#### FORRESTER®

# Privacy & Marketing: Strategies For A Cookie-less Future

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WORK

# Marketing & Privacy's Collision Course

# Marketing has gotten a little *too* good at connecting devices to people





Last night I had a conversation with my partner about palm reading, this morning I get an ad for a palm reading app on Instagram. Everyone laughs at me when I bring this up, but I'm so totally convinced Facebook is listening to our conversations to target ads.

Sources: Boston Globe (https://www.bostonglobe.com/business/2019/11/01/trick-wayfair-creeps-customers-out-with-new-customer-service-calls/iGxhKSwl1F3NZJ8Sgv4gZM/story.html); Twitter (https://twitter.com/derek\_dupreez/status/978558020845174786)



Three forces are converging to create the era of data deprecation



**Consumer behavior** 



**Legislators and regulators** 



**Browsers and operating systems** 

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I was on my phone looking at clothes on Walmart's app. Later that day, when I was browsing Facebook and other apps on my phone, all of the ads were things that I had looked at on Walmart's app. I found this creepy and an invasion of privacy.

- Female, 25-29

I feel my **privacy is a major concern**when it comes to personalized experiences
from financial services companies due to
data breaches and identity theft.

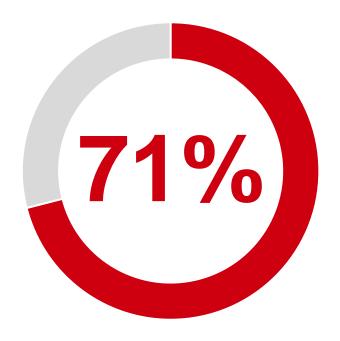
- Male, 25-29

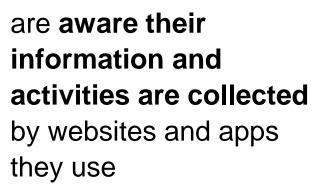
I have a disabled child. I was researching her medical conditions and I suddenly started **receiving ads for preplanning funerals**. Really, Google, if you are gonna target me with ads, make your algorithm NOT be clumsy and awkward.

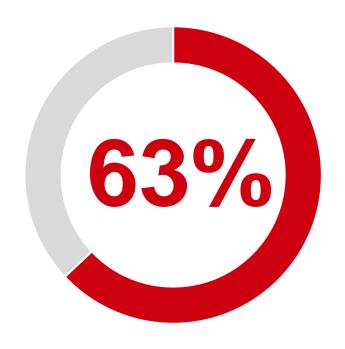
- Female, 50-54

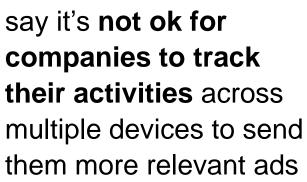
I think the only personalized experience I want from a company is when I ask for it. I would like to call them, live chat or in person when I want that kind of service. I really want it on my terms.

- Female, 45-49











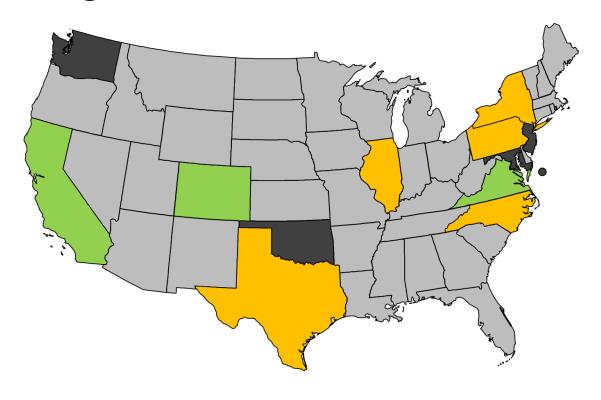
don't trust any companies to keep their personal information secure

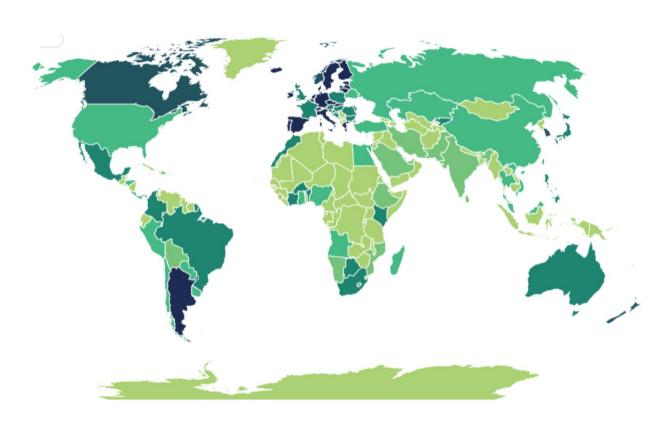
### The result:

