



ACX IOM

FUTURE

FOCUSED



ABOUT ACXIOM

Acxiom partners with the world's leading brands to create customer intelligence, enabling data-driven marketing experiences that generate value for people and for brands. The experts in identity, the ethical use of data, cloud-first customer data management, and analytics solutions, Acxiom makes the complex marketing ecosystem work, applying customer intelligence wherever brands and customers meet.

Acxiom's Customer Intelligence Cloud (CIC) brings it all together, combining data, technology, and expert services so brands can acquire the customers they'd love to have, grow trusted and valued customer relationships, and retain their best customers for today and tomorrow. CIC is a connected suite that includes identity solutions, data and audience insights, and analytics, integrated with leading marketing platforms and technology partners, and supported by award-winning services.

By helping brands genuinely understand people, Acxiom enables experiences so relevant and respectful, people are willing to explore new brands and stay loyal to those they love. For more than 50 years, Acxiom has turned the complexity of customer data into the simplicity of customer understanding, delivering better experiences for people and growth for brands.

With locations in the US, UK, China, Germany, Mexico, and Poland, Acxiom is a registered trademark of Acxiom LLC and is part of The Interpublic Group of Companies, Inc. (IPG). For more information on Acxiom and their Customer Intelligence Cloud, visit [acxiom.com](https://www.acxiom.com).

ACXIOM



FOREWORD



TATE OLINGHOUSE

Chief Revenue Officer
Acxiom

THE PAST, PRESENT, AND FUTURE – IT’S ALL ABOUT YOUR CUSTOMERS

To succeed in your marketing and advertising efforts today, you’ll need to be able to tell the future – or, perhaps more importantly, shape it.

You’ll need to answer questions like: What will my customers and prospects want next quarter, and next year? How do I create the kind of experiences that will feel personal, relevant, and meaningful to them the next time we interact? And what investments do I need to make in data and technology to help my brand create those experiences?

The problem is that the notion of “future-proofing” your marketing efforts has been paid so much lip service it has become a buzzword and a cliché. It’s been hijacked by martech vendors pushing the latest shiny object – playing on marketers’ FOMO and promising them a silver bullet to solve all their engagement challenges.

My advice is to not get distracted with the latest shiny objects. (They’re important, but they should be part of your long game, not a short-term fix.) Instead, remember that focusing on the future means focusing on your customers – seeking to know and understand their needs so you can use that insight to create a customer experience (CX) that is personalized and meaningful. That’s what creates value for people. That’s what “future-proofs” your marketing efforts and, ultimately, your brand.

It also takes care of another one of every brand’s unchanging areas of focus: the need to acquire

customers. And if there’s anything we can hang our hats on at Acxiom, it’s helping our clients acquire customers, especially in highly regulated industries that require the use of credit-based data.

What differentiates Acxiom is our longstanding expertise and leadership in data and identity. We have been helping our clients succeed in these areas for over 50 years. We were the first to bring a demographic data product to market. We invented knowledge-based recognition – the not-so-distant ancestor of what is now broadly known as identity.

At Acxiom, as we plan to serve our clients and help them solve tomorrow’s challenges, we will lean on continued innovation in the categories we created, data and identity. We will use AI to further advance the analytics we use to drive customer understanding. We will operate in the cloud and other emerging tech ecosystems to help our clients effectively and efficiently “play the data where it lies” and create personalized experiences for their customers and prospects.

And we will string all this together using best-in-class professional services on the leading martech platforms. When, not if, those platforms evolve and new ones emerge, Acxiom will be there on behalf of our clients.

This evolution is what got us where we collectively are today. As your dedicated partner, it’s what we do. And evolving for the future, together, is what will help us understand and deliver what our future customers seek. That’s what “future-proofing” means to me.

