

Driving growth in a changing privacy environment

A marketer's playbook for measuring and ensuring
performance while respecting people's privacy

Executive Summary

Taking steps to be privacy ready can seem daunting, but the following solutions from Google can help you get started.

	Insights	How businesses can respond	Solutions
Collect	People want transparent, meaningful relationships with brands they care about	Collect first-party data on your site	Global site tag and Google Tag Manager Advanced: Server-side tagging
		Collect first-party data on your app	Google Analytics for Firebase
		Collect first-party data from offline touchpoint	Offline Conversions Imports in Google Ads, Uploading Offline Conversions in Search Ads 360, Data Import in Analytics
	People want increased control over how their data is used	Find methods to respect people's consent choices	Consent Mode
Measure	People don't want to be tracked across the internet	Enable your first-party data to give a more accurate view of how users convert	Enhanced Conversions
		Fill measurement gaps	Conversion Modeling
		Gain more insights from your first-party data	Google Analytics 4 and Data-driven attribution
Activate	People expect useful, relevant experiences that respect their privacy	Connect with your audience in more meaningful ways using first-party data	Customer Match
		Rely on automation to consider a wide range of signals to reach your audience	Google Audiences , Optimized Targeting in Google Ads, Targeting Expansion in Display & Video 360 Advanced: Google Cloud marketing analytics

The era of privacy-safe performance

Since the start of the COVID-19 pandemic, we've seen a massive acceleration in the way people use digital technology to work, play, learn and interact with one another. Brands have had to radically shift their digital strategies - or accelerate transformations that were already underway - to meet consumers where they are.

But meeting people where they are goes beyond just having the right digital experience. It also requires meeting consumers' expectations for privacy and demonstrating that brands respect their personal information. That's because:



81% of consumers say that the potential risks they face because of data collection outweigh the benefits, according to a study by [Pew Research Center](#).

Governments have responded to their concerns by passing new privacy regulations and expanding existing ones to strengthen privacy protections. And technology platforms such as browsers and mobile operating systems have announced or implemented new policies to restrict identifiers.

As a result, some of the approaches you've come to rely on for reaching audiences and understanding the value of those interactions have already been impacted - and will continue to be.

To add to that, the large-scale actions taken by some platforms have led marketers to adopt approaches that just aren't sustainable. Take fingerprinting, where data about a device is collected to identify the device's owner, or other proposed user-level identifiers that some in the industry are advocating for. These solutions don't meet people's increasing expectations for privacy and will not stand up to rapidly evolving regulatory restrictions.

Introduction

But forward-looking marketers have managed to embrace privacy as an opportunity to accelerate growth. And they've got the results to prove it:

One food & beverage company experienced

**3X more
ROI**

by building direct relationships with its customers.

A retailer was able to record

31% more conversions

by using first-party data to improve the accuracy of their campaign measurement.

A cosmetics brand grew their campaign with

85% more conversions

by surfacing powerful insights from its first-party data to find more valuable customers.

We've collected their best practices and stories into a playbook so that you can continue to drive results from your marketing, while respecting your customers' privacy.

[Collect] Build **direct relationships** with your customers

In this chapter, you'll learn how to:

- 1 Build customer relationships with the right value exchange
- 2 Generate first-party data from your customer relationships

Strengthen your customer relationships with the right value exchange

When people see value in their relationship with a brand, they are more likely to engage and share the data that brands need to make future exchanges even more valuable.

So consider different ways to offer users value in exchange for permission to use their information:

- ✓ Curate **content** or **product recommendations** based on how users browse or engage with your website and app.
- ✓ Provide a **convenience** in exchange for people's contact information, such as notifying them when a favorite item is back in stock.
- ✓ Offer a **deal** or **coupon** when people agree to provide their email address or phone number to receive your marketing communications.
- ✓ Invite people to register for your **loyalty program** where they can receive rewards or exclusive benefits and content.

 [Learn how to make customer interactions more meaningful](#)

CASE STUDY



Walmart grows online sales 37% by turning customers into superfans

Approach:

Walmart launched [Walmart+](#), a new kind of membership that gives loyal shoppers benefits, including a scan-and-go mobile checkout experience in retail stores and fast, free shipping for online purchases. In addition, Walmart began offering larger scale “brand gestures,” such as hosting drive-in movies in store parking lots, to foster customer relationships.

Results:

Walmart’s efforts contributed to a 37% growth in online sales and a 6% total sales growth in the U.S. for Q1 of their fiscal 2021.

