



# POV: PRIVACY, THE NEW BRAND OPPORTUNITY





Third-party cookies are dying out and iOS14 will create ad performance challenges that *must* be addressed.

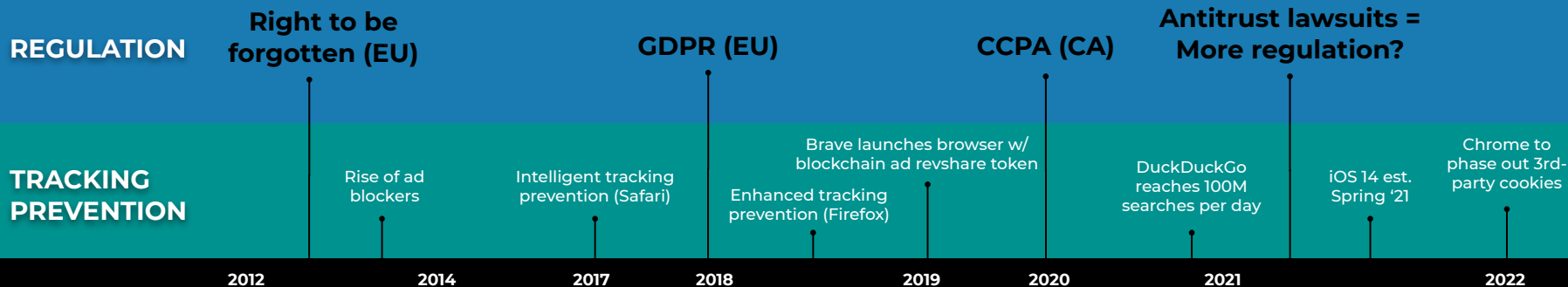
**And:** Your brand can be well-positioned to gain a **competitive advantage** by adopting a privacy-forward stance.

# ZOOMING OUT ON PRIVACY TRENDS





# iOS 14: PART OF A LONG TREND TOWARD INCREASED USER PRIVACY CONTROLS



## TAKEAWAYS

- 1) Privacy changes will continue to be rolled out—iOS14 is not the first or the last.
- 2) Plug the immediate performance holes associated with the iOS14 update.
- 3) Proactively achieve privacy-forward brand status as a competitive advantage.

## As third-party cookies become less relevant, various workarounds have been tried, such as:

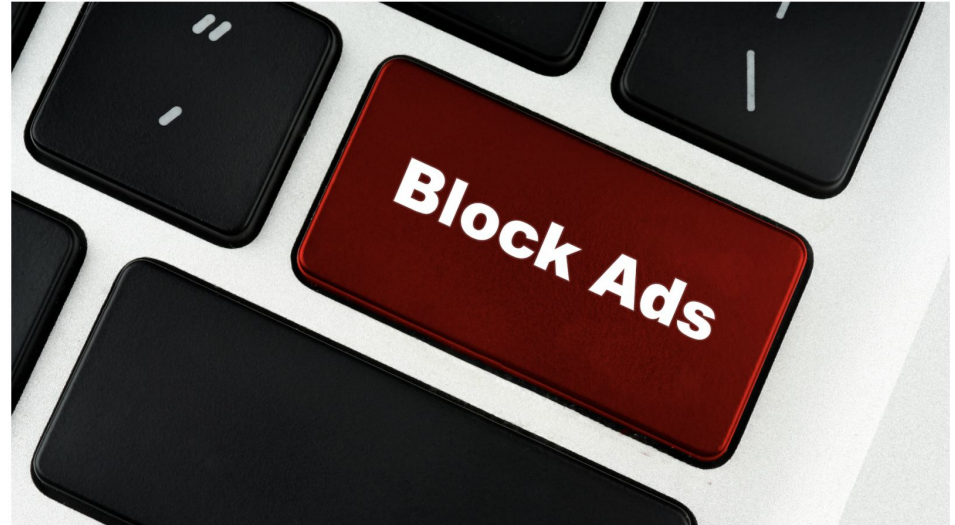
- Device/browser fingerprinting
- Device ID-based tracking
- Server-side tracking
- [FLoC](#) (in testing by Google; cohort-based tracking in preparation for 2022 sunset of 3rd-party cookies in Chrome\*)
- [Unified ID 2.0](#)

*\*Apiary will be releasing a separate POV on FLoC and Chrome changes*

## Ad-mageddon! Ad blocking, its impact, and what comes next

Contributor Anthony Muller talks with the IAB, publishers, agencies and Adblock Plus to get their perspectives on the rise of ad blocking, its effects on the digital ad ecosystem, and what we can expect to see in the future.

[Anthony Muller](#) on October 31, 2017 at 12:23 pm



### Remember black hat SEO?

In the early days of search engines, brands would employ sketchy practices to “game the system” on temporary loopholes.