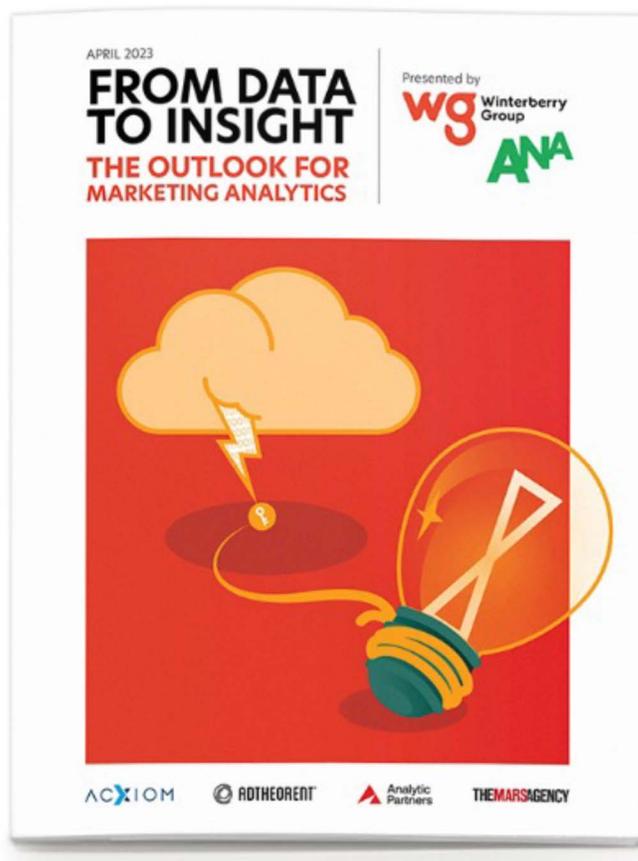
TRANSFORM YOUR MARKETING ANALYTICS STRATEGY

With Insights From The Winterberry Group's Latest Study:
From Data to Insight: The Outlook for Marketing Analytics.

With brands projected to invest an additional \$10 billion in marketing analytics and data infrastructure by 2026, analytics has quickly become the dynamic force behind the most successful advertising campaigns. But it's no longer enough to simply integrate analytics into your marketing strategy. The new question is: How can you effectively harness this powerful capability to drive meaningful engagement with people and elevate your marketing initiatives?

The research, based on 2023 survey findings of 200 US and European marketers, along with interviews conducted with industry experts, examines, and defines the present and future state of marketing analytics as well as use cases, industry challenges and factors for success as demonstrated by companies that are utilizing analytics most effectively. Winterberry Group forecasts that spend covering marketing analytics and data infrastructure is expected to grow from \$22 billion in 2022 to \$32 billion in 2026 in the US, UK and EU.

Axiom sponsored The Winterberry Group's comprehensive study, *From Data to Insight: The Outlook for Marketing Analytics*, an essential guide to help marketers navigate the complex world of analytics by exploring its current state and future potential.



TO READ THE FULL REPORT FROM
WINTERBERRY, SCAN THIS CODE.



EXECUTIVE SUMMARY

The use cases for analytics are expanding across companies and marketing teams, driven by rapid advances in technology, a proliferation of customer touchpoints and a heightened need for faster and better data-driven decision-making. There are significant obstacles to growth, however, as the loss of data identifiers, privacy regulation and entrenched organizational cultures force marketers to innovate in understanding what drives value. These challenges will be overcome as marketing art and science converge, resulting in more widespread use of analytics to innovate how companies identify, understand and engage with prospects and customers.

Analytics maturity among marketing organizations is a work in progress, with 47% of organizations reporting themselves as either Emerging or Progressing, and only 10% having moved to leader status. The research identified maturity levels based on the complexity and type of use cases for which the organization leverages analytics. The results indicate that most marketers have evolved beyond descriptive analytics and are now leveraging predictive and prescriptive analytics to drive decision-making - with European marketers evolving more rapidly as a result of limits on data availability.

The primary analytics use cases focus in five areas: audience intelligence, the customer journey and experience, commerce, creative and content, and media measurement and attribution where marketers utilize analytics to better leverage the vast amount of data to understand, predict and optimize their decision-making.

