



EQUIFAX®

A guide to better digital advertising through data

Best practices for applying data to online advertising

Tactics, tools and real-life brand case studies that show advertisers how they can use additional data sources to help improve their online advertising campaigns.

Making smart use of data

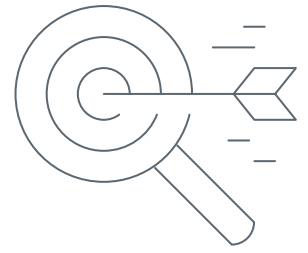
Online advertisers have more options than ever before when it comes to delivering their message. The proliferation of sites, channels, tactics, platforms, and even devices, provides plenty of touch points for reaching a consumer, but increases the complexity of hitting the right consumers — those that are interested in an offer and qualified to act.

One of the biggest areas of growth in the world of advertising is in data, which can be used to learn more about existing customers, target potential customers, and even find new ones. The use of data can simplify the difficulty in reaching consumers across devices and different kinds of media. It can eliminate wasted ad spend, and help a marketer better understand their success and alter their marketing strategy in real-time to achieve the best results.



Read more to learn how marketers can make smarter use of advanced data, analytics and technology to deliver a higher return on their online ad campaigns.

TARGETING



Reaching the right audience efficiently

Buying ads online and reaching lots of consumers is relatively easy. But advertising isn't about reaching everyone — it's about reaching an appropriate, qualified audience and getting those consumers to take action and convert.

For a retail bank advertiser the goal is to deliver ads that grab consumers' attention and drive them to open an account as well, but those consumers have to meet certain criteria. The same goes for luxury auto advertisers — while aspirational marketing builds brand recognition, it's crucial that a bulk of the ad messages reach qualified consumers who can afford the car. Where a CPG (Consumer Packaged Goods) company may be content driving a small one-time purchase, the retail bank and auto advertiser need consumers who can commit significant sums of money to a purchase, investment or deposit. Therefore, advertisers have to target consumers who have the willingness and the means to act on these conversion goals.



Advertisers need to find consumers with the willingness and financial means to convert.



Enhancing core data

The challenge is to cut through the clutter and noise and drill down to pathways of opportunity. Advanced data that enables a strategic street-level view of consumers allows for the serving of relevant online advertising that will enhance branding and drive direct response.

Online advertising is heavily reliant on behavioral targeting, where data companies infer a consumer's interests and intent based on web pages that a consumer has visited. That can work well for online retail, but for major investments like financial and auto offers, this only goes halfway to identifying an appropriate audience. Advertisers need to combine consumer financial and economic data with browsing habits to identify consumers who are not only interested, but financially qualified consumers.

Advertising is heavily reliant on inaccurate "intenders," which may capture people conducting product research but who do not meet the qualification thresholds. The goal of marketing is to put messages in front of consumers with characteristics that match **actual** buyers and that are in-market for specific products and services.

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CASE STUDY

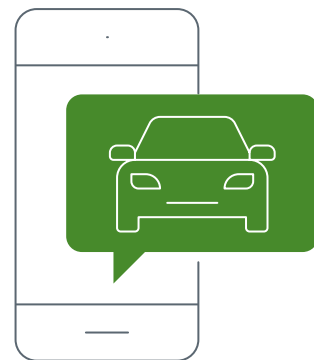
The power of economic segmentation

Challenge: An auto manufacturer and its dealers wanted to drive sales for a luxury model. The plan required identifying and targeting online consumers that matched the economic profile of its current buyers in order to drive new sales.

Solution: The agency representing the OEM and its dealers consulted with a leading demand side platform (DSP) who suggested working with Equifax to explore its Digital Targeting Segments for Auto to inform its online ad campaign.

These auto-specific Digital Targeting Segments powered the campaign to target those online consumers that were likely to have both the desired economic capacity and purchase intent tendencies for the luxury model. These segments included:

- Income greater than \$250,000 (found via Income360®)
- Discretionary Spending over \$100,000
- Consumers In-market for an Auto Lease



When a campaign is driven through ad exchanges deploying real-time bidding technology, these types of segments can be used to trigger bids, helping ensure advertisers eliminate wasted spend on unqualified consumers. The targeting occurs in real-time — seamlessly and without disturbing the user's browsing experience.

