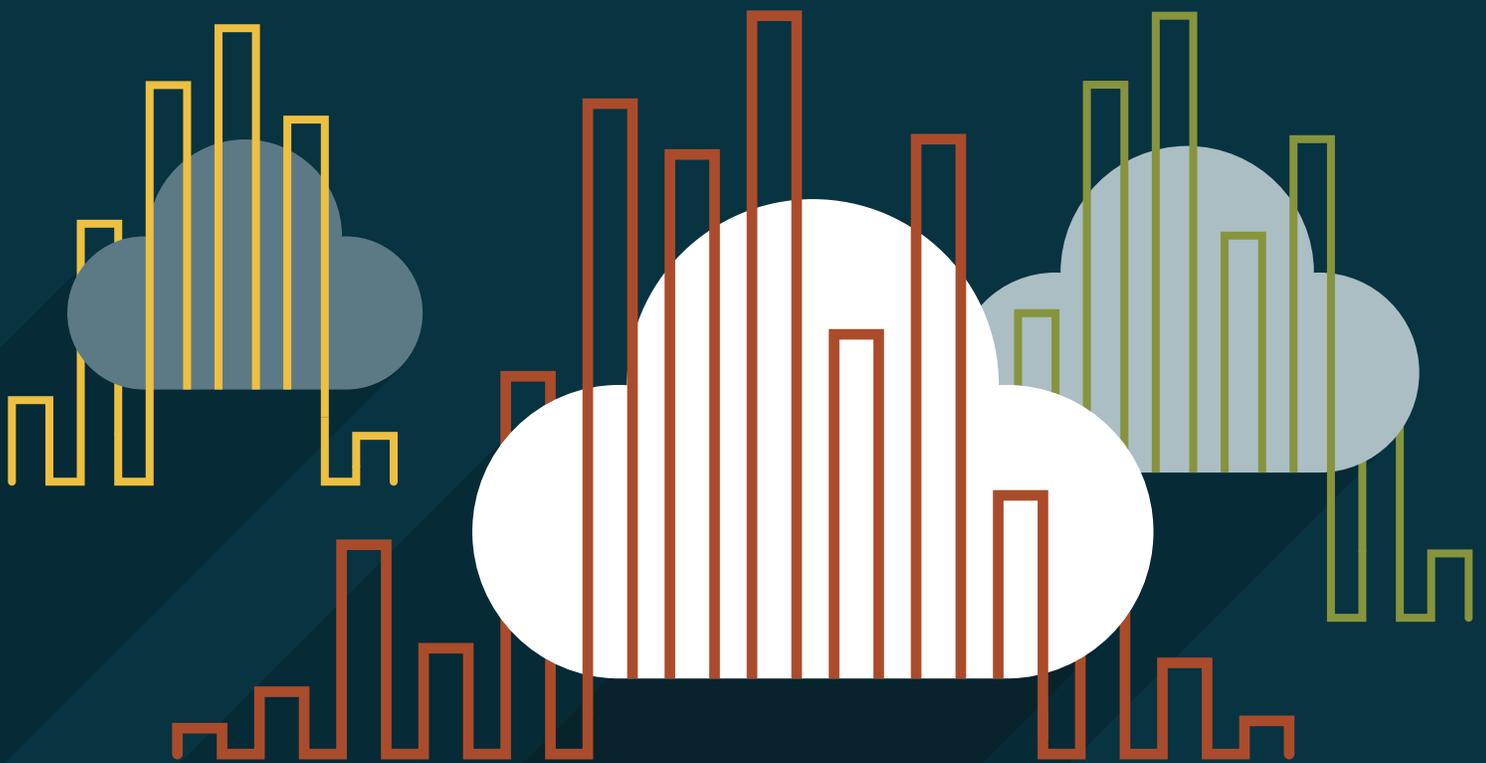# Take Your First-Party Data Further with Google Cloud for Marketing

ADSWERVE
Purposeful data, meaningful media.

First-Party Data: Your Superpower

With privacy laws cracking down on how advertisers use third-party data collected from other organizations, first-party data is in the spotlight more than ever. So, what is first-party data? Simply put, it's the data you've collected directly from your customers. This includes your CRM, loyalty, subscription, social media, e-commerce data and more. Every customer interaction is an opportunity to collect it, model it and, in turn, learn more about your audiences.

While first-party data is a veritable gold mine of information you can leverage, and nine out of 10 companies say it's very important to digital marketing, only 30% are collecting and integrating it across channels. And a mere one percent are using first-party data to deliver comprehensive cross-channel customer experiences.* Our goal is to make it easier for brands, marketers and agencies to harness the power of their first-party data using predictive and advanced analytics and other tech maturity projects that improve their customer journeys. Let's dive in.