Media measurement and attribution remains a challenge despite being a priority for marketers. Media measurement and attribution is one of the most prevalent areas for marketing analytics, despite the challenges posed by cookie deprecation, the resulting lack of standard identifiers and the growing number of data privacy regulations. The future state solution will most likely involve elements of econometrics-based marketing mix modeling, as well as deterministic and model-based attribution solutions from a range of open and closed sources.

Marketers' sophistication in using analytics to improve creative and content development is growing rapidly and approaching a key inflexion point. Analytics are helping to drive evidence-based creative decisions that are increasing customer engagement and conversion rates. More than one third of Winterberry Group survey respondents said they were either leveraging prescriptive analytics to curate the creative assets driving the most performance or leveraging adaptive and autonomous analytics to analyze data and generate/curate content and creative based on predetermined parameters. This will accelerate very rapidly as generative AI matures into embedded solutions.

Analytics Leaders demonstrate comprehensive strategies across the core organizational components: data, technology, organization, processes and partnerships. The sourcing, collection, accuracy, governance and storage of data is a prime differentiator for brands that effectively use marketing analytics. Among Winterberry Group survey respondents, 45% of companies defined as Leaders said that standardized processes exist for information gathering and sharing across the organization, versus just 20% of companies characterized as Laggards.

The skills gap is still a challenge, but its impact is weakening: As technology adoption spreads, critical challenges inhibiting analytics maturity include the lack of centralization of the analytics function across the organization and the lack of talent availability. Ultimately the difference between the leaders and those who are emerging or lagging is a skills gap, one that will take a concerted investment in the benefits of analytics in driving outcomes to resolve. Meanwhile, nearly 75% of all respondents are leveraging third party provider support to bridge the gap.

Data aggregation, quality and security lead analytics-related spending priorities. Both US and EU marketers have identified data aggregation from multiple sources, data quality and data security as priority investment areas to improve the effectiveness of their analytics efforts. Other spending priorities include investments in data management technology and selecting the right analytics tools.

Spend on marketing analytics and data infrastructure will reach \$32BB in 2026: Spending on data and analytics infrastructure is expected to grow at a CAGR of 10% from \$22 billion in 2022 to \$32 billion in 2026 in the US, UK, and EU. Technological advancements and process improvements have enabled businesses to achieve more with less reliance on people, empowering business analysts and engineers to leverage readily available technology, while reducing reliance on individuals with advanced degrees and offshore talent.



THE QUESTION SHOULDN'T JUST BE HOW WE USE AI, BUT HOW WE USE AI RESPONSIBLY

WENDY COBURN

Senior Director Industry Strategy,
Financial Services
Acxiom

Today, every brand is looking to harness the power of AI to supercharge its marketing capabilities. And generative AI in particular holds incredible promise for improving marketing performance.

But while AI has the potential to increase precision, reach, and speed, it mustn't do this at the expense of accuracy, security, and compliance. The future of AI in marketing must be grounded in our shared responsibility for the quality and fair use of a brand's most valuable intellectual property (IP), its data, that feeds AI-generated output. Responsible use of AI must be built on a foundation of deliberate governance and rigorous accountability.

With that in mind, let's take a look at some of the practical uses of AI in marketing, explore how compliance requirements will evolve, and outline the top five imperatives for marketers as they prepare for a responsible AI-driven future.

PRACTICAL USES OF AI IN MARKETING

A marketing or media campaign has many component parts. Data, predictive models, creative, and media optimization are just some of the pieces AI will touch in the coming years. Here's a handful of use cases for marketing AI:

Decisioning: Generative AI can improve existing algorithmic processes, including the analysis of large amounts of data to drive faster insights and decisioning.

Dynamic audience deployment: When embedded in the appropriate analytics and activation platform, generative AI can fine-tune the deployment of audiences in real time, isolating response propensities or predictive customer value.

Content creation: AI can make the creative process more efficient and cost effective. Gartner predicts 30% of outbound marketing messages from large organizations will be synthetically generated by 2025, up from less than 2% in 2022.