Results: After the campaign's completion, a third-party evaluation of auto purchases found that of the 16 online audience segments tested, the auto-specific Digital Targeting Segments from Equifax proved to be the best at predicting households that would ultimately purchase the automobile or a vehicle in the same class.

CASE STUDY

Better data for responsible ad spending

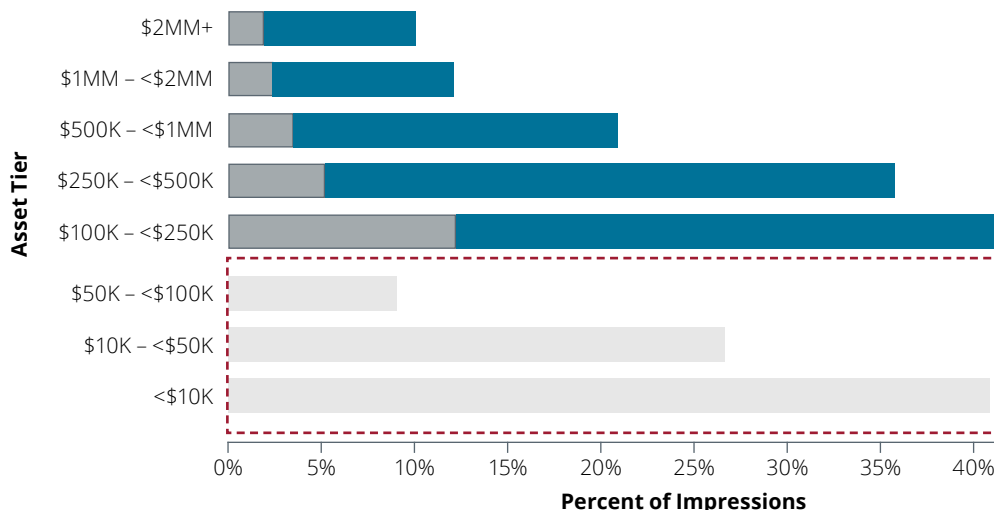
Challenge: A financial services firm sought to reach prospects with high investable assets. A common approach is to rely on panel-based demographics or online behaviors, which are often insufficient when identifying qualified consumers.

Income alone is not necessarily a reliable indicator of available assets to invest and ZIP Code-level data can be geographically unreliable, failing to provide significant differentiation in terms of assets and causing many ads to be served to unqualified online visitors. With display ads eating up a significant percentage of the total budget for online efforts, advertisers need to ensure that their valuable marketing dollars are directed at the right audience.

Solution: The firm discovered that 78 percent of its impressions in a previous campaign had been served to unqualified consumers. For its next online acquisition campaign, the firm engaged Equifax and used its IXI™ wealth-based Digital Targeting Segments and audience targeting solutions to differentiate online consumers in real time based on their likely financial profiles. As a result, the firm was able to serve ads only to visitors that lived in geographies with an estimated average of over \$100,000 in invested assets per household, the advertiser's cutoff point for defining a qualified consumer.

By using these audience targeting segments, the firm reallocated its ad spend to target only those visitors likely to have over \$100,000 in assets, thus avoiding spending marketing dollars on consumers that were unlikely to have the right financial profile for its brand, and avoiding wasted spend.

Impressions reallocated to visitors likely to have \$100,000+ in invested assets



The result was that **78 percent** of campaign impressions were reallocated to the right target audience, and expected opening balances increased for new accounts by **88 percent**.

Low-value impressions reallocated to target audience



Getting the right data matters

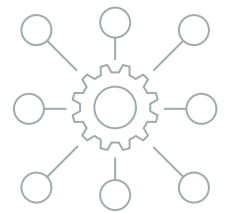
There are lots of data choices available to marketers, but many are built around the sometimes-faulty assumptions that come with behavioral tracking. These characteristics are very hard to infer based on online behavior alone, yet that hasn't stopped several data companies from creating targeting segments that use inferred data to try to reach these very specific audience profiles.