[Learn more](#)



CASE STUDY



Hyatt reaches 13X more guests with smarter custom interactions

Approach:

[Hyatt](#) pivoted to a privacy-led, first-party approach in the midst of the COVID-19 pandemic, which allowed the company to build direct relationships with guests and offer them value in exchange for their information. They gave these offerings the name “content in context” because they offered guests personalized, relevant details about destinations, such as nearby restaurants, sporting events and concerts, and even local travel delays.

Results:

By being more personal with the help of first-party data, Hyatt was able to reach 13X more customers in 2020. The company plans to use the success of these customer-centric brand experiences to grow loyalty across its family of brands.

[Learn more](#)

CASE STUDY



PepsiCo improves ROI up to 3X from building direct relationships with consumers

Approach:

PepsiCo invites customers to join its loyalty programs to better understand them and optimize offers based on their preferences. This enables PepsiCo to deliver the right value exchange for each of its loyalty members, which in turn drives retention. This intelligence also helps ensure that consumers see the products they love most, on the channels they frequent most often.

Results:

PepsiCo's customer-centric, data-led approach has increased media efficiency and, for some campaigns, resulted in 3X ROI improvement.

[Learn more](#)

Step 1

[Collect] Build direct relationships with your customers

Once you've determined how to use customer information to deliver better experiences, it's important to explain to users what data is being collected, what value they'll get by granting data permissions and how they're in control.

Here's how marketers can communicate this to customers:

- ✓ **Make it memorable.** Create clear privacy policies and find ways to help users easily understand and remember what's happening.

Why: People who consciously agree to share their data are more positive about ads presented to them and find them more relevant.¹

- ✓ **Make it meaningful.** When people see value in an exchange, they are more likely to engage and share the data that brands need to make future exchanges more valuable.

Why: Globally, nine in 10 adults say they are more likely to shop with brands that provide offers and recommendations that are relevant to them.²

- ✓ **Make it manageable.** Users should be given full control of settings and features so they can decide how their information is used and when it's deleted. And once a user has made a choice, it absolutely must be honored.

Why: People are 3X more likely to react positively to advertising when they feel in control of their data.³

[Learn how to make your marketing privacy-safe and effective](#)

^{1,3}Source: Ipsos, U.K., Germany, France, the Netherlands, Data Ethics Study: Data Ethics and Effectiveness, Part 1 — Ethics (n=6,000), 2021.

²Source: Ipsos, Global, Global Trends 2020, 2020.

Generate insightful first-party data from your customer relationships

When people interact directly with your business - by visiting your website, using your app, making a phone call to your business, or purchasing from one of your stores - it provides an opportunity to learn more about who they are, what they care about and how you can meet their needs.

The information that's collected from customers in these direct interactions is called **first-party data**. Since first-party data is unique to your business and the relationship you have with your customers, it can be particularly valuable for understanding your customers and how you can better serve them.

That's why it's important that you have the tools in place - and permission where required - to generate insightful and actionable first-party data wherever those direct interactions might take place.

Collect first-party data from site visitors: Invest in a strong tagging infrastructure that helps you make the most of the data consumers share with you when they engage with your website.

Use sitewide tagging solutions that can also set first-party cookies for measuring conversions. You can do this type of tagging with either:

- ✓ Google's **global site tag** for Google Ads, Display & Video 360, Search Ads 360, Campaign Manager 360, and Google Analytics
- ✓ **Google Tag Manager** for all Google and non-Google tags
- ✓ **Advanced Server-Side Tagging** available through Google Tag Manager and **Tag Manager 360** so you can place third-party tags in a secure cloud server

Step 1

[Collect] Build direct relationships with your customers

Using these types of tagging solutions also gives you the ability to respect the consent choices of consumers. For instance, advertisers operating in the European Economic Area and the U.K. can use **Consent Mode** to adjust how the global site tag and Google Tag Manager operate based on user consent choices for ads cookies or analytics cookies.

Then if users don't consent to cookies, Consent Mode will use **conversion modeling** instead to fill gaps when conversions cannot be linked to ad interactions.



Conversion modeling, on average, can **recover more than 70%** of ad-click-to-conversion journeys, so you can measure the complete performance of your media in a privacy-safe way.



CASE STUDY | 

TUI measures 7% more conversions with Consent Mode

Approach:
Travel and tourism company **TUI** had launched a new website with a new cookie consent banner. This meant people visiting TUI's site were able to set their consent choices for cookie usage, and if people did not consent, TUI was not able to measure conversions in a detailed manner.