Data operations: Generative AI models can be taught inherent structure in the data and can quickly identify potential quality issues or flag the introduction of new attributes. Additionally, generating data around unstructured first-party data assets, like audio and video, will be a critical requirement for training the models that drive generative AI.

Campaign optimization: Optimization of campaigns and creative will get faster. A generative AI model can create multiple creatives within minutes, and AI systems can dynamically optimize campaigns using response rates and other marketing metrics.

APPLYING AI RESPONSIBLY

There's no single, universal cloud-based AI solution that spans all the above use cases. So, while AI will assist marketers in making these tasks more efficient, orchestrating AI tools responsibly at each step of the process will require strong AI expertise across the value chain.

We predict that in the next three years we'll see state or federal legislation that will require strict compliance in the areas of generative AI-enabled content creation. The EU is leading the charge – as it did with GDPR – and its AI Act is already in progress.

AI explainability will be a critical requirement in the new world of GenAI. Brands will need safeguards to protect against improper or inaccurate outputs generated by AI. And the dynamic data layer feeding AI models and tools will need to be as accurate, complete, and compliant as possible. AI will bring another level of compliance requirements and audits to all industries but particularly to heavily regulated industries such as financial services.

Being able to render accurate AI decisions will depend on the magic triad: good data, knowledgeable team members, and solid governance strategies and processes.

FIVE AI IMPERATIVES FOR MARKETERS

As your brand looks to AI to improve marketing performance, here are five key areas you should be thinking about:

1. Invest in first-party data management

In a world transformed by AI, your brand's most valuable IP is its data. AI's potential to increase precision, reach, and speed is only met when it's being fed accurate, complete, and compliant data.

2. Develop a roadmap

You should assess your organization's current state of AI maturity against parameters such as data and AI model management, data privacy and ethics, cybersecurity, people, process, and technology. Then set goals aligned to business objectives and develop a roadmap to meet those goals.

3. Lean into governance

Your focus on AI governance should be immediate and consistent. Governance must be embedded into all capabilities, and AI guiding principles, guardrails, policies, and training materials should be accessible to your entire team.

4. Invest in people and partners

Choose competent, experienced marketing AI experts to execute against your strategic roadmap.

5. Embed a testing agenda

Map AI to marketing use cases where controlled tests can be conducted with a clear plan for transitioning those experiments into business-as-usual activities.

KEEP THE AI OPPORTUNITY IN SAFE HANDS

As with most emerging technologies, AI will continue to evolve in new and unexpected ways. To make the most of this rapid acceleration of AI capabilities – and to do it responsibly – will mean leaning on the expertise of experienced partners.

Axiom's long history of industry-leading privacy and governance practices gives us a unique perspective on the safe and ethical use of data and analytics technology. We leverage our foundation of core capabilities at the data and intelligence layer to ensure the brands we work with have the tools and guidance to safely employ AI across their martech infrastructure. And we employ a program in our Marketing AI Center of Excellence that grounds us in protecting and optimizing the value of our clients' data, while innovating for marketing success.

Types of AI and Why They're Relevant to Customer Experiences

AI is not a single technology, rather, it is collection of different capabilities that can enable different CX use cases.

Generative AI – Creates new, original content based on patterns or characteristics in existing data. Powered by large-language models (LLMs), it helps brands deliver tailored ad creatives and content.

Machine Learning (ML) – Learns from data to improve performance over time, without the need for explicit programming. This helps brands make effective recommendations based on customer interactions across different channels.

Conversational AI – Uses technologies such as natural language processing (NLP) to process, understand, and generate human language. It can be used in chatbots and virtual assistants that are designed to understand and respond to customer queries.

Computer Vision – Derives meaningful information from images and videos. It can be used for facial recognition or object detection to understand a wider variety of customer cues and deliver personalized outputs.

FIND OUT MORE ABOUT HOW
ACXIOM IS HELPING BRANDS
PREPARE FOR A RESPONSIBLE
AI FUTURE.



A SPOTLIGHT ON DIGITAL IDENTITY

BEST PRACTICES FOR BRANDS:



Grow the scale of your first-party data.