Advertisers should search for data that offers the ability to cross-reference — anonymously — likely investment, household income, credit characteristics and spending trends with consumer buying behavior and product preferences.

The financial measures underlying Equifax Digital Targeting Segments are from a variety of data sources, including proprietary wealth insights and aggregated Equifax credit information — anonymous data that are ZIP+4 specific. This gives advertisers the ability to target certain types of audiences, without the use of any personally identifiable information.



ONBOARDING



Enabling the promise of multi-channel marketing

If we've identified a trend throughout the online marketing process, it's that the best performing online advertising requires some customer understanding culled from offline sources. Advertisers are often sitting on tons of their own data, and that data is extremely valuable when it comes to online advertising. The issue is that it's offline and needs to somehow be brought online in a way that is compatible with all the other online marketing tools.

The process of getting this data online is called onboarding, and several advertising verticals benefit from this practice, including financial, automotive and insurance. Many of these advertisers have detailed information about their customers, including transactional information and location addresses.

Reach offline audiences online

Onboarding is about marketers acting on their own data and connecting with their traditional customer base via digital channels. As an example, think about a financial services firm. They have specific Prescreen and Invitation to Apply target audiences that they have traditionally connected with via direct mail. It is in that brand's best interest to onboard those audiences so they can market to them digitally — a much more cost effective channel than direct mail. Consumer marketers can similarly onboard their customer and prospect lists to better connect with their target audiences through digital channels.

Alternately, onboarded first-party data can be used to avoid current customers completely. In some cases, such as acquisition campaigning, valuable ad dollars can be saved or reallocated by suppressing impressions to current customers. When marketers have access to their offline data in their online tools, they can suppress current customers and only target qualified first-time customers.

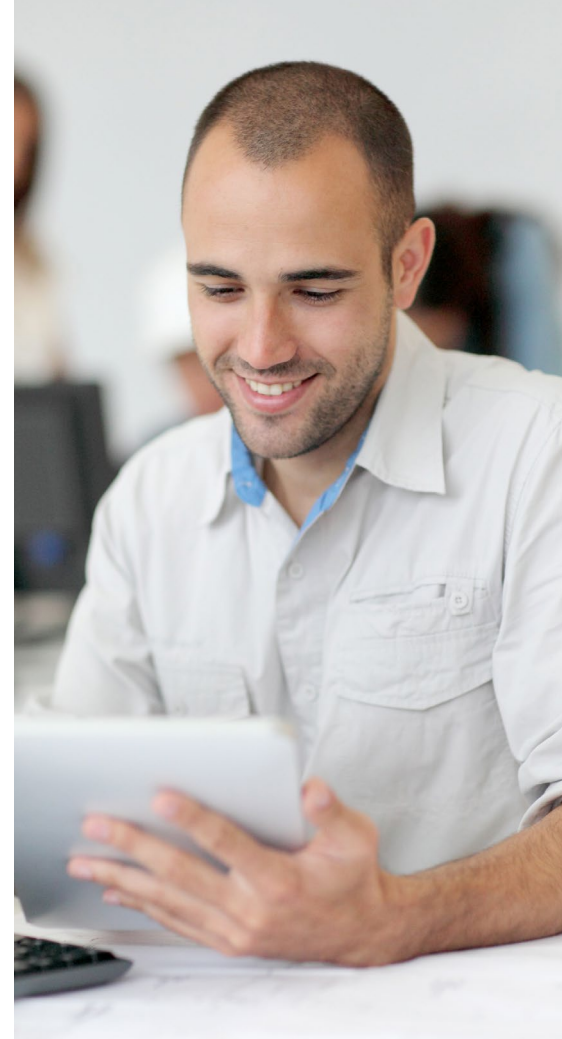
An even greater benefit of onboarding is that it enables multi-channel marketing, allowing marketers to run parallel campaigns online and off. Direct mail can be used to support the online campaign, with mailers sent to households that the advertiser is trying to target online. If brands want to find even more new customers, they can onboard offline and email prospect lists, allowing them to reach new customers.

