Pinpointing Your Best Customers

How Data Drives Effective Audience Targeting

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Introduction: Marketing's Moment of Truth

The accessibility and pervasiveness of the Internet has created a sea change in how we, as consumers, decide what to buy. Increasingly, we are shopping online for what we need, precisely when we need it – whether it's heirloom tomato seeds, diaper delivery services or auto insurance.

All day, every day, people around the globe are engaging in decision-making moments online, using search engines, reading reviews or visiting a retailer's web storefront. They are doing it wherever they happen to be … using desktops, laptops and mobile devices.
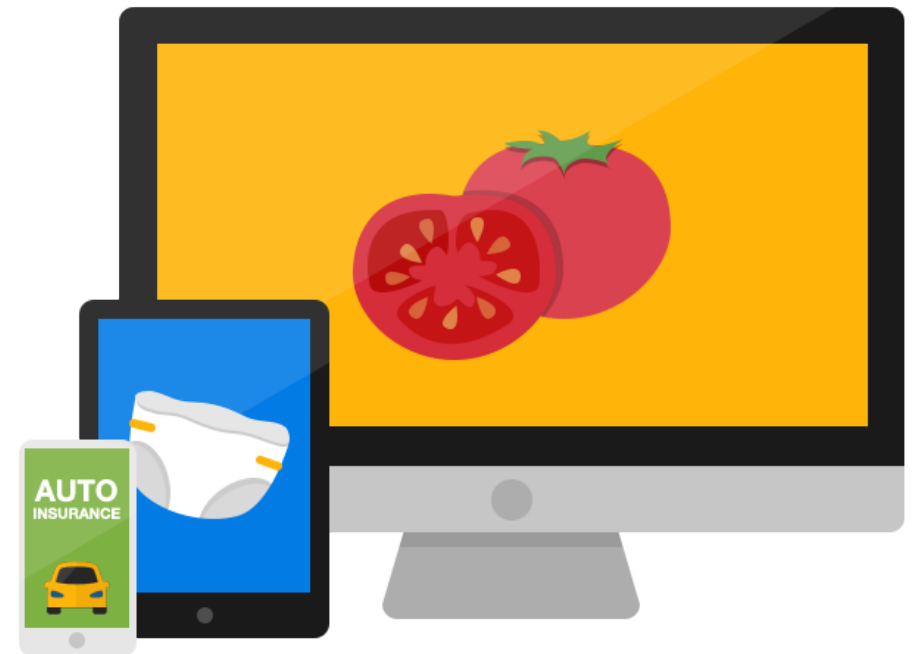
Google calls each of these online-decision-making moments the Zero Moment of Truth, or ZMOT.* This new marketing model impacts the sales of products large and small – from toothpaste to trucks – and profoundly changes the way successful brands connect with customers.

* "Zero Moment of Truth (ZMOT)." Google. Web. 30 Mar 2015.
www.thinkwithgoogle.com/collections/zero-moment-truth.html

Being in the
RIGHT
moment

The brand that meets a consumer's needs at the precise moment they are looking for it at that crucial decision-making Zero Moment of Truth – has the competitive advantage for making the sale. So the challenge for any brand is to ensure they get in front of the right customer, in the right place, at the right time.