Enhance recognition of your customers at every interaction.



Personalize and optimize the user experience with third-party data.



Maximize reach across publishers and ad platforms.



Attribute and measure to gain a comprehensive understanding of your media buys and marketing efforts.

Step 1

Collect and consolidate more first-party data to achieve scale

HOW? Implement a true first-party tag for owned media.

Acxiom's rTAG writes the first-party data directly to your domain in a dedicated real-time datastore in the cloud. Acxiom ensures that your data remains separate and not shared with other brands. Our tag captures every consumer interaction, regardless of the browser or device they use. Even when visitors don't authenticate during their first visit, their data is saved for future use. The rTAG sets a persistent first-party cookie that can last for up to 10 months, surpassing the limitations of browser caches. This extended period is essential to maintain identity persistence throughout the entire customer journey.

Step 2

Collect digital signals on paid media

HOW? Integrate rTAG into your paid media executions, maximizing attribution.

rTAG accompanies every paid media impression, providing full visibility into view-through impressions, not just click-through impressions. Using this approach, clients have achieved four times the resolution of site visitors and four times more data for attribution and marketing credit.

Top rTAG
business
outcomes



More robust first-party data supports closed-loop measurement

Improved multi-touch attribution

Enhanced targeting

More precise personalization

Step 3

Integrate rTAG data into your 1P Identity Graph

HOW? Acxiom brings the same world-class hygiene and linking services performed on offline data to digital data. We validate and standardize your first-party data before resolving it. With over 50 years of experience, Acxiom provides additional contact points that your customers haven't made you aware of, including email addresses, phone numbers, and enhanced delivery point data. This ensures you can reach your customers wherever they are.

This identity resolution capability is Real Identity. Real Identity allows you to consider all your data sources, including non-standard inputs specific to your brand. We understand that each brand has proprietary IDs embedded within critical applications in their marketing stack, such as customer numbers, loyalty IDs, customer service IDs, and policy holder IDs. Real Identity enables the leverage of all data in your private identity graph, combining and augmenting your first-party data with our third-party data and rTAG data. We analyze the signals and touchpoints left by your customers across various channels and configure rules to unify your customer data with the utmost accuracy and precision.

We utilize a combination of deterministic and probabilistic graph logic, depending on the available signals for resolution. Ultimately, we provide you with a master key ring, offering unified views of your customers and prospects at the persona, device, and household levels. This view covers known and pseudonymous datasets, terrestrial PII, and digital data. We assist you in embedding this unified view into your existing marketing applications, advertising platforms, and operations systems, bridging the gaps between disparate silos.

Step 4

Enrich your data

HOW? Acxiom can enrich your unified portraits with Acxiom's extensive demographic, behavioral, and propensity data.

Understanding more about your customers and prospects beyond their devices and touchpoints is crucial for improving the customer experience, even in the awareness phase of their journey.

CONCLUSION

Having an accurate and persistent first-party identity graph is crucial for accurate performance measurement. By integrating your own first-party tag into your owned and paid media, every interaction can be tied to business outcomes. Combined with third-party identity and enrichment data, your unified private identity graph provides insights into the full customer journey and should be the foundation of your marketing and technology stack.

TO FIND OUT MORE
ABOUT IDENTITY,
SCAN THIS CODE.