Maintaining privacy while using trusted partners for onboarding

When talking about this kind of consumer data — mailing addresses, investment profiles, assets — it's important to note that onboarding strips out any personally identifiable information. It's not possible for the advertiser to connect a cookie online with an individual consumer and track them — all of the targeting is done anonymously.

But the need to maintain privacy requires that advertisers think about how they approach the task of importing their offline data. Onboarding combines visibility and the ability to take action, so on the one hand, a brand that handles this process itself keeps complete control of its data and never allows another party to be involved, minimizing potential security leaks in the transfer. But this can be a herculean task for even the most sophisticated advertisers, who still have to figure out what to do with the data and how to segment it once it's online.

Third parties have data expertise that they can offer on the data management and transfer, and can introduce the latest in data hygiene to improve the effectiveness of the data, along with the best of encoding methodologies. Generally, these parties can lower the costs of managing and onboarding the data as well. Some brands may turn to their database manager partner for the role of onboarding, giving them a familiar partner, but not necessarily an expert in onboarding or digital. Regardless of which way they go, it's crucial to work with trusted partners.



Tapping into offline information for online campaigns enables multi-channel marketing and improves the customer experience.



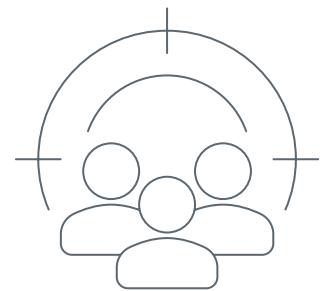
CUSTOM AUDIENCES

Combining insights to create custom audiences

It's important for advertisers to tap into their offline information for online campaigns. Those are the insights that should drive online marketing plans and help craft the audience profiles that advertisers target. But the most advanced marketing plans are those built on a combination of data sources and tools that feed into each other, allowing the marketer to target a specific, qualified audience, monitor their success, and keep building on each subsequent campaign.

When it comes to creating custom audiences, there is no shortage of options. Marketers can combine their own segments, or add in third party data to enhance desired targeting. This can be done in either the offline or the online world — marketers can incorporate traditional financial and economic segmentation measures, or the digital version of these measures, as well as other digital consumer habits, attributes, or preferences to create desired audience segments.

Prospect audiences can be expanded by profiling best customers and then identifying new audiences with similar attributes — for either offline or digital advertising. Another option for lenders is to start with their own Prescreen list, and then identify ideal credit attributes to create lookalike custom audiences for invitation-to-apply campaigns that offer more flexibility in messaging and creative. For custom audiences that are developed offline, they can also be onboarded for digital marketing campaigns.



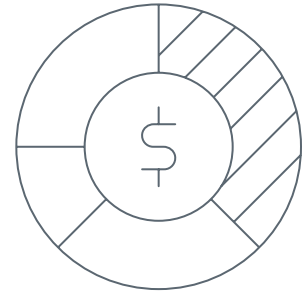
Common insights used to create custom audiences and enhance targeting:

- Wealth
- Estimated income
- Spending power
- Financial durability
- Credit behaviors

MEASUREMENT

How successful are my efforts?

Even with these great advances in targeting, advertisers need ways to connect online ad spend to the impact it has on their business. Audience targeting is only half the battle — brands have to ensure they are meeting their objective on the back end.



Online media is often heralded for being the most-measurable medium, because brands can monitor and quantify campaign activity, counting the total impressions, clicks, page views, etc. But those metrics don't tell the whole story. Insurance advertisers may want their consumers to dial a 1-800 number, and automobile sales are frequently made in person, not online. Advertisers need to understand how their ad spend affects both online and offline consumer behavior.

Closing the loop

The key here is what's widely known as "Closed-loop Attribution," which combines on- and offline data to understand the wider impact online advertising has on conversions.

Rather than counting clicks and impressions, this gives advertisers insight into the metrics that matter most: their actual goals. Whether tracking conversion profitability, digital spend efficiency, brand impact on revenue, or deposit/asset gathering, advertisers can now track a high-level business goal, rather than vague, indeterminate online metrics.



How does Closed-loop Attribution work?

Once an advertiser has delineated the objective of their campaign, they can use some of the targeting practices we previously discussed to narrow their audience and better ensure they reach the most qualified consumers. Then it's time to run the campaign.

