What is first-party data?
“You can have data without information, but you cannot have information without data.”

– Daniel Keys Moran, computer programmer and science fiction writer

First-party data is data that a company collects with customers’ consent and therefore owns. It comes from multiple online and offline sources (e.g. web interactions, customer relationship management (CRM) databases, in-store purchases) and can include information such as demographics and customer purchase history.
What is first-party data?

Below is the example of first-party data:

Email response data, point of sale, and customer spend are cost-effective ways to quickly understand consumer interest. Brands can experiment with offers and product recommendations to gauge consumer interest and use a self-learning system to improve results.

First-party cookies assess volume and patterns of consumer activity. This data is specific to a brand’s properties, such as apps or websites. Brands can analyze changes in customer browsing behavior, engagement, and shopping patterns and subsequently alter website and app content to personalize offers.
While first-party data fuels more relevant consumer experiences and sparks business growth, people will only choose to share their data with brands they can count on. The first step to earning your customers’ trust is clearly stating what data you’re handling and what the customers will get in return, which means making it simple for users to understand what data is being collected and how they can opt out. In this playbook, we’ll share advice and best practices for establishing this two-way value exchange and making organizational and technological changes to improve your first-party data capabilities.
Why first-party data matters
Trust between advertisers, publishers, and users is critical to an open and safe internet. Today’s consumers prefer and expect relevant, tailored experiences whenever they interact with a brand online — but not at the expense of their personal privacy. Searches for “online privacy” have grown more than 50% year-over-year globally, which shows us that people are becoming increasingly aware of, and concerned about, how their data is used.

Our industry is responding by increasing transparency and offering users more control. New regulation ensures technology platforms, such as browsers and mobile operating systems, will phase out third-party cookies within two years, by which point we expect new, privacy-safe alternatives to be available.
In the meantime, there are plenty of tools and technology that can help you shift away from third-party cookies while making the most of the insights at your fingertips. Using first-party data responsibly is critical to creating personalized experiences that remain compliant with changing data regulations and browser policies.
Sharing relevant interactions across touchpoints sparks business growth because most consumers will choose a helpful, engaging brand they can trust. That’s why a robust first-party data strategy will be critical for businesses as they navigate their way through challenging times and move toward recovery.
Digital marketing maturity and first-party data
Building on the work of “The Path to Digital Marketing Maturity”, Boston Consulting Group (BCG) and Google collaborated to explore how advertisers are using first-party data and what impact this has on their digital marketing effectiveness and overall business success. Through the findings from this study, we aim to help brands unlock the full potential of first-party data by outlining a clear path to success.
The study included 160 brands across the Asia Pacific region, supplemented by over 30 interviews with regional digital leaders. The countries included were Australia & New Zealand, Hong Kong, India, Indonesia, Malaysia, Philippines, Singapore, Taiwan, Thailand and Vietnam.

10 industries
- Automotive
- Retail
- Financial services
- Travel & leisure
- Education & training
- Consumer products
- Technology
- Telco & media
- Healthcare & pharmaceuticals
- Real estate
Brands were assessed based on their level of digital marketing maturity and rated along a maturity curve. BCG segmented the brands into four levels of digital marketing maturity:

- **Nascent**: Run campaign-based executions mainly using third-party data, collect limited or no first-party data, and direct buy with limited link to sales.
- **Emerging**: Use first- and third-party data in basic programmatic media buying with manual bidding, single-channel optimization, and testing.
- **Connected**: Integrate and activate first- and third-party data across channels with demonstrated link to ROI or sales proxies.
- **Multi-moment**: Execute dynamic campaigns optimized toward single-customer business outcomes across channels.
First-party data challenges in APAC
BCG uncovered a consistent theme in the APAC first-party data study: digitally mature brands are increasingly using first-party data to drive meaningful, privacy-safe interactions with their consumers. These brands are also the ones noticing real business results. Brands in the top quartile of maturity that engaged consumers with personalized experiences were able to achieve an average of 11% annual incremental revenue and 18% cost efficiency — 2X impact compared to bottom quartile of mature brands.¹
While 87% of brands view first-party data as very important to digital marketing, only a few brands are actually effective at consolidating and de-siloing their data. In fact, 56% of the APAC brands believe they are below average or average at using their first-party data.
The top barriers to achieving significant business impact with first-party data are tech-related, with up to 62% of brands citing the inability to link technology tools as the top barrier, followed by the lack of understanding of data and its use cases.