A SPOTLIGHT ON VISITOR INSIGHTS

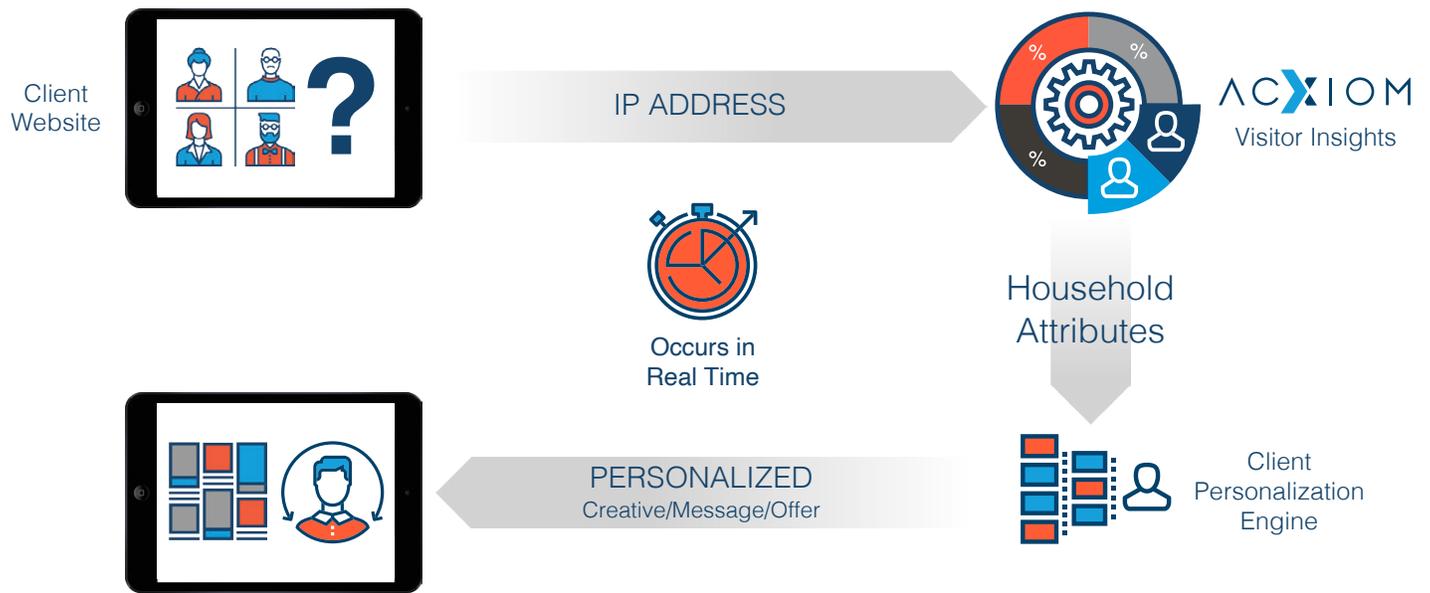
Acxiom's Visitor Insights provides valuable information on otherwise anonymous website visitors. With data on every household in the U.S. appended to a ZIP+11 cohort, these insights are connected to an IP address to unlock the power of descriptive consented data at adtech speed.

When the visitor first arrives a first-party cookie is set. This cookie persists for months, enabling the brand to recognize the visitor next time they come to the site, whether they identify themselves or not.



Using Acxiom's Visitor Insights brands can:

- Learn from their first-party data and customize online experiences in real time
- Increase opportunities for engagement and improve conversion in their sales funnel
- Plug and play with the data via a platform agnostic API



HOW IT WORKS

- Integration is agile and can be used with any tag management, personalization or Customer Data Platform software.
- Privacy-compliant access to household-level insights is provided using the IP address. No third-party cookies are involved.
- Standard, pre-set industry packages are delivered via an API call.
- Results are returned in adtech speed.
- Match rates average between 50-90%, allowing brands to understand most site visitors.
- Data can only be used to inform business decisions made in real time. This is not a data delivery or append service.

As it relates to data, what does being future focused mean to Acxiom?

“It means building a strategy of people, process, and technology that can respond to change and is scalable and flexible. A strategy that allows you to evaluate, recalibrate, and repeat quickly, source and evaluate new data, quantify and pivot what is working and what is not, and start the process again.

And we believe this approach to data will drive customer intelligence that creates a relevant and respectful experience for your customers, and improves your ability to acquire new customers, retain existing customers, and grow trusted relationships.”



Dana Goff

SVP, Industry
and Solution Strategy
Acxiom

A SPOTLIGHT ON DATA ENHANCEMENT



ACXIOM INFOBASE®

With more than 260 million known and marketable individuals in its database, Acxiom has the critical data spine, offering the highest level of precision with close to census-level populations. To that spine, thousands of InfoBase demographic, property, lifestyle and interest attributes can be appended for targeting, segmentation, analytics and modeling.

