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Trusted Data Formula E-book

Discover why the fastest growing brands are built
on Trusted Data — and their formula for success.

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"92% of leading marketers believe using first-party data to continuously build an understanding of what people want is critical to growth," according to research from Google and Econsultancy.

Personalizing experiences, delivering relevant content, and successfully developing new products start with having the right data — and without question, the most accurate and valuable data that a brand can have is data collected firsthand, directly from customers and prospects.

Until recently, the only data that could be collected at scale was chiefly limited to "transactional data" captured at the point-of-sale (e.g. name, email, address, and purchase history), and "behavioral data" captured by tracking consumers as they browse and search brand websites and apps.

It's tempting for brands to use transactional and behavioral data to try to infer their customer's intentions, needs and interests. Unfortunately, reading the tea leaves of clickstreams and purchases involves guesswork, which often leads to incorrect conclusions that result in wasted marketing spend, and irritated customers. Guessing a customer's mindset by observing their behavior alone is inherently hit-or-miss for a variety of reasons — people buy for other people, their tastes change, they inadvertently land on a website, to name a few.

The good news is that first-party data is no longer limited to transactional and behavioral data. Brands are now investing in a new type of first-party data called "trusted data" in order to get to know their customers better, and serve them more effectively and proactively. Trusted data, which is always permission-based, has explicit meaning, so it eliminates the need for guesswork, and enables brands to learn each customer's personal needs, preferences, interests, aspirations – and more.

Forrester Research uses the term "zero-party data" to describe trusted data and distinguish it from the other types of first-party data. Trusted data is also sometimes referred to as "consent data" or "declared data." According to Forrester "Firms spend millions of dollars a year on managing their first-party data and acquiring third-party data. But most B2C marketers are missing the most valuable data opportunity of all: zero-party data."

How do brands collect trusted data? By asking for it. When asked, consumers will proactively share their intentions, needs and wants with the brands they trust. By creating digital experiences that consumers want to participate in, asking the right questions as part of each experience, and delivering value to consumers in exchange for their participation, brands can collect the exact data they want from their customers and prospects.

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Trusted data couldn't come at a better time, because the alternative sources of data that brands have relied on are under siege. Data purchased or rented from third-party aggregators and brokers — i.e. third-party data — has come under intense scrutiny in the industry because the methods used to obtain this 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 went into effect on January 1, 2020, add new protections for consumer privacy, and give consumers more control over who has their data and how it is used.

With trusted data, brands can fine-tune communications with individual customers and build more personal relationships, in order to drive new and repeat sales.

Trusted data is one of the key reasons that direct-to-consumer businesses like Glossier, JustFab, ThirdLove, and Warby Parker have been so successful. Fortunately, brands of all stripes — including traditional brands that sell through retail partners — can collect and benefit from trusted data by following the same enlightened formula pioneered by some of the fastest-growing brands. The formula is based on transparency and consent, fully-aligned with GDPR and CCPA, and helps brands build honest, trusted and profitable relationships with their customers.

The Trusted Data Formula

By crafting digital experiences in which customers and prospects want to participate, and by asking questions or structuring experiences to collect specific information (e.g. 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 new, known contacts, and enriching the profiles of both new and existing contacts.

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 trusted 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 mobile-first digital experiences, called "microexperiences," designed to collect the exact data they need — from email opt-ins, gender and age to personal preferences, needs, intentions, shopping behavior and more — and offering value to consumers in return 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.

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MICROEXPERIENCES to request specific data	+	VALUE EXCHANGE for high conversion rates	+	VARIETY to request more data over time	=	TRUSTED DATA at scale

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 directly with the brands they interact with. This, in turn, is empowering marketers and brands to build direct relationships with their consumers to give them what they have always been asking for — personalization and relevance.

Wyng and the Trusted Data Formula

Wyng specializes in providing technology to help brands collect and activate trusted data at scale.

Using the Wyng Microexperience Platform (Wyng MXP), non-technical marketers can quickly and easily create one-of-a-kind microexperiences, purpose-built to engage and collect data from consumers on owned media, at specific moments. Microexperiences can be embedded on an existing brand.com website or mobile app, or published with a single click as a landing page or microsite hosted by Wyng.

The platform makes it easy for brands to create a variety of microexperiences over time, in order to facilitate highly-relevant, ongoing conversations with consumers. Each microexperience provides an opportunity to learn something about the individuals that participate.

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 and/or phone number) with the other data collected from the same individual (preferences, interests, etc.). Wyng also integrates with external IDs, making it possible to collect data from identified customers, without requiring them to provide an email address or submit a form.

