MAY 23, 2025

How connected identity and data are creating a new era of customer experience

By Richard Sine

The personalized customer experience that came naturally to shopkeepers of the past is generally missing in today's rapidly changing consumer landscape. Now, delivering that same level of connection at scale in a digital-first world requires something much more powerful: a data-driven understanding of your customer.

In fact, 71% of C-suite executives say using Al and data to create personalized experiences is key to staying competitive, according to Forbes Research's 2025 CxO Growth 5.0 Survey.

"Personalization starts with knowing your customer — and the touchpoints where your brand connects," says Jarrod Martin, global CEO of Acxiom, a data and identity solutions company connecting brands with 2.6 billion people globally that is uniquely positioned to address the opportunities in this evolving data and technology ecosystem.



Yet many brands still struggle to uncover individual identities amid a flood of disconnected data and technology, and the pace of change is only accelerating. Forbes data shows CMOs cite their top challenges this year as anticipating shifting customer behaviors, aligning with customers' values and priorities across segments and keeping up with rapid technological changes. As the pressure to adopt AI tools grows, so does the desire to maintain human-centric experiences. A recent Acxiom report found that 62% of brands still prefer to deliver human-led customer support, while 65% of customers believe AI-powered customer service can sometimes feel impersonal.

For brands to harness the transformative power of AI while keeping people at the center, they must unify identity, data and insights — while upholding trust, privacy and transparency. Ahead, Acxiom leaders share how to optimize a human-centric and AI-powered customer experience.

The power of building a single view of the customer

"Today's customer journey involves countless brand interactions across platforms," says Keith Camoosa, Acxiom's chief product and technology innovation officer. This multitude of touchpoints, spanning apps, websites, call centers and retail locations has complicated creating a comprehensive view of the customer.

Acxiom's Real Identity <u>solutions</u> help clients identify customers across these disparate channels and continue recognizing them in the wider, fragmented media ecosystem. With this connected view of the customer, Acxiom can also enhance a brand's customer intelligence with over <u>10,000 unique attributes</u>.

Brands that can better recognize customers can orchestrate and personalize the customer experience across all interactions, including paid media and earned or owned channels, says Martin. "By creating a single view of the customer, we can start to think about what's the most impactful and cost-effective channel to reach them."

Martin says AI can help brands more quickly identify customers and extract insights, enabling smarter outreach across the ecosystem — including on Big Tech platforms that control their own data, known as "walled gardens" and in the many other places where ads are placed.

"The unique selling proposition of an agency network is to enable that orchestration between those walled gardens because consumers expect that experience to be seamless," Martin says — especially when they share their information or interact with a brand.

Connecting and optimizing all data assets

According to Forbes Research's 2024 Al Survey, two-thirds of CMOs are using or planning to use Al to personalize interactions, generate tailored recommendations or optimize user interfaces. To accomplish these goals, Camoosa says brands need to first connect their data with the right infrastructure that enables secure data sharing across the organization and with trusted partners.

While first-party data (collected by the brand) has become paramount to understanding customers, second-party data (collected by business partners) and third-party data (collected by platforms) are also useful in building a 360-degree customer view. Increasingly, all of this data can be collected and resolved within a client's organization (or in combination with partners) to facilitate greater control while opening up new opportunities in co-marketing and personalization, Camoosa says.

Martin adds that the value of first-, second- and third-party data can vary significantly by industry. For example, brands in sectors like CPG, pharma, insurance or banking should set different expectations around the level, depth and breadth of the first-party insights they can realistically collect. "It's understanding what the optimal customer experience is within the context of the interactions that you have with your customer," he says. From there, Martin says brands can use second- and third-party data to fill in the gaps, focusing on unique customer attributes that may be too costly for brands to collect and manage on their own.

Seventy-nine percent of CMOs surveyed in the Forbes 2025 CxO Growth Survey agree that hyperpersonalization will enable companies to significantly increase customer lifetime value through unique experiences, customer retention initiatives and loyalty programs. This level of hyperpersonalization is powered by connecting and optimizing diverse data assets, fueling the analytics and Al-driven marketing that deliver the customer experiences brands — and their customers — crave.

Making data exchange more transparent and secure

CMOs say their top focus over the next two years is increasing customer data privacy protection. But just 37% of CMO respondents in the Forbes Al Survey are confident they have robust data governance practices to ensure data quality, privacy and security of Al initiatives (and only 8% are completely confident).

Data collection and exchange are pivotal for recognizing individual customers as well as for providing services. But brands risk losing consumer trust if customers worry that their privacy and data will not be respected, Camoosa says. Brands' approach to data has changed thanks to growing concern by consumers and regulators about privacy, security and the corresponding decline of third-party cookies.

Brands have much to consider when it comes to data sharing and collaboration. Camoosa says leaders should view data as an asset, making it critical to connect, protect, grow and leverage infrastructure around those assets. He adds that marketing service providers should be able to help brands get a return from those assets without having to move the data around excessively or put it at risk.

Data privacy begins with capturing consumers' consent, Camoosa says. To build long-term relationships with customers, brands must also articulate clearly which data is being collected and how it's being used, according to Acxiom's report. The report says brands must also "articulate a clear and compelling data exchange" so customers understand how they benefit from data collection and use.

Above all, brands should focus on connecting data sources and identity resolution (achieving accurate customer identification) with a robust infrastructure that securely stores and manages data at scale. For example, Camoosa says data "clean rooms" allow business partners to share data, explore insights and co-market while controlling access and protecting personal information. Acxiom's clean rooms handle more than 13 billion records a month using the principle of zero movement — allowing for collaboration while protecting the underlying data assets.

Recognizing customers with maximized tech and data investments

The faster brands can understand their customers by securely connecting multiple data sources, the stronger the results. Acxiom leveraged its data identity capabilities and customer data to help a premium electronics brand recognize 82% of website visitors. (The industry average is closer to 20%.) That helped the brand create personalized experiences with relevant content, leading to a 29% increase in order frequency and a 47% increase in revenue per visitor.

In another case, Acxiom helped an <u>automaker orchestrate customer data</u> between offline and digital touchpoints to develop a first-party digital identity graph, leading to about \$50 million in additional conversions while saving \$20 million due to reduced churn.

"Being able to personalize not only the media that drives customers to your site, but also the landing content on the site, is critical to driving up conversion rates and average order value," says Martin.

Acxiom offers a comprehensive support model to address the business needs of its more than 1,100 clients. "And by prioritizing partnerships with world-class platforms, we can meet and lead our clients through their data modernization journeys for AI readiness," Martin says. A strong data foundation is essential to unlock the potential for AI in creating differentiated, personalized customer experiences and driving measurable growth, he adds.

Implementing AI-based solutions will be key to real-time personalization, yet only 24% of CxOs are designing AI systems with the capability to scale up or down as a strategy to ensure their AI initiatives remain successful, adaptable and responsive to a changing business landscape, according to the Forbes AI Survey.

Martin says many brands have accumulated "too many different marketing technology investments, too many data silos and they need to simplify and integrate these over time." A more connected data infrastructure delivers a complete, real-time view of the customer. This ultimately results in a simple outcome for brands: the opportunity to realize the kind of meaningful, human-centered personalization that defined great customer experiences long before the digital age.

Enhance your CX with Acxiom.

Contact us: info@acxiom.com