* Boston Consulting Group's Digital Marketing First-Party Data Study 2019

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Three Ways First-Party Data Improves Your Digital Strategies

Privacy

When you build your data collection and modeling strategies on first-party data, you avoid the struggle of contending with what to do when you no longer have access to third-party cookies. You're prepared for the new, privacy-centric, cookieless world by adhering to regulations and standards. You're future-proof. (Well, as future-proof as you can be.)

Omni-Channel Measurement

Collecting your owned data from across your organization — like business forecasting information, margins and profits, inventory levels and more — and integrating it with your marketing data can help you with value-selling, bidding automation and strategically meeting operational-level goals.

Attribution

Use your first-party data from both online and offline sources to accurately measure the incremental lift that your many channels contribute to the customer journey. Multiple attribution strategies are common and it's important to strategically coordinate and align expectations throughout the organization, channel partners and affiliated partners.

PRO TIP

By prioritizing and embracing a culture around first-party data, you can start to build and leverage strategies and data collection practices rooted in privacy-centric approaches. This work will reduce your dependence on third-party data and help you prepare for the changes to come in our new cookieless world.

— CHARLES FARINA

PRO TIP

Marketers understand the value of multi-channel data and what that means for understanding a customer's relationship with their brand. Oftentimes, the all-important business data (or offline touches) are not included in digital strategies due to technical debt and hurdles in cross-organization collaboration. Solving these challenges provides the critical business insights digital marketers need to be as effective as possible.

— PAT GRADY

PRO TIP

The right attribution model can significantly impact a company's understanding of their ROAS. But the first challenge is more strategic than technical. Attribution ends where silos begin, but too often, we see a brand not agreeing on how to share and attribute their data. At Adswerve, we address both the strategic and technical challenges, while creating an environment where the data itself also has a strong voice.

— NATHAN BURKE

How First-Party Data Helps You Get to Know Your Customers

While gathering first-party data gives you information about your customers and the actions they've taken, it can also be leveraged for predictive and advanced analytics that can help you identify the actions they'll take in the future.

The Pareto Principle states that roughly 80% of effects come from 20% of causes. In marketing terms, that likely means that 20% of your most valuable customers make up 80% of your revenue. Keeping that in mind, it's important to identify your most valuable customers and understand their behaviors so you can be more efficient with your advertising spend and better understand your revenue makeup. You can do this using your first-party data to create predictive models like propensity and lifetime value (LTV) models.

Why Predictive Models Matter

Predictive models are created with customer-specific information. So, instead of analyzing data from a column-level summary made up of users who may have differences, predictive modeling uses a row-level analysis of one user for more accurate insights and ultimately, more successful predictions.

Why Propensity Models Matter

Creating models that calculate a customer's likelihood of either converting or churning (dropping out of your funnel) can help you identify ways to engage customers and to intervene when you're in danger of losing them.

Why LTV Models Matter

Building a model that predicts customer LTV can help you make important bidding and optimization decisions. Traditionally, you might optimize your media strategy to cost per action (CPA) or return on ad spend (ROAS). These actions focus on the short-term and don't leverage profit or margin bidding or repeat versus new customer bidding, and they don't take into account if specific actions or products are more valuable in the long term.

You can take a more strategic, longer-term approach to growth by optimizing to LTV. You gain insights into customer-driven revenue, identify which platforms drive the most valuable customers and plan your budgets more effectively.

Working with your first-party data to extrapolate future behavior creates insights that can change your entire marketing strategy. To get the most value from your data in an efficient manner, you need tools that can automate processes for you.

How to Make Your Data and Technology Work for You

Building the right marketing technology stack is the first step toward smartly leveraging your first-party data. First, you need to ensure that you're collecting the right data and storing it in a way it can be used for modeling and then exported for activation. Here's what that might look like for predictive LTV modeling:

Data Capture and CRM Integration

To calculate LTV, you want to identify the data that will help you the most. You might pull behavior, audience, event, time and page behavior data from Google Analytics, while you might gather demographic, financial, scoring and custom dimension data from your CRM.

Marketing Data Warehouse

Now you need to move your data from your various platforms to a marketing data warehouse like BigQuery where you can securely store and analyze it. BigQuery, part of Google Cloud, allows you to query massive petabyte-scale datasets using SQL and access results in seconds.

Collecting and Warehousing First-Party Data

Three ways to move your data into BigQuery:

ONE
Use a **vendor** like Adswerve, Fivetran, or Stitch Data to manage your data Extraction, Transformation and Loading (ETL).