TUI decided to future-proof its measurement by implementing **Consent Mode** on its websites in the Netherlands and Belgium. Consent Mode enabled TUI's website to adjust Google tag behavior on its website based on a user's cookie consent choice, plus it enabled modeling for conversions that could not be measured if a user declined consent for cookies.

Results:
After implementing Consent Mode, TUI saw a 7% increase in conversions measured in its Google Ads campaigns, while respecting users' consent choices.

CASE STUDY

nemlig.com



IIH NORDIC

Nemlig measures 40% more conversions with Server-Side Tagging and Consent Mode

Approach:

As more consumers turn to online shopping and home delivery for their essentials, e-commerce company [Nemlig](#) saw a large increase in visitors to their site, which resulted in a longer page-load time. The company also operates in the European Economic Area, where website tags must adjust according to users' cookie consent choices.

The team worked with their Google Marketing Platform partner [IIH Nordic](#) decided to move to [Server-Side Tagging](#) to help them accurately report on customer insights from their website and maintain a speedy shopping experience. And because Server-Side Tagging natively supports [Consent Mode](#), this meant that the Google tags in Nemlig's server container automatically updated to respect the consent choices from users.

Results:

Nemlig improved site speed by 7% and observed 40% more 90-day conversions for new customers than before. Nemlig's analytics are now much more trustworthy, with online reported orders more accurately reflecting registered orders on Nemlig's backend system.

[Learn more](#)

Collect first-party data from app users: Add a software development kit (SDK) to your mobile app that's designed to help you gather information from the actions people take when they download and engage with your mobile app. You can do this with the [Google Analytics for Firebase SDK](#) which is available for your Android and iOS apps.

Collect first-party data from customers: Invest in a customer relationship management (CRM) tool to help you capture and organize the information that's shared by people during offline interactions like store visits or phone calls. You can link this offline data with Google's advertising and measurement tools including [Google Ads](#), [Google Analytics](#), [Campaign Manager 360](#), and [Search Ads 360](#).

Step 1

[Collect] Build direct relationships with your customers

Sometimes it can be challenging to form direct relationships with customers, especially if your business has historically relied on mass distribution or broad communication channels to connect with audiences.

If going direct-to-consumer may not be viable, consider working with partners who can help you connect directly and build up your first-party data.

There are several ways brands have done this:

- ✓ One American food company goes direct-to-consumer by partnering with home meal kit makers to develop recipes using its food brands.
- ✓ A multinational brewing company launched a mobile app for both retailers and consumers to place orders, and where the purchase data - whether from consumer or reseller - flows back to one consolidated database.
- ✓ A different beverage company went direct-to-consumer by acquiring an at-home soda maker brand that can offer a way for consumers to connect directly with the beverage company's soda brands.

[Measure] Ensure **your measurement** remains accurate and actionable

In this chapter, you'll learn how to:

1

Measure conversions more accurately with first-party data

2

Rely on machine learning to fill gaps in the customer journey and unlock insights

Step 2

[Measure] Ensure your measurement remains accurate and actionable

Measure conversions more accurately with first-party data

Once you've established a first-party data foundation from practices like sitewide tagging, it can enable your measurement solutions to work together and provide you with the most comprehensive reporting possible.

For example, [enhanced conversions](#) allow site tags to use consented, user-provided data to give you a more accurate view of how people convert after engaging with your ads.

Here's how it works

By sending [hashed](#) user-provided data from your website to Google, which is then matched to signed-in Google accounts, conversions can be attributed to ads in a privacy-safe way.

This, in turn, provides more observable data to strengthen [conversion modeling](#), gives you the comprehensive data you need to measure [conversion lift](#) and helps you better optimize campaigns with [Smart Bidding](#).

CASE STUDY

ASOS

ASOS sees 31% more sales on YouTube through enhanced conversions

Approach:

U.K.-based retailer [ASOS](#) set up [enhanced conversions](#) across Search and YouTube to help them close measurement gaps due to browser restrictions and cross-device behavior.

Results:

This enabled them to measure conversions that would otherwise not have been captured, improving return on ad spend (ROAS) with a recorded sales uplift of 8.6% in Search and 31% in YouTube.

[Learn more](#)





CASE STUDY



MandM Direct combines first-party data with machine learning to see up to 20% more conversions

Approach:

Online clothing retailer [MandM Direct](#) wanted to explore privacy-safe techniques for preserving campaign measurement. They started by implementing sitewide tagging on 100% of their website and adopting Google's new analytics platform, [Google Analytics 4](#). Next, they strengthened the accuracy and comprehensiveness of these tools by adopting [enhanced conversions](#) and using [Consent Mode](#) so their site tags could rely on conversion modeling when users didn't consent to cookies.