With today's widespread access to data, brands can do just that. We'll show you how.
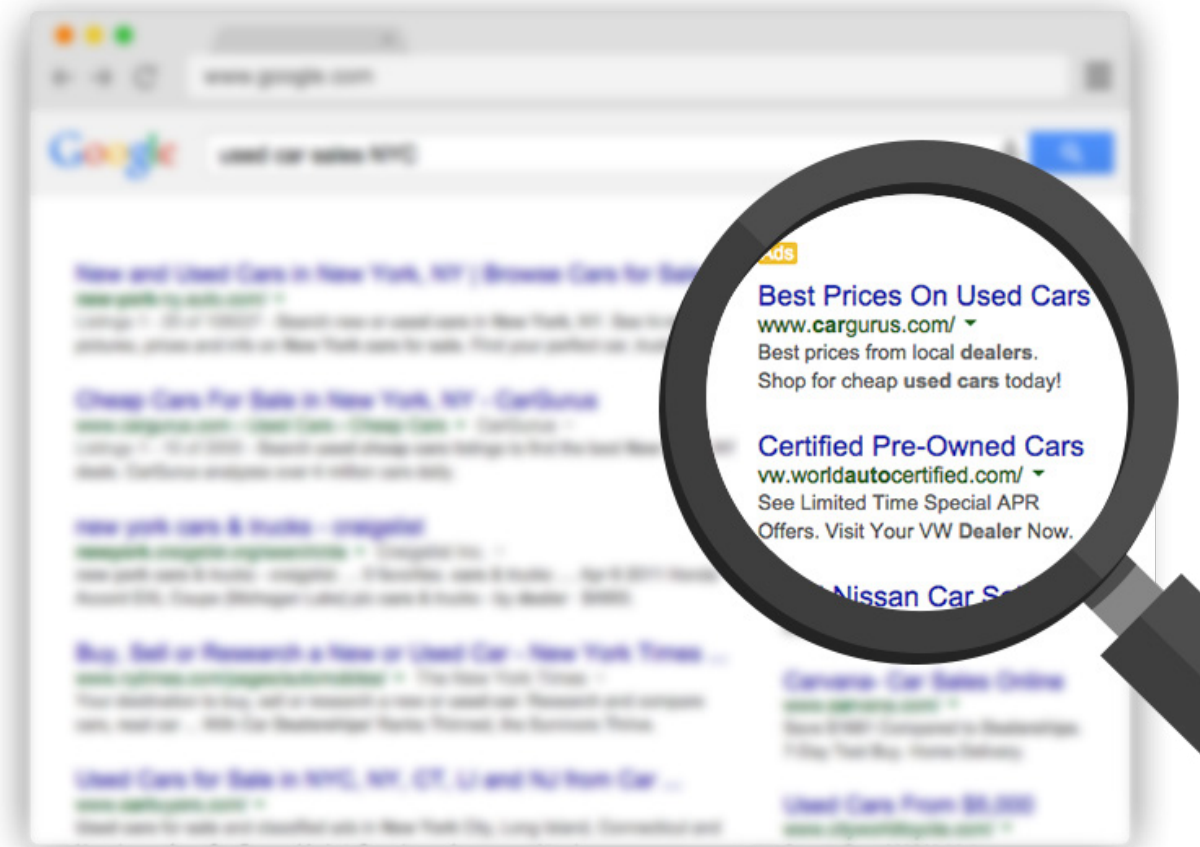
2 TOPICS OF DISCUSSION

In this eBook, we'll do a deep dive into the ways you can use data to pinpoint and reach your best customer. We'll take a look behind the curtain and reveal the kinds of first- and third-party data available to marketers for audience targeting. We'll show you where it comes from, how it's made, and how you can use it do drive results.
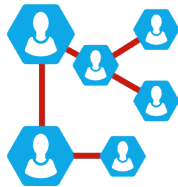
Audience Targeting:
Connecting with Customers

**A DEEP DIVE INTO DATA: IT DRIVES EVERYTHING**

Putting it All Together:
HOW TO BUY AND IMPLEMENT DATA

Audience Targeting: Connecting with Customers

3

Even the most sure-fire online advertising can misfire if it isn't seen by the right audience at the right time. Effectively finding and reaching those people is the concept behind audience targeting. Using online data collected about users' specific demographics, behaviors and interests, audience targeting helps get your promotional message in front of the most relevant audiences on the right device platform at their Zero Moment of Truth.
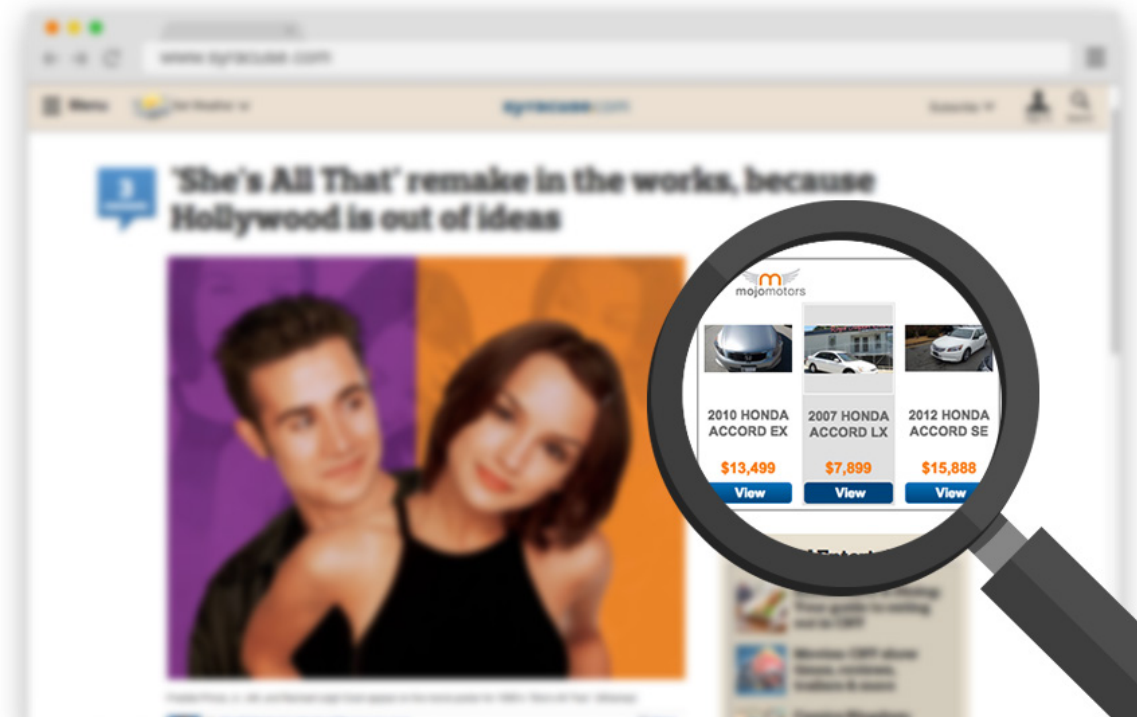
TYPES OF CONSUMER DATA