TWO
Use **BigQuery Data Transfer Service** to import your business and marketing data.

THREE
Use **Ads Data Hub** to transfer Google Ads and Google Marketing Platform data.

BigQuery offers a Data Transfer Service with multiple connectors to help you import your data. Essentially, if your first-party data is in a Cloud, you can use it in BigQuery.

PRO TIP

I've worked with marketers for 17 years and have noticed they often struggle with building the right marketing technology stack and strategies that unlock predictive and advanced capabilities. They're often fighting data and resource silos and have myriad partners.

It's imperative that you invest in an enterprise analytics solution that integrates tightly into your marketing and media technology platforms. Once you have the two pieces in place, your data can move seamlessly throughout your enterprise, and you can enable first-party capabilities. This work sets the stage for LTV and other high-value applications, and can improve your media ROI.

— PETE CROFUT

Predictive and Advanced Analytics & Modeling

BigQuery has built-in compute and machine learning (ML) capabilities that use real-time data to predict business outcomes like LTV. The best part is that to use them, you don't need to be familiar with Python ML frameworks like TensorFlow or SK Learn, you just need to know SQL. Once you model your data, you can iterate and improve on that model so you're ready to confidently activate the results.

Activation

When you have the LTV information from your model, you can export it back into Google Analytics and use it in your Google Marketing Platform tools and Google Ads to inform your campaigns.

Google Cloud Platform's **enterprise data warehouse** for analytics

Gigabyte-to-**petabyte-scale** storage and SQL queries

Encrypted, durable and highly available

UNIQUE FEATURES

Built-in **ML and Geographical Information Systems (GIS)**
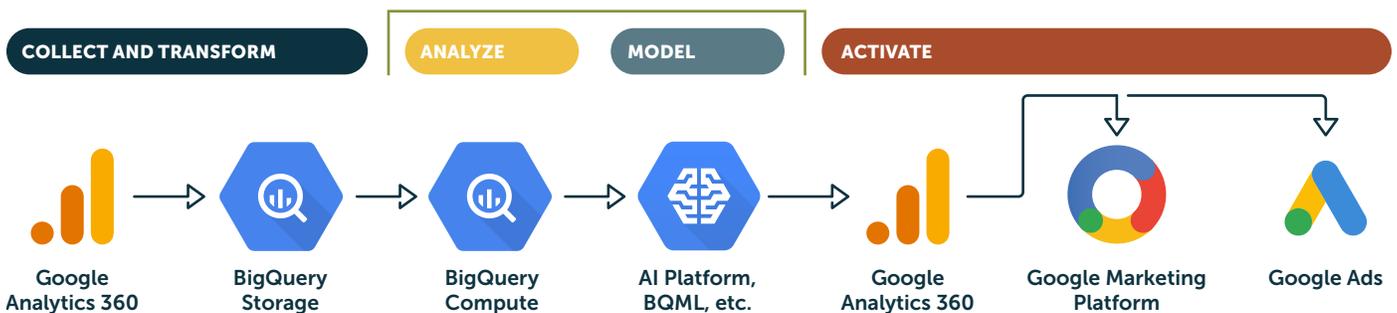
Fully managed and **Serverless**

Real-time analytics on streaming data

BigQuery, Big Benefits

You can use BigQuery to:

- Query through massive data sets in seconds.

- Integrate with Google Analytics to answer business questions in more detail.

- Analyze massive amounts of traffic data in the cloud.

- Discover user behavior patterns that are hard to notice in standard reporting.

- Access unfiltered hits collected from your custom application and use the data in your own dashboards, visualizations, analysis, etc.

- Import custom data sets easily, and use them with your Google Analytics data.

- Analyze website activity on a very granular level with hit-based data.

- Connect to visualization tools like Tableau so billions of rows of data can be processed (on Google's side) and visualized on your screen in seconds.

- Access individual user's hits (anonymized data), which can help you personalize your website for the next time they visit.

COLLECT AND TRANSFORM	ANALYZE	MODEL	ACTIVATE

Google Analytics 360 → BigQuery Storage → BigQuery Compute → AI Platform, BQML, etc. → Google Analytics 360 → Google Marketing Platform / Google Ads

Take Your First-Party Data Further with Audience Strategy and Activation

Once you've created predictive models and gathered insights based on your first-party data, you need to use it to make it worthwhile. For example, if you've calculated and predicted LTV, you might want to use that information to segment your audiences and build profiles about the customers that matter most. In this case, you can combine your site and CRM data and use statistical models (like K-means clustering) to segment your users based on LTV. That will help you identify your niche high-value audiences, making it easier for you to target and engage with them in a more personalized way.