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

- **Utility**: personalized recommendations, product discovery, educational experiences and more
- **Offers**: sampling, promo codes, coupons, instant wins, giveaways and other incentives
- **Exclusive access**: participation caps, gated content
- **Entertainment**: entertaining, gamified or fun experiences

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

Conversion rates are also influenced 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.

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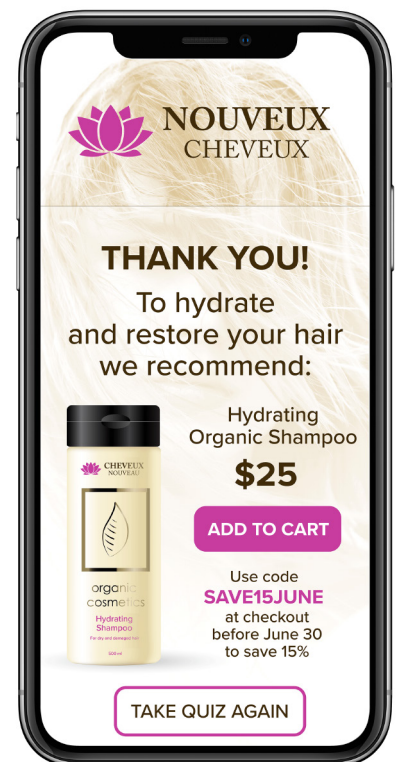
Examples and Idea Starters

1 Acnefree, a L'Oréal brand, provides a diagnostic questionnaire powered by Wyng embedded on acne-free.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.