More consumers use privacy-protecting tools than ever before

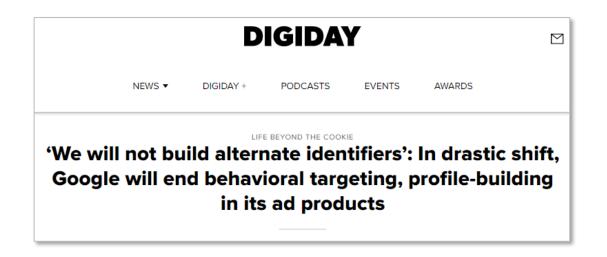


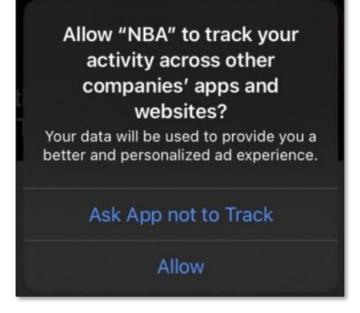
# Privacy legislation is a direct response, and sets its sights on surveillance marketing





The tech platforms are pitted against each other – and regulators





- This is an industry-wide shift for the digital advertising ecosystem though different approaching it differently
- Facebook will be adopting Apple's prompt as we have no real choice but to

Sources: Ad Age (<a href="https://adage.com/article/digital/safari-browser-update-driving-marketers-crazy/316661">https://adage.com/article/digital/safari-browser-update-driving-marketers-crazy/316661</a>), Ad Age (<a href="https://adage.com/article/news/firefox-follows-apple-blocking-third-party-cookies-online/2175306">https://adage.com/article/news/firefox-follows-apple-blocking-third-party-cookies-online/2175306</a>), Microsoft (<a href="https://microsoftedgewelcome.microsoft.com/en-us/">https://microsoftedgewelcome.microsoft.com/en-us/</a>); Edge, Google (<a href="https://www.blog.google/products/chrome/building-a-more-private-web/">https://www.blog.google/products/chrome/building-a-more-private-web/</a>);

# What does data deprecation cost organizations?

#### Marketing

- Audience insights development
- Audience segmentation
- Ad targeting and retargeting
- Marketing measurement

#### Customer experience:

- Digital customer experience across domains
- Personalization

#### Customer insights:

- Prospect analytics
- Web analytics

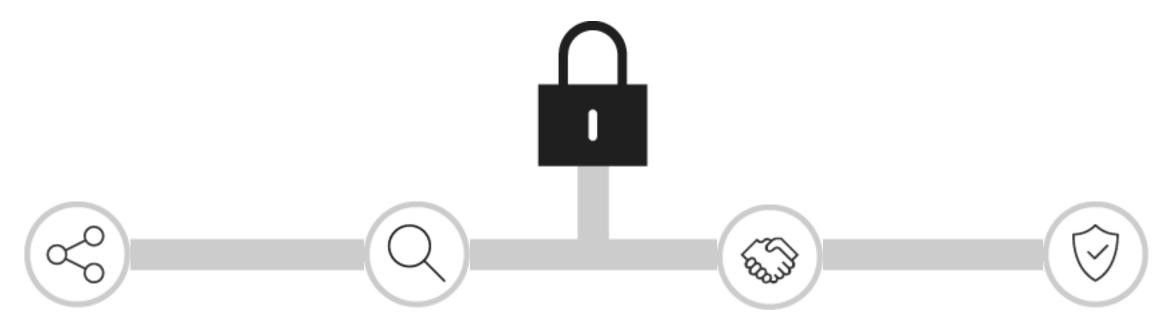
#### Security & risk

Fraud detection



# Let's talk about privacy personas...

# Privacy attitudes and behaviors aren't binary



Willingness to share information

**Privacy** awareness

Comfort with the data economy

**Protective** behaviors

### **Conditional Consumerists**

Tech-savvy, love to shop, and active social networkers

93% are enrolled in loyalty programs

31% use private browsing

Most likely to use adblocking and Do Not Track settings

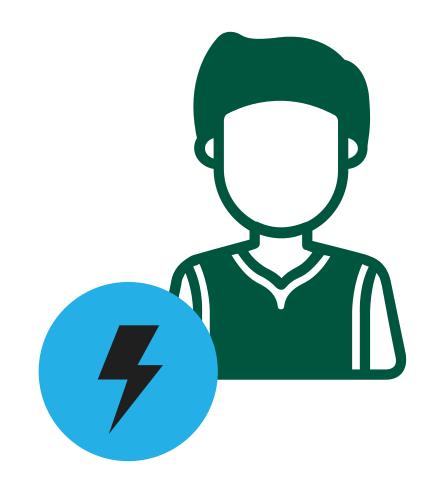


### Reckless Rebels

### Largest share of students

Most comfortable with firms selling and sharing their information

Take relatively few measures to protect their privacy



### Data-Savvy Digitals

Pragmatic, slightly older, and privacy protective

81% know that websites and apps are tracking them

93% use one or more tools to protect their online privacy



### Nervous Unawares

Concerned, least educated, not tech-savvy

Least aware that firms buy and sell personal information

12% still don't use a smartphone

32% unaware of any privacy protection tools



### **Skeptical Protectionists**

Oldest, digitally-savvy, security conscious

Most likely to take measures to prevent data collection

58% don't trust any firm to keep their information secure

The *most* skeptical about social media



### How can marketers activate this?

# Three pillars form customer-first privacy experiences

### **Transparency**

- Clear explanations of what data you collect and how you use it
- Privacy experiences that are "human understandable"
- Responsiveness when customers request information