As mentioned earlier, propensity models can also help you segment and prioritize your audiences in several helpful ways. Say you want to segment your users by their likelihood to convert. You can again use statistical models that score your users into categories like high, medium and low likelihoods. Once you have that information, you can customize your marketing efforts within the Google Marketing Platform accordingly.

PRO TIP

When you think of high-velocity stock trading, you intuitively know that those firms are using as much first-party data as possible to make the decision to buy, sell or hold. The aggregate effect of those micro decisions leads to, potentially, huge gains in their portfolio performance.

This same principle precisely describes what's happening in the media platforms and auction exchanges. When we use your first-party data to decide to bid up or down, at scale, we're harnessing that data's ability to drive incremental returns on your investment.

— GORD NUTTALL

Google Cloud Projects to Consider

Audience Segmentation Using unsupervised ML techniques to build highly relevant audiences and push them directly into Google Analytics, you can improve ROAS and achieve your business goals.

Churn and Propensity Modeling Optimize your campaigns by targeting audiences based on their predicted behavior — like propensity to convert, churn or unsubscribe — aligning marketing strategies with user-level behaviors.

Customer LTV Train a model using clickstream data in conjunction with your business goals and other data sources to make predictions about your users and improve your retention and upselling campaigns.

Reporting and Visualization Using Google Data Studio or another visualization tool, you can design custom KPI reporting solutions to speed up your data analysis and transform it into actionable insights.

Real Life, Real Results

Adswerve has helped thousands of clients leverage their first-party data to drive results. Here are highlights from our work with Twiddy & Company and the World Surf League:

TWIDDY

As the premier vacation rental company of North Carolina's Outer Banks, Twiddy & Company boasts the largest selection of properties in the region, ranging from historical cottages to large scale venues. We helped the company implement cloud technology to activate its first-party data. Here's how:

First, we upgraded Twiddy's analytics capabilities by integrating its existing Google Marketing Platform with Google Cloud. We then helped the team use BigQuery, a highly secure data warehouse available on Google Cloud, to bring together all of their first-party customer data, such as website interactions and historical bookings.

Now Twiddy works with Adswerve's data science team to train ML models on the data in order to identify patterns among valuable customers. For example, Twiddy can predict the likelihood that a new website visitor will convert and combine signals to predict when customers would like to hear about a property that's about to become available. Using the new tech stack and processes, they doubled their conversion rates compared to the website average. **Read the case study**.

WSL

The World Surf League (WSL) consolidates and broadcasts several live events from major surfing brands onto its own video streaming platform. Its team needed to understand which of its fans classify as super fans (those who engage with its platform the most, consuming the most content) and which new users are most likely to become super fans.

To achieve this, Adswerve combined and cleaned data from Facebook, Google Analytics 360 and WSL's internal systems into a single data lake in BigQuery.

The team then modeled superfan attributes using ML algorithms. Once it identified the early engagement attributes of superfans, WSL applied them to its marketing efforts, targeting new users.

Conducting this analysis and applying it to its strategies helped WSL more than double the efficiency of its fan engagement and content viewership campaigns, increase web sessions by 31%, speed up its analytics team by 80% and reduce infrastructure costs by 70%. **Read the case study**.

PRO TIP

Google Cloud enables us to provide our clients with information that may otherwise be almost impossible to extract from the data collected about their users. Beyond that, its ML capabilities allow us to uncover new insights, better segment the users and predict their future behavior, which positively impacts our clients' marketing efforts. All this is done in Google's secure environment where data is encrypted at-rest and in-flight.
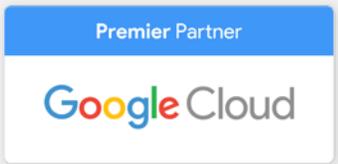
— LUKA CEMPRE