In a nutshell, audience targeting is the art and science of using observed, declared and predictive consumer data to create targetable audience segments across networks, platforms and devices.
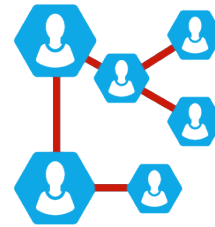
OBSERVED

Data observed from things like vehicle inventory or model search pages.
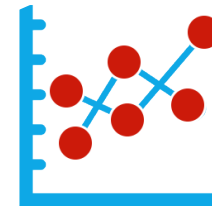
DECLARED

Data gained by user filling out forms or providing identifiers.

INFERRED

Data that can be indirectly associated to a user by identifying similiar interests.

PREDICTIVE

Data that uses regression modeling to suggest future purchase intent and interests timeframe.

Changing the Way We Think About Audiences

The digital revolution has certainly changed the marketing landscape; in the past we thought of audiences for products and services in demographic terms, such as age, gender and household income. By applying cutting-edge digital marketing techniques, we can move that concept forward to think of audiences in terms of the kinds of products people are searching for, the kinds of services that they are likely to be interested in, and the kinds of purchase behaviors they exhibit.

Predicting Our Best Customers

In fact, marketers today can even engage in predictive audience targeting. Available digital marketing data is detailed enough to combine online behaviors (such as product search history and the sites that were visited as a result of that search) with offline data (such as type of vehicle currently owned, how and when it was financed, and how many months are left on the loan or lease). Put all this together and predictive audience targeting can take this data and identify an individual who is not only looking for a new car but one who is also highly likely to purchase a new car in the next 30 days.

As a result of this kind of data, businesses are able to think about who their best customers are in a whole different way and then reach them on a wider variety of channels than ever before. If done properly, the result is the ability to pinpoint and reach your best customers with a degree of accuracy unheard of in the past.