Plus: InfoBase can be enhanced and optimized with digital connectors to create a comprehensive addressable universe for better-performing digital campaigns.

Now, Acxiom brings premium, specialized partners into the mix.



ACXIOM PARTNER MARKETPLACE

Commerce Signals® Actual card purchase transactions help estimate people's spend at different retailers.

USE CASE:

leverage this data to identify buying behaviors and create segments for card products with different value propositions (travel, foodie, etc.)

Polk By HIS Markit These are the most robust automotive marketing data solutions, spanning the entire consumer lifecycle.

USE CASE:

offer an auto loan directly to a person who is in the market for a particular vehicle.

NCSolutions This comprehensive purchase-based CPG data covers 100% of American households.

USE CASE:

create segments of customers and prospects by interests, based on recent purchase behaviors.

Equifax Get a direct measurement of wealth, economic and credit-based insights.

USE CASE:

identify people at certain affluence levels and market investment or wealth management services.

SITE PERSONALIZATION WITH FIRST-PARTY DATA



REAL ID

Challenge

Third-party cookie deprecation was negatively affecting a financial services brand's ability to identify unauthenticated visitors to its site.

Solution

The financial services brand implemented a first-party identity graph across all digital sources & lines of business. It also connected digital identifiers using machine learning algorithms. After integrating the identity graph into its site decisioning capabilities, match rates increased by more than 20 percentage points.

Results

- Immediate lift in model performance
- Achieved higher visitor recognition
- Executed a successful identity roadmap that will persist as third-party cookies fully deprecate

BOTTOM LINE IMPACT

OPTIMIZED CUSTOMER EXPERIENCE

MAXIMIZED MODEL PERFORMANCE

IMPROVED TRANSPARENCY IN PERFORMANCE

20 pts

Increased match rates using first-party data

ACXIOM

Financial Services

Case Study

As it relates to data privacy, what does being future focused mean to Acxiom?

“I think being future focused on data privacy means anticipating and preparing for evolving challenges and opportunities in the realm of data protection.

Among other things, it means anticipating technological advancements and staying informed about emerging technologies and how they may impact data collection, use, and storage.

I think it means staying abreast of changes in legislation, regulations, enforcement, and case law so you can proactively ensure your organization remains compliant. And I think being future focused on privacy means investing in data ethics and the ethical use of data, making sure your use of data is fair, responsible, and transparent.

So, at the end of the day, I think being future focused means being proactive about the changing landscape and being willing to invest in privacy and governance to ensure that individuals' privacy are protected and your organization maintains trust.”



Jordan Abbott

Chief Privacy Officer
Acxiom



3 DATA PRIVACY PRINCIPLES TO ADOPT NOW, EVEN WHILE GOVERNMENTS STILL DEBATE

JORDAN ABBOTT
Chief Privacy Officer
Acxiom

Data privacy and security legislation are complex, confusing, and constantly evolving. So while governments debate the issues, brands are feeling lost and in limbo – unsure of what to do. Jordan Abbott, chief privacy officer at Acxiom, offers three principles brands can embrace today, confident that they'll keep them in good stead for the future of data privacy.

Complex legislation takes a long time to come together, and it doesn't get much more complex than data privacy and security law.

In the US, Acxiom has been calling for a national data privacy law since 2004. But instead, a confusing patchwork of state legislation has emerged over the years. And the rules that govern cross-border international data transfers only compound that complexity, as we're seeing with the recent introduction of the EU-US Data Privacy Framework in response to the invalidation of Privacy Shield and Safe Harbor. And that's just focused on EU personal data. Other countries are also following suit.

BRANDS RISK GETTING STUCK IN DATA PRIVACY LIMBO

One of the biggest problems, as I see it, with the slow speed of legislative progress is that many brands feel stuck in limbo. Without clear direction from governments, they're left uncertain about how to proceed with their own data privacy and security initiatives.