### **Meaningful Choice**

- Options for data collection that include progressive capture
- Data minimization without breaking the experience
- Allowing opt-down vs nuclear opt-out

### **Fair Value Exchange**

- Recognize that "value" has different meanings
- Ensure the trade off of data to value is balanced and fair
- Pass the "reasonable expectation" test with each new use of data

### Take control of your data

When you use our services, you're trusting us with your information. We understand this is a big responsibility and work hard to protect your privacy so that you can be in control.









#### Teachers, parents, and students are always in control



#### Your information is yours

ClassDojo never sells or rents your information to anyone - especially not to advertisers. We've committed to this in our Privacy Policy here.



#### Full oversight and control

Teachers, parents, and students can access, modify and delete their information whenever they want to, as we say in our Privacy Policy. They are also free to choose to discontinue use of ClassDojo anytime.



#### 12-month deletion policy

We delete students' accounts if they are inactive for more than twelve months and we automatically delete any feedback points after a year. Read more in our privacy policy here.

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#### BANANA REPUBLIC

MEN WOMEN PETITES

### PLEASE STAY!

You're a valued customer, but you haven't opened any of our messages recently.

Do you still want to receive them?

WHAT WOULD YOU LIKE TO HEAR ABOUT?

UPDATE YOUR PREFERENCES

TALK TO US

Is there something we can do differently?

LET US KNOW

### Functionality (incl. social media)

Off

These are used to recognise you when you return to our website. This enables us to personalise our content for you, greet you by name and remember your preferences (for example, your language or region). We also use social media cookies, to allow you to share pages on social networks or to log in to jamieoliver.com.

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We use third party cookies on our site to serve you with advertisements that we believe are relevant to you and your interests. You may see these advertisements on our site and on other sites that you visit.

Please note that if you disable these, you will still see adverts they just won't be tailored to your interests.

LEARN VIDEO RESTAURANTS SHOP

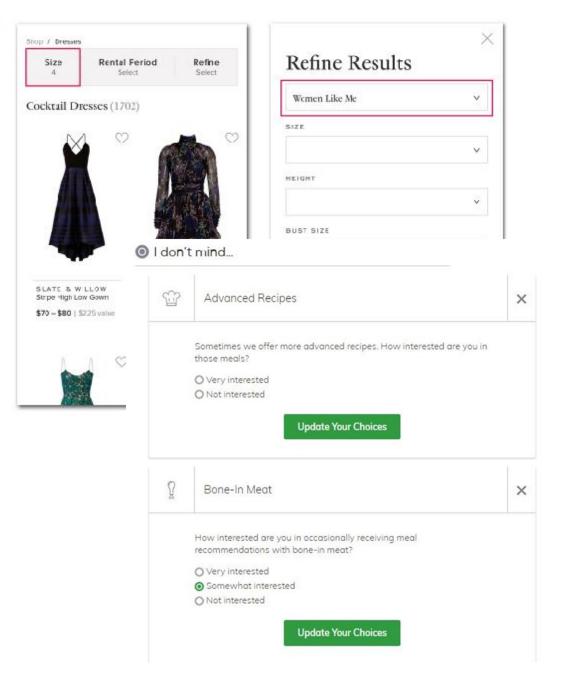


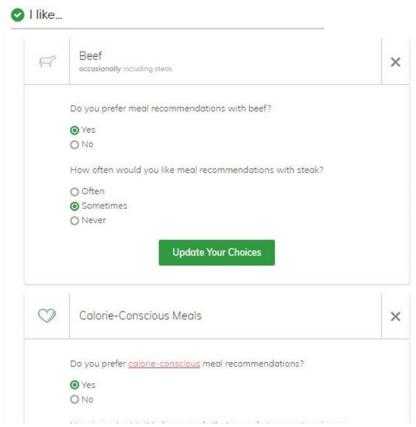
FRESH VEGGIE PASTA IN UNDER AN HOUR

Spinach pici pasta

Sizzling st







### Leverage the personas to optimize privacy communications

- Conditional Consumerists value transparency and relevant benefits in exchange for their data – and they'll check on you over time
- Reckless Rebels won't always stay that way, so communicate in the channels where they are to build trust over time
- Data-Savvy Digitals demand meaningful choices, easy opt-outs, and respect for their privacy signals
- Nervous Unawares need reassurance about your organization's intent and simple interfaces
- Skeptical Protectionists need consistent shows of integrity and trustworthiness, and easy ways to exercise their privacy rights

# Thank You.

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