

DATA WARS

A look at information's role in the new advertising era.
Powered by Adlucent, a division of Advantage Solutions.



TODAY,

there's a data dichotomy. With the upcoming GDPR deadline and the recent Facebook Congressional hearings, data privacy is in the spotlight in a big way. Consumers are becoming more aware of their digital data and demanding more transparency from brands around what data

they're collecting and how they're using it. But while awareness has been heightened, this study uncovers that when it comes to data, many consumers still value personalization over privacy. More than ever, they expect brands to deliver relevant online experiences – and they're willing to pony up some personal information to get it.

LET'S GET PERSONAL



7 OUT OF 10

consumers say they prefer content and ads that are tailored to their personal interests and shopping habits, with 46% saying their ideal online experience is

having free access to the websites they care most about and only seeing relevant ads—even if it means sharing their personal information with brands in exchange.

For today's brands, personalization is no longer a nice to have, but table stakes for success, with 60% of consumers expecting brands to deliver tailored experiences, and 43% reporting that their desire for personalization has grown in the last year alone.

DATA CATEGORY	2016	2018
Customers willing to share product category preferences with brands	40%	80%
Customers willing to share updates on major life events (marriage, engagements, pregnancies) with brands	8%	25%
Customers willing to share their email address with brands	34%	72%

Additionally, consumers showed a strong willingness to share their data with a wide range of recipients, including retail brands (62%), search engines (56%), social media platforms (52%), and email providers like Gmail and Yahoo! (38%).

THE AGE OF IRRELEVANT ADVERTISING IS COMING TO AN END. FOR TODAY'S BRANDS, THERE'S A LOT ON THE LINE. FAIL TO DELIVER, AND YOU WILL QUICKLY FIND YOURSELF LOSING FAVOR AND FALLING BEHIND. BUT THE BRANDS WHO SUCCESSFULLY BALANCE PERSONALIZATION AND PRIVACY EXPECTATIONS WILL BE BIG WINNERS IN THIS NEXT ERA OF DIGITAL ADVERTISING.

- MICHAEL GRIFFIN, FOUNDER AND CEO OF ADLUCENT

DATA CONSCIOUS BUT UNCONCERNED

Today's consumer is undoubtedly more data conscious, but not necessarily more data concerned. While 83% of consumers said the recent Facebook Congressional hearings and the resulting media coverage has made them more aware of their digital data—and 66% said it negatively impacted their perception of Facebook—only 16% of consumers said they actually plan to get rid of their Facebook account. So why, despite the acute awareness, do consumers show a new level of comfort when it comes to brands handling their data? For starters, consumers are tired of irrelevant ad overload, with 88% of consumers saying there are too many online ads. A few other factors contribute:



Most consumers confessed that sharing data with brands has become the status quo. In fact, 81% of consumers have shared their email address to get discounts and promos, 65% have provided brands with product preferences in order to get tailored recommendations, and 51% have provided their phone numbers to receive text updates and notifications.



New technologies are also conditioning consumers to share more willingly. Of those who own a smart home device or speaker, 71% have used it to get personalized information or recommendations or to search for or purchase products, with nearly half saying the devices have increased their desire and expectation for personalized content and information.

TRUST THROUGH TRANSPARENCY

WHILE CONSUMERS ARE STILL WILLING TO HAND OVER INFORMATION IN EXCHANGE FOR PERSONALIZATION, DATA TRANSPARENCY IS ALSO MORE IMPORTANT THAN EVER. A RESOUNDING 96% OF CONSUMERS WANT BRANDS TO BE MORE TRANSPARENT ABOUT THEIR COLLECTION AND USE OF PERSONAL DATA, INCLUDING VISIBILITY INTO WHAT'S BEING COLLECTED (80%), WHO IS COLLECTING THEIR DATA (78%) AND HOW IT'S BEING USED (77%).

STRIKING A SUCCESSFUL BALANCE

Ultimately, advertising success will require brands to strike a delicate balance between personalization and privacy. Brands who deliver this balance will reap major rewards—but brands who violate consumer trust and fail to deliver relevant experiences will have a lot at risk. For marketers

and brands, delivering personalized and relevant online experiences is key to increasing brand perception, engagement, and conversions. The report revealed that tailored ads drive dramatic improvements in click through, for both familiar and lesser-known brands, and directly influence purchase decisions.

58%

of consumers said personalized ads and content improve their perception of a brand.

38%

more likely to click on an ad for a brand they already know if it's tailored to their preferences and shopping habits.

16%

more likely to click on an ad that is tailored to their preferences and shopping habits—even if they're unfamiliar with the brand.

57%

of consumers said they are more likely to buy from brands that deliver tailored, relevant content.

WRAPPING UP

ABOUT ADLUCENT

Adlucent, an AMP Agency company, is a performance-driven digital marketing and intelligence agency that helps brands identify, engage, and acquire high-value customers. Based in Austin, Texas, Adlucent's machine learning platform helps retailers create, launch and manage high-volume campaigns through the use of extensive data and analytics. Since its founding in 2001, Adlucent's "Better Every Day" approach to innovation has allowed the company to execute on its commitment to creating and delivering personalized advertising programs. For more information on Adlucent, visit www.adlucent.com.

ABOUT ADVANTAGE SOLUTIONS

Advantage is a leading business solutions provider committed to driving growth through winning insights and execution. Advantage's customizable and technology-enabled sales and marketing solutions -- including headquarter sales, retail merchandising, business intelligence, and a full suite of marketing services -- are designed to help manufacturers and retailers across a broad range of channels drive consumer demand, increase sales, and achieve operating efficiencies. Headquartered in Irvine, Calif., Advantage has offices throughout the United States and Canada and maintains a platform in select markets throughout Africa, Asia, Australia, and Europe through which it can service global needs of multi-national manufacturers. For more information, please visit www.advantagesolutions.net.

SURVEY METHODOLOGY

This study was completed at a 95% confidence level and +/- 4% margin of error. Survey responses were collected from more than 1100 US consumers across 49 states who search and shop online and have at least one social media account. Survey responses were collected between April 20-23, 2018.



WWW.ADLUCENT.COM
SOLUTIONS@ADLUCENT.COM
(800) 788-9152
2130 S CONGRESS AVE
AUSTIN, TX 78704



WWW.ADVANTAGESOLUTIONS.NET
(949) 797-2900
18100 CON KARMAN, SUITE 1000
IRVINE, CA 92612



THANK YOU