBook resonate with you, and that they'll help you make the case for exciting new martech investments in your organization.

One parting thought is that customer data platforms, data clean rooms, and consent management platforms are at their best when they're deployed in the right environment. You might need to revisit your data management practices, or perhaps even reorganize the way your marketing organization is structured. What that means is that these can be bigger projects than anticipated. Rather than taking it all on in one fell swoop, our experts suggest that you put your agile hat on: develop quick proofs of concept, communicate progress regularly, and secure leadership buy-in every step of the way. You'll start reaping the benefits in no time.

Please [contact us](#) and we'll help you get started.

ABOUT TRANSUNION (NYSE: TRU)

TransUnion is a global information and insights company that makes trust possible in the modern economy. We do this by providing an actionable picture of each person so they can be reliably represented in the marketplace. As a result, businesses and consumers can transact with confidence and achieve great things. We call this Information for Good.® A leading presence in more than 30 countries across five continents, TransUnion provides solutions that help create economic opportunity, great experiences, and personal empowerment for hundreds of millions of people.

www.transunion.com

ABOUT NEUSTAR

Neustar, a TransUnion company, is a leader in identity resolution providing the data and technology that enable trusted connections between companies and people at the moments that matter most. Neustar offers industry-leading solutions in marketing, risk, and communications that responsibly connect data on people, devices, and locations, continuously corroborated through billions of transactions. Learn how your company can benefit from the power of trusted connections.

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