DATA DRIVES IT ALL

The magic bullet that drives audience targeting is data. To understand the science behind audience targeting, we first need to take a behind-the-scenes look at data – where we get it, how it's collected, and how we can use it.
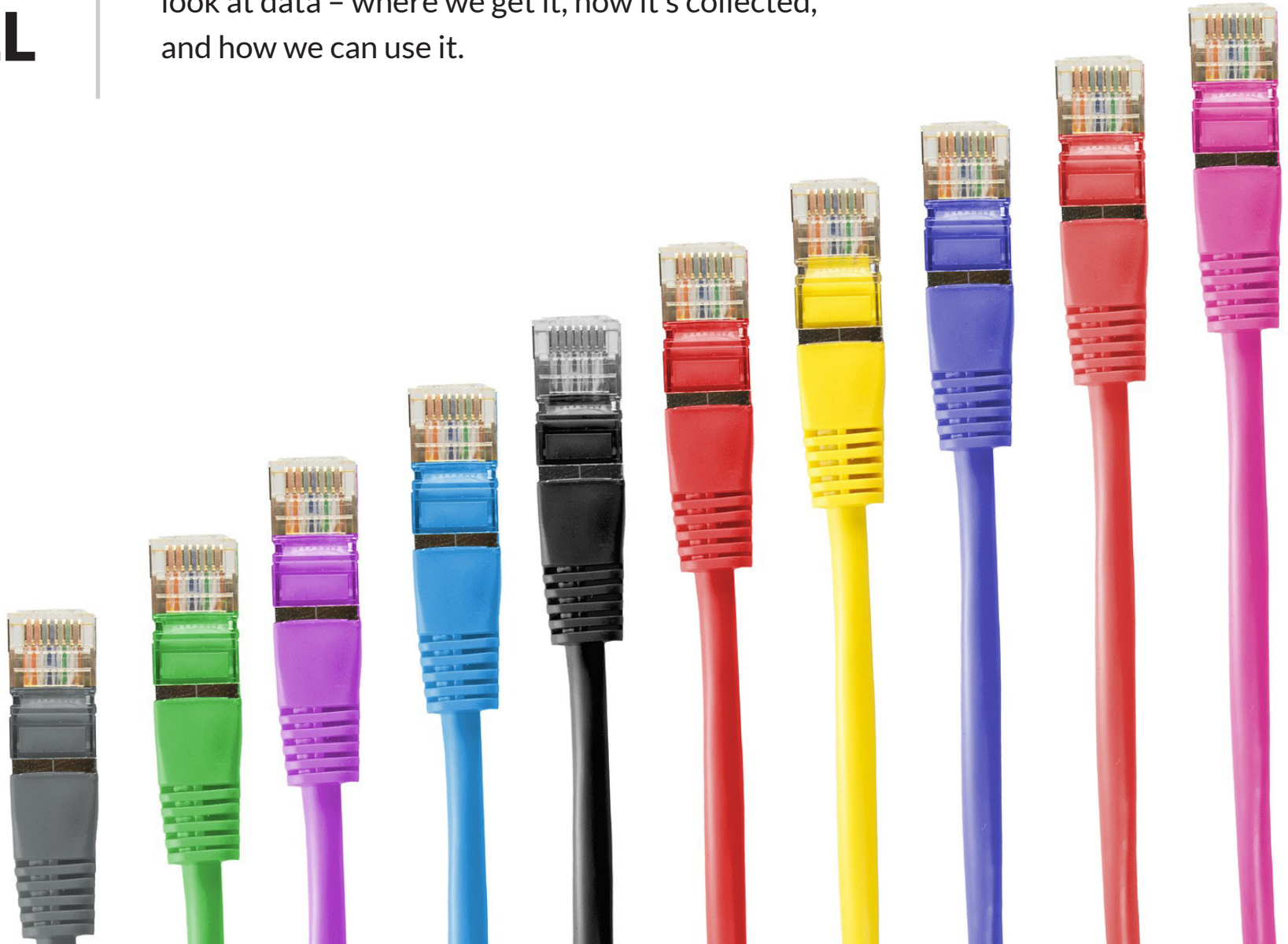
4 A DEEP DIVE INTO DATA :
IT DRIVES EVERYTHING
DATA DISCOVERY IN A DIGITAL WORLD

There are two types of data sources:

1 First-party data is any information a business/web publisher captures about their own customers both online (how long a customer spends on one of the business' web pages, content the customer downloads, etc.) and offline.

2 Third-party data is information purchased from an outside source, such as Acxiom, eXelate and Blue Kai, that collects data from Internet interactions and other online and offline data sources.

First-party data provides an intimate look at how a business' customers interact with that particular business, but it doesn't provide the whole picture. Third-party data can provide a more robust view of customers (what they are doing when they aren't on your business' website) and help your business reach new audiences. Used together, first- and third-party data can provide a powerful profile about audiences based on a variety of online and offline interests and behaviors.

IT ALL STARTS WITH COOKIES

Online data is collected via a variety of tools that track customer engagement. These are tools are designed to place pieces of code, or cookies, on a user's browser by a web server for retrieval and use at a later date (for example, to remember your user name and password next time you visit). Ad servers (e.g., DoubleClick or AppNexus) use cookies in the form of a randomly assigned unique ID, or AdTag, placed on the user's device browser to track a user across multiple touch points. This allows the ad server to build a profile of each user's online behavior.

AdTags and cookies can capture any action or event on a website or device. This may include:

User Context: Implicit information, such as the IP address or IDFA/Android_ID of your mobile phone, the type of web browser you are using, or how you were referred to the site (search, click-through from an ad, etc.).

User Profile: Anonymous data stored in cookies, such as a Profile ID or targeting criteria.

User Behavior: Data including the products, content or ads you viewed, links you clicked, time you spent on the page, etc.

Online demographic data goes beyond gender, age and household income.

