

Data becomes ever more precious in 2020 and beyond

By  Ansa Leighton

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Global lawmakers' growing concern with privacy is forcing marketers to rely more heavily on their first-party data. For the foreseeable future, CMOs will need to turn their minds to how they can use this data to create content that answers consumers' needs and captures their minds and loyalty.



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Regulations such as the EU's General Data Protection Regulation (GDPR) and locally, POPIA, have put the brakes on companies' more voracious capturing of data.

This will naturally lead to companies relying on – and therefore valuing – first-party data. As a result, over the next decade, businesses will need to capture customer data more accurately and store it more securely.

First-party data, i.e., that information that companies can legally collect from consumers who have engaged with their organisations, either in the real world (from surveys or competitions), or through their digital channels (from websites and social media), has traditionally been supplemented by third-party data (bought from other sources) – especially in the hunt for new customers.

This logically means that first-party data will become all the more valuable. The challenge will be how marketing professionals use this data in order to better serve their customer.

Gone are the days where we segment our customers one-dimensionally by saying their demographic is 25-55-year-old, females with an expendable income of 'X', for example. We need to use the data available to us to create a four-dimensional picture of our customers, allowing us to target them via the right channel using the right message at the right moment.

There is no doubt that this will require us to merge our marketing data with our customer data. We see martech companies working around the clock to offer solutions to overcome the technology barrier in order to create a single view of the user's journey, and this will continue into next year.



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Inevitably brands and marketers will need to become closer to their customers and ensure they connect along the user's journey in a meaningful way.

This will require creating creative content that is based on what the customer wants, needs and desires. Companies that fail at this in 2020, will not only spend more money winning new customers but will lose customers far faster.

Most online advertising has become white noise and we have become blind to the bombardment of irrelevant content. One way to counteract this is to be sure we create engaging content.

In general, customers are seeking more interactive content that is new, stands out, and is more engaging. High-quality content allows us to show brands' expertise but can provide an experience that is very personable and relevant.

Video will be your number one tool in 2020. We also see stories and live videos via Instagram showing a much higher engagement rate than traditional video. However, we should not forget audio, where streaming of audio, and podcasts, in particular, will see massive growth in 2020 as well.

During 2019 we saw the consumer penchant for all things sensory driving the growth of augmented and virtual reality software and hardware. The growth of both AR and VR continues unabated and it's expected that spending on the two realities will reach \$18.8 billion in 2020, driven by the retail sector and the fact that AR capabilities are now commonplace on most smartphones.



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Together with the power of machine learning and the near saturation of smartphones, marketers should be looking for agencies who understand how to build engaging and relevant AR campaigns to harvest first-party data as a matter of urgency.

In short, all mediums and channels are seeing a growing reliance on data and creativity. However, to make this work, media buyers, data analysis and creative teams will need to work more closely together if brands hope to deliver personalised, brand-consistent creative content to the right audience at the right time.

There is no doubt, 2020 will be a year of mining the power of first-party data.

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