VOTE FOR KIND'S NEXT LIMITED EDITION FLAVOR

KIND

SANGRIA
mixed nuts | pomegranate tart cherry | orange zest

SESAME SEAWEED
seaweed | peanut | sesame | wasabi

VOTE   VOTE
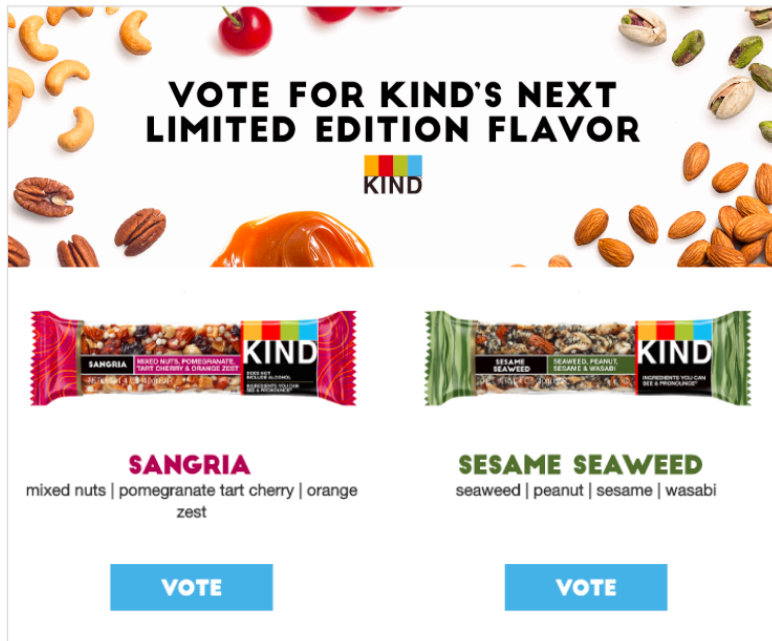
**3** KIND Snacks, a nutritious snack foods company, rolled out its first ever Raise the Bar contest. With help from celebrity chef Daphne Oz, the company created four new potential flavors and turned over the power of choice to their audience. Participants voted on their favorite flavor via a microexperience embedded on kindsnacks.com and Facebook, and then provided their names and email addresses. KIND was able to easily conduct market and product research, and simultaneously acquire 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.
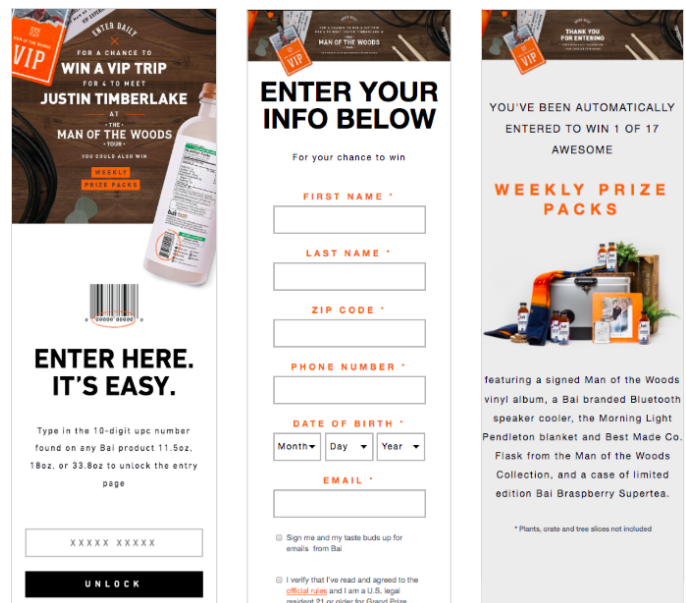
5 TBS, a television network owned by WarnerMedia, embeds fun trivia quizzes about their TV shows on the tbs.com site. The quizzes, powered by Wyng, collect data about each individual's knowledge of the show, along with name and email opt-in. The quizzes are also gamified, with countdown timers limiting the time allowed to answer each question, and participants are rewarded with an entry in a sweepstakes upon completing the quiz.
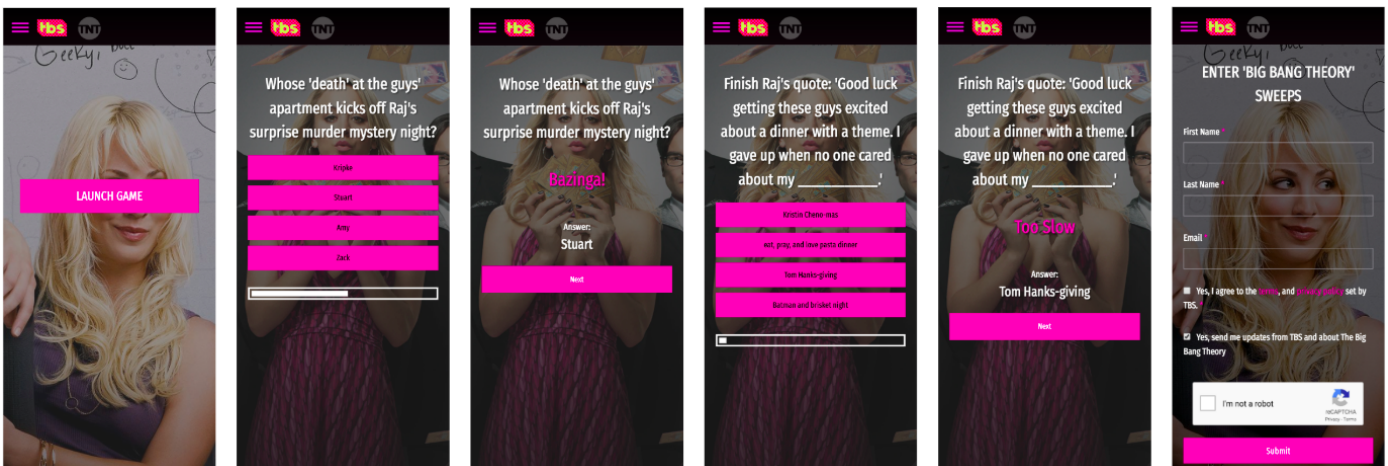
6 Arm & Hammer, a Church & Dwight brand, engages visitors to armandhammer.com with a fun personality quiz powered by Wyng. After completing a form and answering a series of interactive questions about cat ownership, participants are served up a personalized product recommendation, a $2 coupon, and their "Purrsonality" type that 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.
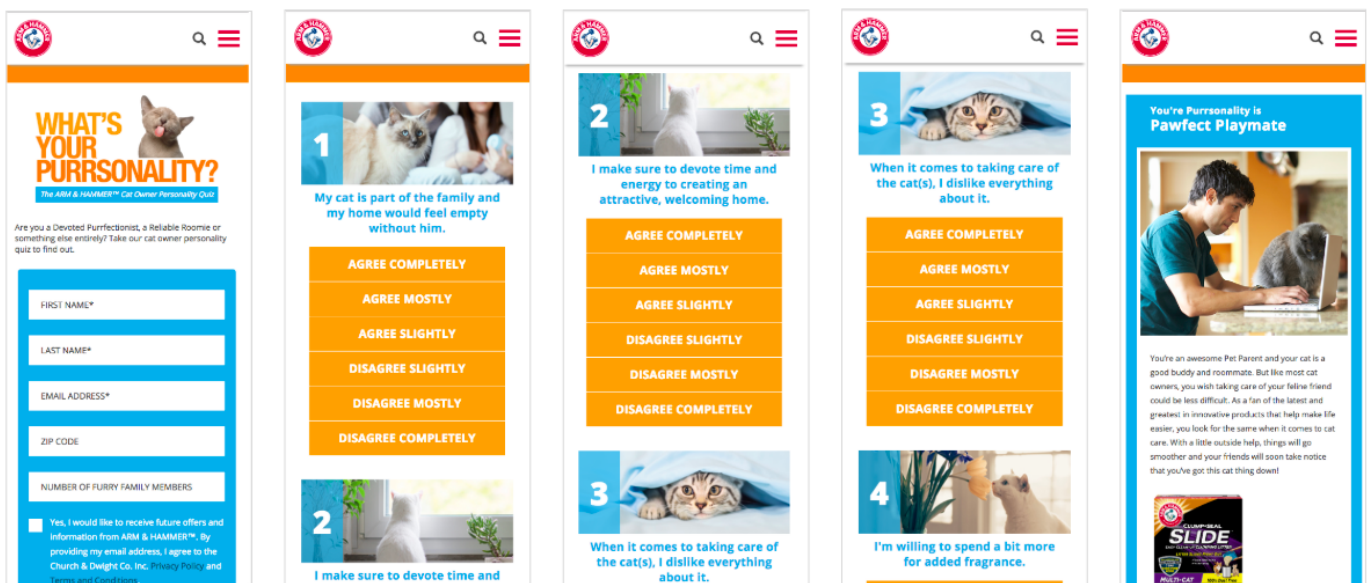
Integrating and Activating Trusted Data with Wyng

