



# Strategies for Succeeding in the Age of Permissible Marketing



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This is an edited version of IRI's Growth Insights [C-Suite Conversations](#) with **Scott Howe, CEO at IRI partner and data connectivity service provider LiveRamp**. Howe shares his thoughts on connecting with shoppers in an online world, the value of collecting data, the power of collaboration, and more.

## IRI: Role of LiveRamp in the Ecosystem

**Scott Howe:** LiveRamp is a SaaS platform that makes it safe and easy for companies to use their customer data. The hardest challenge in using data is every company knows that if they apply data to their decisions, they'll make better decisions. But doing that in practice can be really difficult. It's hard to go out and get your hands on the data that's useful both within your organization and outside your organization. So, we've built integrations into all of those data sources to make it easier. We provide a translation layer, a Rosetta stone if you will, that allows disparate data streams to be combined. We built integrations on the activation side since the data can be utilized. We built a whole configurability layer that gives our clients a lot of control over who can see their data and in what circumstances.

## IRI: Pandemic-era Learnings

**SH:** When money is tight, the money that you spend has to be accountable and result in bottom-line improvement. In both of the prior recessions, we saw interesting trends in terms of advertising going from above-the-line brand advertising to very accountable. In 2001, you saw companies like Google emerge with search. And then 11 years ago, it was Facebook and the rise of programmatic display and behavioral targeting really exploding. We're seeing the same thing right now. I don't know who the winners and losers will be this time, but I know one of the winning segments is data.

## IRI: Striking a Balance for the Short and Long Term

**SH:** The first piece is this concept of addressability – finding the right audience. Packaged goods reach a broad market, but there are power users. So, if you only have a limited amount of dollars to spend, aim it at your most loyal, most valuable customers. The second piece is that it's not just about finding the right customer, it's about serving them a personalized, relevant message. There are packaged goods products that

you and I probably love. And then there are packaged goods products that are probably no longer relevant to us (diapers, for example, once your kids outgrow them). And the final piece, and this is where I feel that some companies have really gotten it wrong, is to be authentic. In times of crisis, it's more important than ever to be really authentic.

## IRI: Targeting Strategies

**SH:** Hardship inspires innovation. Oftentimes, recession, as a result, seeds a zillion innovations and new entrepreneurial companies. I think we're going to see the same thing here. I'm seeing that already in the retail space, and more specifically, what we're seeing is companies that have long realized that they were collecting really interesting data on their consumers – permission data on their consumers – are saying that's my most valuable data. But, if that's the case, isn't this other company over here that isn't a competitor also collecting really interesting information? And what if we started to collaborate a little bit? What if I allowed you some insight into my store scanner information such that you made better use with that co-op television and drove better store sales for me? We both win because you make better use of your marketing budget, I sell more stuff in stores, and oh by the way, our customers win because they get better offers and more relevant information when they're planning their store visits. That innovation is still in its early stages, but I think over the next decade, we're going to see this take flight.

## IRI: Collaboration Around Data

**SH:** I get questions a lot from clients around what's the most valuable data I could have, and the answer, the analysis, always looks the same. If you have one piece of data, that's better than the absence of data. If you have five pieces of data, that's better than a single piece of data. But the best results are always obtained when you have access to all of the relevant data. You need to temper that with the operational

reality of what is the most relevant data, and you eventually hit an asymptote and you start to flatten out your ROI curve. However, it's really important that marketers realize that they have been thinking inside out – meaning what do we have? – when they should be thinking outside in.

It's not about having a whole bunch of data, and what does it mean? It's about what am I trying to accomplish? And so what data do I want to go collect? Who could I partner with? Where can I find it within my organization? And then how do I activate it in a way that's meaningful to the customer? And that sounds so obvious, but most companies do the exact opposite.

#### IRI: Areas of Opportunity

**SH:** In really competitive industries, where every single little advantage can be the difference between a successful year and an unsuccessful year, they've been more eager to innovate. We're seeing it in retail. Target is doing some amazing stuff with its packaged goods manufacturers to collaborate around data. We've worked with Carrefour in France for several years now, and it's doing some unbelievable stuff. Importantly, it's not about them just driving better P&L outcomes. They both start with: How is this going to improve the customer experience?

#### IRI: The Future of Identity

**SH:** I think we've been on a journey around data. Over the last couple decades, we've shifted from the era of dumb business to smart business. Businesses are so much more sophisticated. They're collecting permission-based CRM data. They're mining that for insights. They're reaching back out to their most loyal customers with targeted offers. They're upselling them; they're increasing the lifetime value of their customers. That's exciting. But what is more exciting is where we're going. And that is transitioning from the era of what I would say is smart business today to the smart, empowered consumer of tomorrow. Instead of the business knowing about you and constantly giving you the next great upsell offer, you also are empowered to know about the brands you love and tell them things. It becomes an explicit value exchange.

#### IRI: Consumer Data of the Future

**SH:** I think when data is the North Star, then companies start to behave differently and in a really noble way that benefits consumers. The end game is that businesses are going to have much better relationships with their consumers, and consumers are going to be able to extract far more value, far greater utility from the businesses with which they choose to align.

#### IRI: LiveRamp's Strategic Approach

**SH:** The right place to start is always around what information, if you knew it, would cause you to deliver a better outcome to your consumer. That's where we'll always start. Then once you have that kind of wish list, it's a matter of asking where that information lives. And I would say the vast majority of the time, it already lives within a company. Yet, oftentimes, that information isn't available internally so then you take the wish list and ask where can we find this kind of information. Because we work with so many clients, it's really easy for us to aggregate their wish list. Everybody wants IRI data – they just do. So, what do we do? We reach out and say how do we make this easier to get it into their hands? Can we do a turnkey integration so that they can ingest it without necessarily all the operational complexity of the past? I have a pretty simple view: If you listen to your customers, they'll tell you what to do, and then we just do it. So they're telling us this is the data that matters to us, and here's why. We're trying to go make those connections and bring that data to them safely.

#### IRI: Key to Success in 2021

**SH:** The word I would use is we are entering the age of collaboration. We've talked about collaboration around data, but it's also collaboration and technology. It's collaboration and marketing. There is just so much value that can be unlocked as soon as you realize you don't have to do it all yourself. I don't need to be the world's best at data collection, at building a product, at interpreting my customers' wishes, at deploying my own cloud. Customers need to think about how do I find the right partners? But then also, how do I future-proof it, meaning how do I find things that are persistent? In the data world, we talk about persistency all the time – that it will be enduring. The concept of persistency, the concept of interoperability. In designing this future, companies should be willing to outsource or partner for almost everything except control. That control is the one piece that they need to maintain. And it's so important that they build configurability into their systems, into their architecture, into their processes, such that they can change their mind, make decisions, and they're never trapped at the mercy of a monolithic partner. But, as we move to that, boy, the future is glorious.

**About IRI.** IRI is a leading provider of big data, predictive analytics and forward-looking insights that help CPG, OTC health care, retailers and media companies to grow. With the largest repository of purchase, media, social, causal and loyalty data, all integrated on an on-demand cloud-based technology platform, IRI guides over 5,000 clients globally in their quests to remain relentlessly relevant, capture market share, connect with consumers and deliver growth. [www.IRIworldwide.com](http://www.IRIworldwide.com)

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