More Brands We've Worked With
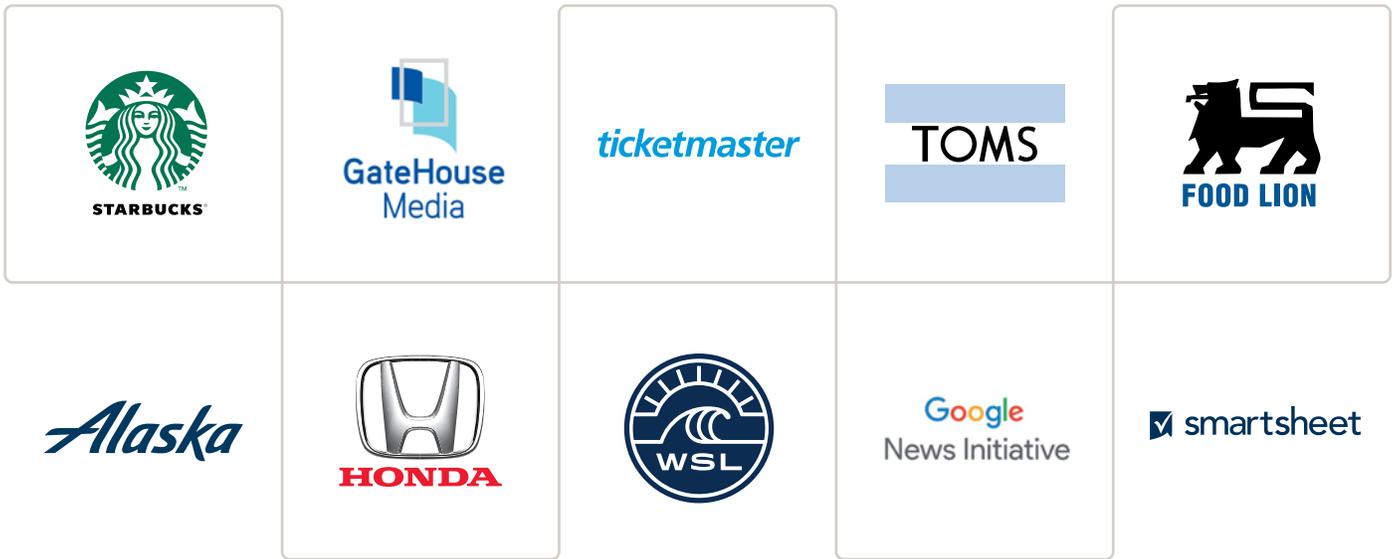
Harness the Power of Your First-Party Data

Adswerve has 50+ data scientists and Google Cloud experts ready to help you derive value from your data, just like we've done for 200+ other agencies and brands in the last two years.

Let's Talk

How can we help you get the most value out of your first-party data?

EMAIL
contact@adswerve.com

CALL
720.242.9837

More Resources

⊙ **Google Cloud for Marketing Overview**

⊙ **Ads Data Hub Overview**

⊙ **Google Cloud Blog Posts**

⊙ **Google BigQuery Blog Posts**

About Our Google Cloud for Marketers Experts

Pat Grady

With a background in both IT and Marketing, Pat Grady helps companies design and implement advanced analytics capabilities across their digital marketing ecosystems. He emphasizes information over data and uses ML techniques to unlock the signal in the noise.

Luka Cempre

BigQuery and data-mining pro Luka Cempre is an Adswerve Senior Data Scientist who uses ML to help clients build valuable dashboards that predict trends and user behavior. He's a regular contributor to Adswerve's blog, writing about the latest analytics and data tools.

Pete Crofut

Adswerve Director of Partner Relationships Pete Crofut is an advertising pioneer and expert in the intersection of data analytics and platform technology, and has spoken and written extensively on the subject. Pete spent 10 years with Google where he consulted Fortune 100 executives in thinking through the activation of their digital marketing strategies using the Google Marketing Platform.

Gord Nuttall

Senior Data Engineer Gord Nuttall helps brands collect and interpret their digital data to meet their toughest goals. Formerly a senior IT consultant, Gord has been with Analytics Pros and now Adswerve for 3.5 years. He earned a Master of Science in Computer Science from the University of Alberta and resides in Beaumont, Alberta, Canada.

Nathan Burke

Adwerve Sales Executive and Seattleite Nathan Burke has nearly two decades of management and sales experience. He works closely with our clients to find the right solutions for their complex needs. Nathan graduated Magna Cum Laude from George Mason University.

Charles Farina

Adswerve Head of Innovation Charles Farina is a leading Google Marketing Platform expert who specializes in Analytics. He also has in-depth experience working in Salesforce Marketing Cloud, Tealium, Medallia and Google BigQuery. Charles trains Fortune 100 companies, speaks about analytics at universities and conferences and is a regular Adswerve blog contributor.

About Adswerve As a leading Google Marketing and Cloud partner, Adswerve is a team of media and analytics veterans who believe smart marketing is built on data discovery. With offices in Denver, Seattle and New York, Adswerve helps thousands of digital marketers, data analysts and agencies make stronger connections with their customers through successful data-driven strategies.

ADSWERVE
Purposeful data, meaningful media.