The background features a vibrant, abstract design with various geometric shapes and patterns. At the top, there are solid blocks of yellow, orange, and red. Below these, there are patterns of small white dots on a dark background, and vertical lines of varying heights and colors (yellow, orange, red). The overall aesthetic is modern and digital.

THE FUTURE OF **IDENTITY**

How to Tap Into the True Power of Customer Data



neustar®

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INTRODUCTION

Waste.

It's so pervasive in advertising that some marketers have grown indifferent to it.

Take a marketing class, or attend a marketing conference, and at one point or another, someone is going to quote John Wanamaker or Lord Leverhulme and say: "Half my advertising spend is wasted; the trouble is, I don't know which half" as if it were a fact of life. Whoever said it first, they both died 100 years ago. It's a rather sad state of affairs that their words still resonate today.

Data and technology was supposed to spell the end of indiscriminate, mass-media campaigns and usher in a new era of advertising efficiency built on finely-tuned targeting. It's not all doom and gloom—some brands in a few choice industries are doing it well. But by and large, advertising is just as wasteful today as it ever was before. We've just gone from knowing that waste exists (and living with it) to believing that waste doesn't exist (and not doing anything about it). That's actually worse.

Is there any hope?

Absolutely. And it might surprise you because it's such a source of anxiety for marketers today, but here it is:

Data chaos is our saving grace.

Wait, what?



DATA CHAOS IS EVERYWHERE

Take a look at your customer data, and the technology and management systems you currently have in place to work with it.

It's messy. You spend more time chasing after data gaps and inconsistencies than you are building lasting relationships with your customers.

CRM, CDP, DMP, DSP, SSP, ESP, etc. The [Martech 5000](#) marketing technology supergraphic has (gasp) more than 8,000 entries. Software is indeed eating the world, to quote Marc Andreessen, but more often than not, it's also stuffing it into dank, dark data silos.

Chaos is everywhere. How do you keep up?



We worked with a brand recently and did a complete audit of their internal systems. Across all the different touchpoints, they used 46 different identifiers to recognize an individual customer, which was just insane. Obviously, this gets in the way of maximizing the value of their relationship with that individual consumer.

Now, 46 may seem like an extreme case, but I think that the more striking reality is that most enterprises haven't even done that sort of audit.

Michael Schoen, GM Marketing Solutions, Neustar

DATA CHAOS HAS MANY FACES

DATA QUALITY CHAOS

Missing data. Duplicates. Data silos. Are data challenges outpacing our ability to manage them?

90%: percentage of your data records are incomplete.

20-40%: duplicates of customer profiles in your CRM.

45%: time spent by data scientists cleaning up and normalizing data.

28%: percentage of marketers who feel their organization is well prepared for today's customer data management challenges.

IDENTIFIER CHAOS

Vanishing cookies and other device identifiers. Dozens of universal ID solutions. Where is the single source of truth?

68%: share of browsers worldwide that will be affected by Google's decision to eliminate third-party cookies in 2023.

6-14%: opt-in rate among iOS 14.5 users in the U.S.

35 million: number of people in the U.S. who change phone numbers annually.

27: number of universal ID solutions currently in the market.

PRIVACY CHAOS

Different privacy laws across the globe and more to come. Hefty penalties. How does one keep up?

130+: number of jurisdictions with privacy laws around the world.

85%: percentage of marketers concerned that changes to the definition of personal information will affect their business.

\$55 billion: cost of initial compliance with CCPA for California companies.

78%: the increase in fines for non-compliance to GDPR in 2020.

CHANNEL CHAOS

New viewing channels. Fast-changing shopping habits. Is cross-channel advertising growing out of reach?

76%: percentage of consumers who have changed stores, brands, or the way they shop in the past year.

81%: percentage of marketers concerned about their ability to manage cross-channel marketing programs today.

57%: percentage of Americans who stream YouTube content on the TV screen.

60%: share of ad dollars going to walled gardens (where consumers spend 34% of their online time).

DATA CHAOS AFFECTS EVERYONE

DATA MANAGEMENT

- What data do we need?
- What data suppliers should we partner with?
- How do we measure data quality?
- How do we stitch our data together?
- How do we comply with privacy rules?

IT/OPERATIONS

- What's the state of our tech stack?
- What tech do we need to acquire/retire?
- How do we safeguard our data?
- How do we distribute access?
- How long do we keep records?

MARKETING

- What are our key use cases?
- Where should we advertise and when?
- How do we measure performance?
- How can we improve outcomes?
- What value can we offer to invite log-ins?

EXECUTIVE LEADERSHIP

- Are we a customer-centric company?
- Is marketing a cost or revenue center?
- How can we speak the same language internally?
- How do we work more efficiently?
- Do we need to change our culture?



I've talked to a lot of brands over the past six months, and I've asked them who in their organization is in charge of what to do about IDFA. No one has been able to give me a name. Not a single brand has been able to say: 'This is the person who's making the decision.' I think that's pretty telling.