This created an arms race, and was bad for customers.

Instead of reacting to privacy changes, or looking for technical loopholes, **let's win by focusing on delivering an excellent customer experience.**

*"The **best laptops** in the market. Our **laptops** have the lowest price, and the **best** quality, the **best laptops** for business and the **best laptops** for home and personal use. Buy our **best Laptops** and get the deal for your life. Buy the **best laptops** in town and showcase your **best laptop** to your friends. "*



# DATA PRIVACY: YOUR NEXT COMPETITIVE ADVANTAGE

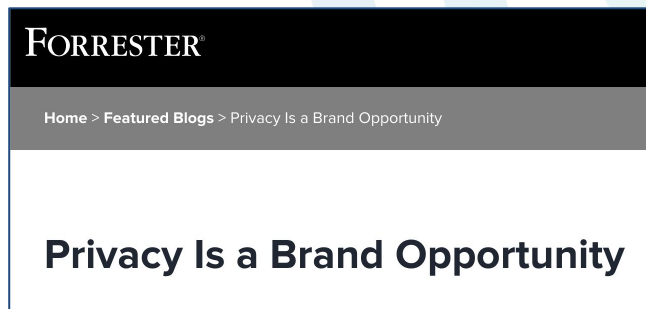




**93%** of luxury consumers say they will switch to a brand that prioritizes data privacy.

**39%** will spend more with brands that offer instant access to control their own personal data.

Source: [Luxury Institute](#), Sep. 2020







## DATA TRANSPARENCY: A NEW “CLEAN” BRAND VALUE PROP

If transparency is  
already part of your  
brand's value prop...

Why not translate  
this into data  
transparency?

“In the wake of clean eating, the clean beauty phenomenon is part of a larger movement that reaches beyond cosmetics: a search for transparency (both in terms of health and the environment) and desire for more ethical practices that informs the new credo of this century ‘consum’actors’.”

-Candice Collin, Founder & CEO, Beautylitic [Source](#)



# DATA PRIVACY: THE NEW “GREEN” VALUE PROPOSITION

**14%** of greenhouse gas emissions will come from data centers by 2040.

[Source](#)



Powered by Superior,  
Sustainable Ingredients

We prioritize both certified-organic and wild-harvested ingredients, and we take sourcing seriously, tracing ingredients to their origins and ensuring that their cultivation and production are sustainable for the local community as well as the environment.



**If you're winning by being environmentally sustainable in your product & packaging...**

**Why not translate this into a practice of eliminating unnecessary data storage (to save the environment & protect user privacy)?**

# RECOMMENDATIONS





# 30/60/90 DAY PLAN TO BUILD BRAND EQUITY THROUGH DATA PRIVACY

## LARGER BRANDS CAN'T PIVOT FAST ENOUGH TO COMPETE ONCE DATA PRIVACY IS A CUSTOMER ISSUE.

### 30 days: Plug immediate holes.

Implement immediate tactical shifts within Facebook Ads (and other platforms) in preparation for iOS14.

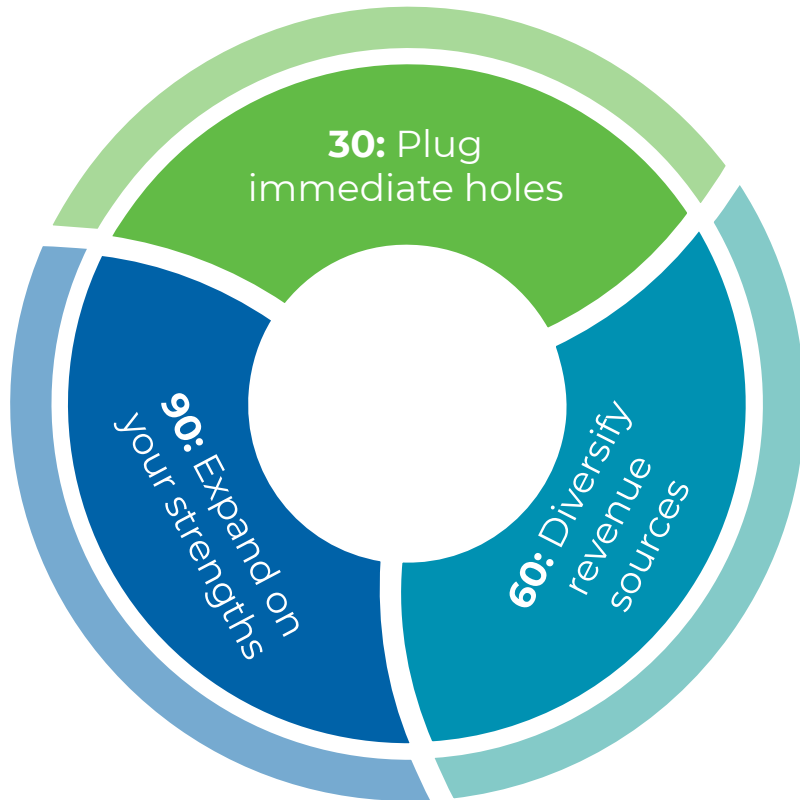
### 60 days: Diversify revenue sources.