Demographics	1st party	3rd party
Community Area Type	0	402.4 million
Employment	4 thousand	363.4 million
Ethnicity	2.1 million	1 billion
Expecting Mothers	0	10.8 million
Finance	0	355.8 million
HHI	0	279.3 million
Home Ownership	0	570 million
Languages Spoken	72.5 million	2.9 billion
Level of Education	0	227.7 million
Number of Children in Household	0	546.3 million
People in Household	0	301.1 million
Pet Owners	0	109 million
Relationship Status	< 1 thousand	326.8 million
Smoking	< 1 thousand	4.8 million
Vehicle Owners	0	162 million

USING DATA TO TARGET YOUR AUDIENCE

By accessing the right data, you can deploy different audience targeting strategies to help ensure your advertising reaches your most-likely customers, including:

GEO AND DEMOGRAPHIC TARGETING:

This strategy relies on segmentation data and helps you target your audience based on their geographic location (state, region, DMA or zip code) and/or particular demographic features, such as age, gender, neighborhood type, education and marital status.

Behavioral targeting:

This strategy uses anonymous data collected from online user activity to identify in-market shoppers by interest. It lets you target customers by their site and content viewing history, keyword searches, clicks and purchases. For example, it can identify if a user is shopping for a particular product or service, perusing travel destinations or researching a specific topic. Many behaviors can act as qualifiers to identify them as targets for your advertising. For example, perhaps you want to reach affluent consumers, or cosmetic and beauty lovers, or news hounds. Qualifiers can be used to improve audience quality and reach.

AUDIENCE INTEREST AND PROFILE TARGETING:

This type of data can be gathered based on what people declare (on forms, etc.) or what they demonstrate by their viewing and click-through behavior.

RE-MESSAGING

This targeting strategy relies on data to help you reach audiences who have had prior exposure to your advertising (or, alternatively, no exposure to your ad) or some predefined set of interactions with either your website or some other key website. Since this audience has already seen your message, your repeat message is directed toward an audience that is already familiar with your product or service and is more likely in the market for purchasing it.

Mobile Targeting:

With a huge share of the online audience now accessing the Internet using mobile devices, mobile targeting allows you to reach an audience that is on the go and using their devices to shop, research products and find local retailer information. Mobile devices and have built-in, anonymous identifiers (IDFA for Apple or Android_ID/Advertising ID for Google apps) and latitude/longitude readings. These tags can help brands deliver ads to relevant audiences. For example, a user walking down the street looking for coffee would be a good target for a coffee shop.

MR BEANS
OFFEE HOUSE

Putting it All Together:
## HOW TO BUY AND IMPLEMENT DATA

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By now, you should see how data is the driver behind audience targeting and the critical role it plays in finding and connecting with the right audience. But you may be wondering how you put it all together.

How do obtain and use audience targeting data to get your message in front of your customers at their decision-making ZMOT?

The first step is finding a reliable third-party provider of online marketing and audience targeting services. They'll be able to help you plan your online strategy, purchase the necessary third-party data and process it along with your own first-party data to develop a precise audience targeting strategy. They can handle the ongoing online ad placement purchases and continually keep you up-to-date on your online marketing success with clear reporting and optimization strategies.

WHY IT WORKS...
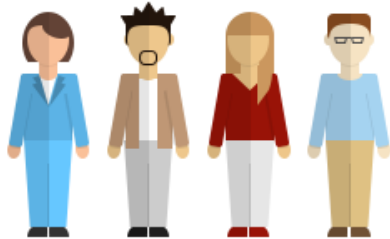
Advance Digital & Condé Nast user data

Access to premium 3rd party cookies with demographics, interests and intent

Powerful, unique Data Management Processor

Precise audience targeting

Clear, transparent reporting

Optimization

6 CONCLUSION

The Internet has revolutionized the way we shop for products and services. The immediacy of ready information and online shopping has compressed the sales funnel so that the traditional model of awareness-interest-desire-action is often compressed into a single decision-making moment – the Zero Moment of Truth. Smart businesses are putting strategies in place to connecting with their customers at that critical ZMOT.

7 GETTING STARTED

Choosing a partner that can help you develop your overall audience targeting strategy, set up and manage your online advertising presence, and monitor and manage its effectiveness based on your goals can help you better compete in today's online marketplace. Learn more about your audience targeting options by calling your Alabama Media Group Marketing Solutions Specialist at (205) 325-2280 or emailing advertise@al.com.

Alabama Media Group is a digitally-focused marketing, news and information company. We help you determine who your audience is, what message is important to them, and when they want or need to see it. We uncover your customers' demographic, psychographic and behavioral data turning it into actionable intelligence that gives you the power deliver messaging that will move your targets more quickly down the sales funnel.

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