Steve Silvers, SVP Product & GM Customer Experience, Neustar

CHAOS IS A CALL TO ACTION

So, wait – why is data chaos our saving grace?

Because now, the problem is inescapable. Cookies and mobile ad IDs are going away, your customer data is full of holes, your marketing stack is tearing your data apart, your customers are harder to reach (and convince) than ever before, and the way your company is organized is fast becoming inefficient.

The storm that's been brewing over your data lake is now an outright hurricane, and you finally have everyone's attention.

Don't squander this opportunity.

THE ANSWER IS: UNIFIED IDENTITY

Let's state the obvious: you're marketing to people, not identifiers.

And people want a unified customer experience with your brand, not just online, but offline as well. They might research a product online and buy it at the store. Or they might research it at the store and purchase it online. It's your job to build those synergies and streamline their experience.

The only way to give them that rich and consistent personal experience is to unify your fragmented data, your technology, and your internal processes. Eliminate silos and point solutions and create cohesion across your organization.

How exactly?



Cookies have been a foundation of digital advertising since its inception, but their departure presents a good opportunity to reimagine our clients' advertising activities. We're moving from thinking about cookie deprecation to instead talking about cookie liberation.

Ellen Mulryan, VP/Solutions Architect, Starcom USA

THE FOUR PILLARS OF UNIFIED IDENTITY

HYGIENE

Validate: affix persistent individual and household IDs to your customer records

Clean: identify, de-duplicate, and correct inaccurate data across your CRM

Complete: fill in gaps across your CRM with name, address, phone, email, and additional customer identity data

ENRICHMENT

Augment: enrich your records with valuable demographic, psychographic, behavioral, and other identity attributes

Segment: use machine learning to improve your audience segmentation and targeting strategies

Model: build lookalike models to extend your reach to prospects that match your best customers



ACTIVATION

Synchronize: use identity to make sure all your internal and external systems are linked via a common data currency

Target: improve media effectiveness with more relevant, personalized advertising and content

Syndicate: develop your data assets and use clean rooms to explore new data partnerships

OPTIMIZATION

Measure: analyze the performance of your campaigns, using the outcome metrics that make the most sense to your business

Analyze: inject your identity data into your data science environment to uncover new insights

Attribute: figure out what channels and marketing tactics are most effective to grow your customer relationships

UNIFIED IDENTITY DRIVES SUCCESS

Some proactive brands are already using all four pillars of Unified Identity to eliminate friction and streamline their customer data lifecycle. The rewards can be massive.

One of our clients used advanced matching and activation capabilities made possible by Unified Identity to consolidate their data partners, save 20% in data costs, and expand the reach of their campaigns by a factor of 5X. Another client made the most of Unified Identity to eliminate 100 million duplicate records from their CRM database, and lift conversions by 30% online and at their brick-and-mortar locations.



Breaking down corporate silos was essential to accomplish these feats. When all teams in an organization stop chasing data issues and start speaking the same language, magic happens.

But most companies are still in the very early stages.

BREAK DOWN CORPORATE SILOS

Data silos create corporate silos.

Neustar commissioned [Forrester](#) recently to conduct a survey among marketing, analytics, and privacy professionals to understand how they viewed data chaos and whether they felt prepared. Their overall level of comfort with the current shifts in customer data management was low (28%), but even more telling was the disparity between corporate functions: 38% of privacy leaders thought their company was well prepared, versus 30% of marketers and 17% of data and analytics professionals.

How about the level of confidence in their current universal ID strategy to tackle a cookieless future? Only 18% felt prepared among marketers and analytics professionals, and a paltry 6% among privacy leaders.

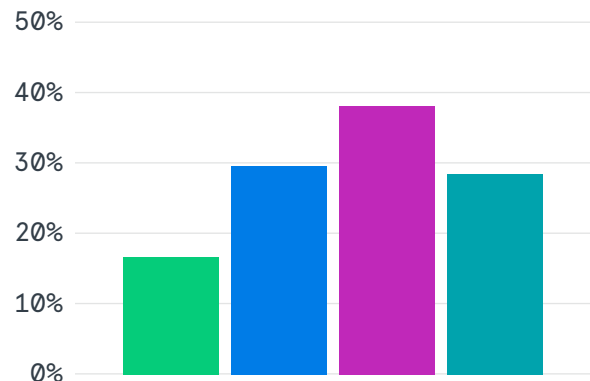
More alarming still was the level of distrust between corporate functions. More than half described the working relationship between their analytics and privacy teams in negative terms, with 30% calling it strained or at best misaligned. The working relationship between the marketing and privacy teams was even worse.

Where do you stand?

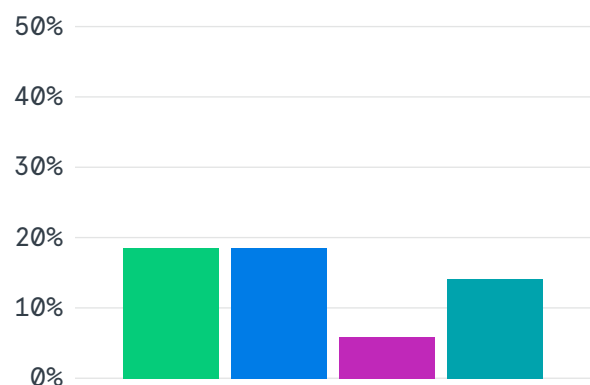
Are You Ready for the Challenges Ahead?