After the campaign is complete, it's crucial to identify households that did not view ad impressions. This group will be used as the basis of comparison against those that did view the campaign. The unexposed control group should closely resemble the exposed group in characteristics such as geography, demographics and financial profile.

With these two groups identified, the advertiser can then cut down to a ZIP+4, household or individual level, monitoring offline results on a neighborhood level to determine the campaign's success. For example, a luxury auto advertiser can monitor how many consumers have applied for financing in a certain geographic area that saw the ads online. By comparing the results of the exposed group to the unexposed, the advertiser has a better sense of how well its ads performed in driving qualified leads into a dealership.

It's also possible to look at the overlap between two audience groups and adjust key performance indicators (KPIs) for a campaign. In one recent campaign, a luxury automaker used online test-drive sign-ups as its KPI. After the initial wave of the campaign, the brand's DSP worked together with a third-party analysis partner and identified an inverse relationship between the audience profiles of consumers who signed up for test drives and those who purchased luxury vehicles. In other words, those test-driving weren't making the ultimate conversion and buying the car. Ultimately, the automaker's agency helped the brand refine its KPIs to better align with the core business objective, which is the sale.

Advertisers can also go even deeper, if it's necessary to define an audience on tighter terms to understand performance. It's possible to tie offline data to individuals or households and then use that data to find impressions, in a privacy-safe manner (for more on privacy as it relates to data usage, see the section of this eBook titled "Maintaining privacy while using trusted partners for onboarding").



Advertisers need ways to connect online ad spend to the impact it has on their business.



When it comes to performance measurement, clicks, impressions, and page views don't tell the entire story.

Better metrics

The important word here is “qualified,” of course, and that’s why clicks and impressions don’t tell the entire story. Let’s consider a telecom operator. Most have different levels of plans, ranging from multi-year contracts with monthly billing, down to pre-paid services. These offerings appeal to different consumer groups with different levels of qualification. If a campaign promoting a multi-year contract reaches consumers who can’t meet the qualification threshold, it doesn’t matter if it drives clicks.

This kind of closed-loop analysis should greatly reduce the marketer’s reliance on clicks and give a deeper understanding into performance. A campaign that hits targeted consumers and drives conversions should actually have a lower click rate, but a higher conversion rate. This would result in a greatly reduced cost per acquisition, which means the advertiser is driving business while reducing its overall ad spend — a winning combination for nearly anyone.



Equifax.
Data-driven
marketing
for real world
results.

Equifax has grown from a consumer credit company into a leading global provider of insights. We leverage our **unique household financial and economic data, innovative analytics, technology and expertise** to power decision-making and drive better business outcomes across our clients' enterprises. For the next step in data-driven marketing enablement solutions that help you drive profitable growth — rely on a trusted partner.

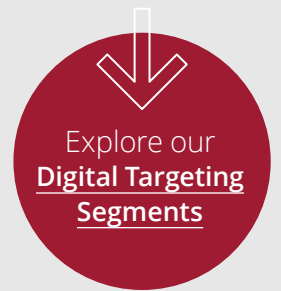
Rely on Equifax.

Foundation of measured assets

Most solutions that offer financial insights on U.S. consumers rely primarily on survey- or census-based data. Instead of relying on these same sources, our insights are based on about \$24 trillion in anonymous, aggregated measured consumer assets collected from leading financial services firms. This Direct-measured™ data represents over 45 percent of all U.S. consumer invested assets, and overcomes some of the accuracy, reliability, coverage and granularity limitations of survey-based data.

Digital Targeting Segments

Digital Targeting Segments from Equifax enable marketers to better deliver the right message to the desired target audience online based on consumers' likely financial and economic profiles, interests and behaviors.



Wealth



Credit Card



Investments



Financial Cohorts®



Retail Banking



Financial Durability



Financial Mobility



Insurance



Mortgage



Affluence



Student Loan



Small Business Assets



Business to Business



Income



Spending Power



Ability to Pay



Economic Cohorts®



Economic Spectrum™



Aggregated FICO®



Retail



Millennials



Auto



Communications



Sports



Travel and Leisure



Restaurant

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