Brands that use Wyng to collect trusted data via microexperiences also feed the data to their enterprise systems of record, and activate the data to better understand and segment audiences, target individuals with more relevant content, and personalize experiences.
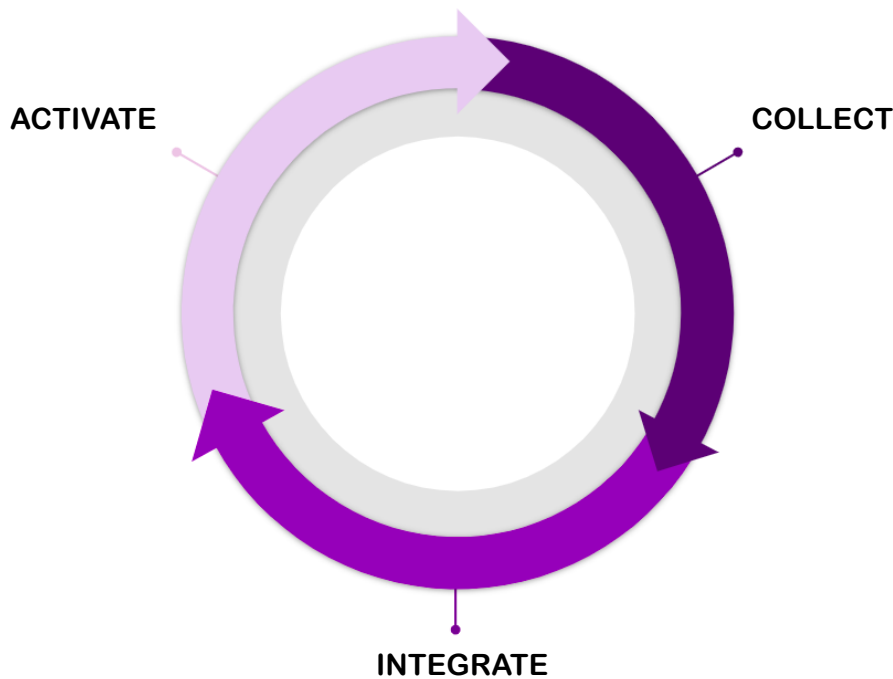
Wyng makes it easy to automatically feed trusted data to other systems. With pre-built connectors and open APIs, Wyng integrates with any Customer Relationship Management (CRM) system, Customer Data Platform (CDP), Email Service Provider (ESP), or customer login/identity platform — for example: Adobe, 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 trusted 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 household 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**. An orthodontic direct-to-consumer brand could send content or offers based on a specific need (e.g. wanting a whiter smile) collected from past microexperiences.

› **Retarget with more relevant ads**. A hospitality brand that learns an individual's preferences (e.g. desired travel destination, travel habits, or type of travel) can retarget the consumer with highly-relevant ads through email and social media.

› **Create custom audiences.** Preferences, needs, ages, geolocations and other trusted 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, what motivates them to purchase, and how they purchase, leaving your brand with the trusted data it needs to offer customers and prospects the uniquely personalized communications they demand and expect.

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

Our mission is to help brands build honest, trusted and profitable relationships with their customers. We do this by providing a platform that helps brands get to know their customers better, in order to serve them more effectively and proactively. We have over 250 customers, including 61 of the 100 Forbes' "World's Most Valuable Brands."

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

To learn more, visit wyng.com.