■ Analytics ■ Marketing ■ Privacy ■ All

Customer Data Management



Cookieless or Universal ID Strategy



EMPOWER YOUR ORGANIZATION WITH UNIFIED IDENTITY

Data is a priority for every company. According to a recent survey of Fortune 1000 firms by [NewVantage Partners](#), 99% are investing in data initiatives, and 65% have hired a Chief Data Officer. Back in 2012, only 12% of companies had a CDO.

But there's little consensus over what the CDO job actually entails. Half of them share responsibility for data with someone else in the organization. And beyond data strategy, only 20% of today's CDOs are fully involved in business strategy, according to [Gartner](#). Even with a CDO in place — only 30.0% of companies have been able to develop a well-articulated data strategy.

Unified Identity gives CDOs and other C-level executives at the company an opportunity to use data to create value for the company, not just save costs.

In a recent [Total Economic Impact](#) analysis by Forrester, companies that embraced identity resolution and used it to unify their analytics initiatives were able to improve outcomes dramatically: cut waste, lift targeting performance, cap frequency, prune inefficient partners. All in the service of better customer experiences. For one company, return on ad spend improved 130%. For another, incremental sales increased by 30%. Yet another increased audience reach by 450%.

It's time to empower your data strategy teams to make an impact on the big picture.

ROAS

130%

Audience Reach

+450%

Incremental Sales

+30%

ENABLE A DATA-DRIVEN CULTURE

While investing in identity resolution tools and processes are steps in the right direction, you won't obtain the true value of a data-driven organization if the whole company isn't fully aligned around a single view of the customer.

Customer-centricity isn't a new concept, but it's been an elusive target due to the proliferation of data, touchpoints, and platforms. With Unified Identity, you can finally create consistency across all silos and systems without loss of scale or accuracy. This enterprise view of identity improves the effectiveness of all use cases to help marketing teams [focus on improving marketing performance](#) versus simply managing data.

But a data-driven culture is only as good as the data that powers it. Start with the best data, and the rest will follow.



Unified identity strategies help encourage joint decisionmaking, and a renewed curiosity across our company in exploring new customer opportunities. We now make decisions that serve our customers better.

CMO, US Financial Firm

YOUR NEXT STEPS

To transform your company's data strategy and reap the rewards of a more effective customer data lifecycle, these are the steps you need to take now:

1

Reimagine your customer relationships

If you had no more problems with data, how would you interact with your prospects and customers? What channels would you use to reach out to them? How would you measure success? With identity capabilities to unlock the power of your first-party data, you can move past short-term obstacles and go back to the fundamentals.

2

Do a complete data assessment

Before you can plot the road ahead, you need to measure all the gaps and inconsistencies in your existing data. What data do you need exactly to deliver the customer experiences outlined above and build sustainable growth for your brand?

3

Audit your tech stack

The marketing ecosystem is changing fast. Many of these changes will directly impact the efficiency and effectiveness of your technology investments. Do you have a clear picture of what is working and what isn't across your systems, platforms, and partners? What point solutions or redundancies should you eliminate from your stack? You will need a transparent, durable, and consolidated foundation to react quickly to disruption and change.

4

Learn from the best

Don't do it alone. Neustar can help marketers successfully unify their identity data across offline and online to create a single source of truth. Know who your most reliable partners are. Access the highest-quality data available. Maintain accurate and enriched customer data. Grow your business while reducing risk with Neustar Unified Identity.

LOVE YOUR DATA & LET IT UNLOCK YOUR FUTURE

We want to help organizations like yours stay ahead of the curve.

That's why we've teamed up with industry experts to launch an educational video series called *The Identity Dialogues*. The series frames the key issues, opportunities, and strategies to help you navigate the current landscape, plan for the future, and realize significant competitive advantages.

[Click here to watch the Identity Dialogues.](#)



Your first party data is only as good as the love that you give it.

Do you have the right structure to bring data in and out?

Do you have the right governance in place?

Are you normalizing your consent structure?

Do you have a unified profile?

Just because you have first-party data, it doesn't mean that it's good. Every company is different, but everyone needs some flavor of an identity solution.

Jess Simpson, SVP, Verified Tech and Identity, Publicis Media

About Neustar

Neustar is an information services and technology company and a leader in identity resolution providing the data and technology that enables trusted connections between companies and people at the moments that matter most. Neustar offers industry leading solutions in Marketing, Risk, Communications, and Security that responsibly connect data on people, devices and locations, continuously corroborated through billions of transactions. Neustar serves more than 8,000 clients worldwide, including 60 of the Fortune 100. Learn how your company can benefit from the power of trusted connections here: [home.neustar](https://www.home.neustar.com)

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