So, what often ends up happening is they simply don't act on these extremely important issues at all. Complexity leads to paralysis and procrastination. Then, when laws are ultimately passed and change is mandated, brands find themselves lagging with lots of catching up to do.

It's a dangerous position for any brand to sleepwalk into, and it's only going to get worse as the data privacy stakes rise in the new world of AI and its many potential applications for personalized marketing.

THE TIME TO ACT IS NOW

The good news is brands don't have to be in a bad position. Yes, these issues are extremely complex and legislation will take time. But it's more important than ever to design your own systems to protect individuals and – as a result – to protect your own brand's future.

While governments are struggling with the finer details, you can get ahead with your own ethical approaches to data protection by design.

Here are three steps you can take now, with a good degree of confidence, to ready yourself for the ongoing evolution of the data privacy and security landscape.

THREE LOW-RISK, HIGH-REWARD PRACTICES AROUND DATA PRIVACY AND SECURITY

1. Build a foundation of fairness

Fairness is one of the most powerful guiding principles any brand can adopt for its use of data, but what does it mean in practice? On the one hand, it's about considering how you're using not just data but the tools and technologies that help you harness data in your marketing and decision-making.

On the other hand, it's important to remember we're not just talking about one moment in time, like the moment when someone gives you their data, or the moment of an interaction between them and you, in a store or on your website. It's about the potential implications that these moments can have down the line. Could it lead to an unfair, harmful, or discriminatory outcome for them? Could it keep them from getting credit? Or a job offer? Could it perpetuate a stereotype about a protected class of people? Building a foundation of fairness, for example, could mean implementing policies and procedures to regularly assess the data and tech you use to ensure they do not have a disparate impact on vulnerable consumers.

Fairness should be your foundation, and this applies to all sorts of impacts that might not be immediately apparent.

2. Maximize data transparency

We hear a lot about the need for transparency, especially in the context of the "black box" nature of technologies like AI. We must remain vigilant to keep unfair and hidden biases from creeping into learning models, whether it's a bias humans have, like confirmation bias, or the unwanted output of an algorithm. And brands will run into more intellectual property issues such as copyright protections – was the data rightfully yours to use in the first place?

But laying those issues aside (they're now table stakes), brands should be framing their approach around the question of an individual's reasonable expectations about the use of their data. Would they expect their personal information to be used, for example, to advertise based on their current location – or would they be surprised (and offended) by that? If they ask about your decision-making processes, would your company reasonably be able to explain why a certain inference was made? And have you given them control over how their data is used?

These are the kinds of issues brands need to get ahead of by building as much transparency into their data models and processes as possible.

3. Stop hoarding data

Marketers know the power of data in creating better experiences for people, but the most accomplished data-driven marketers know that too much data can be a bad thing.

It's not good to simply throw as much raw material into a data warehouse or data lake as possible, hoping to figure out what to do with it later. Today there's a recognized risk to holding on to too much information for too long – not just mismanagement or breach risks (the global average cost of a data breach this year was \$4.45m), but also a greater focus is being given to the environmental impact of data storage.

As brands experience the diminishing returns of too much data and a growing awareness of the risks of data hoarding, we're going to see more effort channeled into data minimization initiatives.

SAFE BETS FOR BRANDS GETTING AHEAD ON DATA PRIVACY AND SECURITY

If you feel like your business is falling behind on data privacy and security measures, you're not alone – and I wouldn't blame you for feeling a little lost in limbo. But while governments debate the issues and slowly pass new laws, you can still take action.

Some practices represent a good investment in your brand today, and they're likely to stay that way. Principles like fairness, transparency, using enough (but not too much) data, and generally treating other people's data the way you'd like your own to be treated are important.

They're not always easy principles to follow fully – but trust is hard won, and easily lost. Principles like these will build data trust in the longer term, and they're unlikely to go out of fashion with your customers any time soon.

[READ MORE ABOUT DATA PRIVACY](#)



For more information, please contact Acxiom
at acxiom.com or email info@acxiom.com.



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