Accelerate testing to diversify from a single channel as a concentrated source of revenue.

*(Even if iOS 14 turns out to not hugely impact performance in ads, something else eventually will: Get ahead of this with reduced single-channel exposure.)*

### 90 days: Expand on your strengths.

Build customer intimacy, loyalty, and brand equity by leveraging your existing tendency toward transparency to build first-party data lists.





# PLUG IMMEDIATE HOLES

## Update Your Facebook Ads Approach

Although iOS14 will impact the entire digital ecosystem, we expect Facebook Ads to be the most impacted. For a deeper dive into immediate changes to make in light of iOS14, [read up on the implications](#) and [optimization recommendations](#) for brands and advertisers. A few quick tips:

- Shorten your attribution window to a 1- or 7-day click window
- Start uploading email lists and testing custom audiences based on these lists
- Update event tracking to reduce the number of pixel events to a maximum of 8
- While campaign budget optimization (CBO) is a powerful method of optimization, we expect its performance to become erratic throughout the rollout of iOS14. Also test ad set level budget optimization

## Reduce reliance on any single channel as revenue generator

Test new prospecting methods	Nurture direct customer relationships	Convert on tried and true channels
<p>Many brands are over-reliant on Facebook and Google look-alikes for prospecting. This is not only concentrating risk into a single channel, it's potentially excluding increasingly diverse customers.</p> <p>Update old personas with a <a href="#">community persona approach</a>. Use these new personas to find those you may have left out of your marketing mix:</p> <ul style="list-style-type: none"> <li>• Test direct buys, email list sponsorships, influencers, podcasts, and upper-funnel channels such as Pinterest and co-branded partnerships to grow upper-funnel audience lists.</li> <li>• Test additional paid channels like Snapchat or TikTok which have significant non-overlapping audiences compared with Facebook.</li> <li>• Update your Facebook Prospecting research tools like <a href="#">Audience Kitchen</a> to identify new targeting segments.</li> </ul> <p>Because many of these tactics are not easily measurable, <a href="#">incrementality testing</a> can help, though is still too expensive for most brands to implement.</p>	<p>Give your customers a <a href="#">reason to opt-into</a> handing over their email or phone number to build your first-party audience list. Examples include:</p> <ul style="list-style-type: none"> <li>• Interactive, value-added quiz—have the results and additional information emailed to you.</li> <li>• Drive sign-ups to free virtual consultations, virtual events, and exclusive gated video tutorials.</li> <li>• Expand SMS marketing to go beyond email lists as an additional way to build first-party customer lists.</li> <li>• Take a page from B2B marketers and build high-value gated content such as ebooks that can be downloaded for free with an email signup.</li> </ul>	<p>While there are plenty of options for diversifying upper-funnel prospecting budgets, the measurability of the Facebook/Google/Amazon triopoly means you still need to invest there to close the deal on converting new customers:</p> <ul style="list-style-type: none"> <li>• Leverage the direct customer relationships and first-party audience data to convert customers on Google, Facebook, YouTube, etc.</li> <li>• Explore emerging technology to better-utilize your first-party data, purge unnecessary data, and optimize the customer experience. CDP, <a href="#">Conscia</a> is a great example of this.</li> </ul>



## EXPAND ON YOUR STRENGTHS

### Leverage your existing successes with customer transparency to become privacy-forward

- Incorporate **data transparency into your customer experience** (not with annoying popups and legalese).
- Give people access to their personal data and give them choices and control, which can help to build [customer intimacy](#).
- Help them understand the value provided in exchange for their data.
- Purge unnecessary data the way a clean food or cosmetics brand would ban toxic ingredients.

### Gain trust and loyalty from customers

- Incorporate into PR, social, and brand messaging.

### Current examples of brand transparency successes

- Clean food or cosmetics brand bans toxic ingredients
- Sustainable clothing brand is transparent about the sourcing of materials
- Consumer brand is transparent about the environmental impacts of shipping and packaging



# RECAP

1. Implement short-term changes to tackle iOS14
2. Expect new privacy shifts to keep coming
3. **Build data privacy into your customer experience as a COMPETITIVE ADVANTAGE!**
4. Think of data transparency as an extension of your brand strengths where you already offer a high degree of transparency
5. Stay focused on the customer's best interests and brand equity will follow!

**Contact Apiary if you'd like support turning these changes into opportunities for your brand.**