Furthermore, use of cloud solutions was common among the more mature brands, with 100% of multi-moment brands and over 62% of connected brands using the cloud to collect, store, and execute their first-party data.\(^5\)

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Trust, transparency, and first-party data stewardship
The two-way value exchange between the customer and the brand

**Brands**
The brand gets the opportunity to deliver relevant experiences for their customers, which leads to a positive impact on the business metrics like conversion rate, retention rate and life-time value. The brands can also use first-party data to prospect new customers by finding look alikes with similar attributes.

**Consumers**
The consumer gains a better experience, including personalization at all points in their shopping journey and relevant ads.

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Trust, transparency, and first-party data stewardship
The best use of first-party data involves a two-way value exchange between consumers and brands. People who trust brands with their data enjoy a more personalized shopping journey. And in return, brands get the opportunity to lift business metrics and reach new users who are likely to be interested in their products.

To kick off these relationships, brands must ask consumers permission to use their data by adhering to these two best practices:

• **Transparency**: Ask users permission to use their first-party data and give them control by making it easy for them to withdraw consent.

• **Value**: Highlight incentives such as the relevant personalized experiences that come with sharing first-party data.
How APAC brands are taking their marketing to the next level with first-party data
Brands across APAC are collecting, analyzing, and activating first-party data to achieve their business goals. Here are five innovative ways APAC brands used first-party data successfully.

1. Turn traffic into sales

Every time people engage with a brand, they provide valuable clues about their priorities, expectations, and preferences. By pulling insights from these interactions, brands can tailor their messaging and consumer experiences to everything from when and where people make the final purchase to the products they’re looking for.
Adapt your retail or sales strategy to e-commerce

As the lines between brick-and-mortar retailers and e-commerce continue to blur, it’s more important than ever for brands to have an online presence.
Case study - Singapore

Insurance company income embraces digital to lift sales

Singapore’s Income saw an opportunity to make its digital experiences even more helpful for its customers in a recent campaign, so it used Analytics 360 to get a better idea of how users engage with its brand online.

Income teamed with Happy Marketer, a Google Marketing Platform Partner, to break down its audience into more than 200 groups based on where they began their purchase journeys in Analytics 360. After exporting these audience lists to Display & Video 360, the brand served ads tailored to different consumer interests and behaviors. For high-intent, price-sensitive consumers, Income used Optimize 360 to show them personalized discounts on a dedicated landing page.
The brand found that a little personalization made a big difference.

Income saw:

- **92% increase** in CTR (click-through rate)
- **50% decrease** in CTA (cost-per-acquisition)
- **12% increase** in sales

Learn more about Income’s approach
2. Build your brand recognition

Being a recognizable brand has many perks. First-party data can play a critical role in brand awareness by helping companies serve product awareness messaging to its most loyal consumers and drive awareness among those who may not be as familiar with the brand.
Reach your audience more effectively

When consumers are on the hunt for something new, they have countless options just a click away. That’s why catching people’s attention necessitates tailored experiences fueled by first-party data.
Voot accurately predicts and reduces churn with a unified view of its users

As Viacom18’s premium video-on-demand platform, India’s Voot attracts a large audience of approximately 100 million monthly active users. However, the brand wanted to decrease user churn.

To get a better idea of which viewers were likely to churn, the brand collated user data from multiple sources into BigQuery to create a single view of its customers across acquisition, analytics, and monetization. After analyzing more than 10 billion data points, Voot built a custom churn prediction model using Google AutoML tables and TensorFlow, an end-to-end open source machine learning platform, for users with a high propensity to leave the app.
The brand also used the Google Ads API to create custom audience lists based on how likely they were to churn and automatically uploaded the segments to its Google Ads account. The brand found that a little personalization made a big difference.

Voot ran an AB experiment to test the efficacy of the method and using the results of the users who were in the control group, they determined the machine learning model had an 80% accuracy rate in predicting users’ churn propensity. The brand was able to effectively create a **35% reduction in churn between the control and exposed groups**. While Voot was able to win back higher-propensity-to-churn users, it also unlocked a new level of cost efficiency: **Remarketing budgets were now only being spent on users who required that extra nudge** instead of those who were bound to return to the platform.
Case study - India

- 35% Reduction in monthly user churn
- $3M estimated revenue impact annually
- 80% accuracy of churn prediction model

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