Results:

Implementing enhanced conversions helped MandM report 3% and 20% more conversions on Search and YouTube respectively — along with a 15% increase on top of that by using Consent Mode.

Rely on machine learning to fill gaps in the customer journey and unlock insights

Even when you've built a strong base of observable measurement, gaps in the customer journey might occur when people move across devices and from online-to-offline, not to mention browser restrictions and varying consent choices.

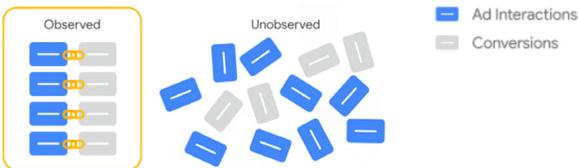
That's where machine learning can step in to fill measurement gaps. Take conversion modeling which has been, and will continue to be a key feature in Google's measurement solutions. Modeling uses observable signals to help depict a more complete picture of your performance in a privacy-safe way. And because each advertiser's customer set can behave distinctly, there isn't a one-size-fits-all model.

Step 2

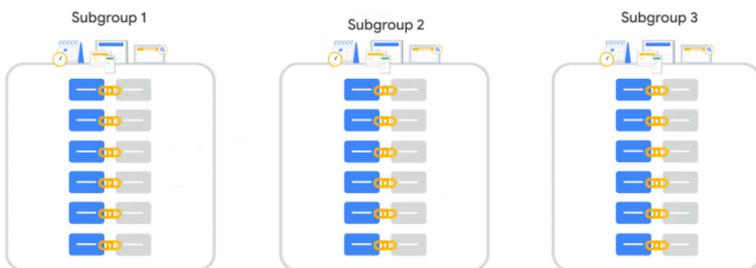
[Measure] Ensure your measurement remains accurate and actionable

Here's how it works for each advertiser:

- 1 First, we separate ad interactions into 2 groups: one where we can observe the link between an ad interaction and conversion, and one where we cannot observe the link.



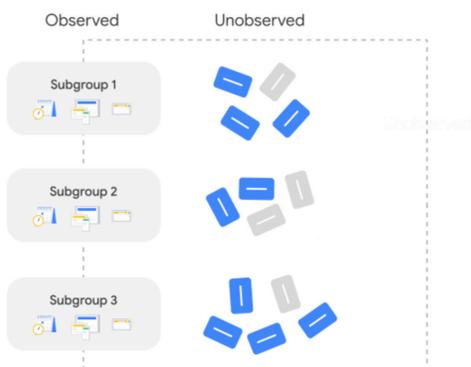
- 2 Then, we divide the observed group into subgroups that share non-sensitive characteristics like: device type, browser, country, conversion type, etc.



- 3 Within each of these subgroups, we calculate conversion rates.

- 4 Next, we take the ad interactions and conversions that are missing a link, and assign them to one of the existing subgroups based on shared characteristics.

For example: subgroup 1 may all be in France, use Chrome as their browser, and are on an iPhone. We see in the “unobserved” group similar characteristics in the ad interaction and conversion data, except for one of these dimensions which is the one we are trying to predict against (for example browser type). So, we align these groups appropriately based on their similarities.

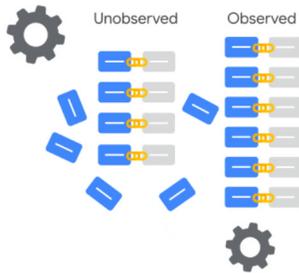


Step 2

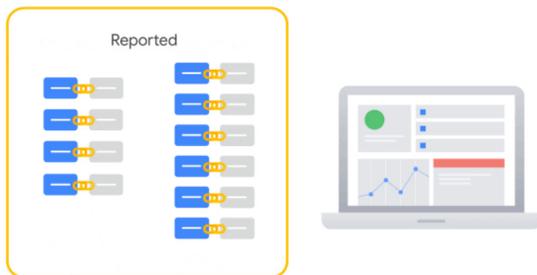
[Measure] Ensure your measurement remains accurate and actionable

- 5 Using the known conversion rates from the observed population and machine learning, we can model which unlinked ad interactions belong to which unlinked conversions.

(Note: Our data scientists continuously make improvements to the algorithm for accuracy and scale. Additionally, we proactively test and validate models using techniques like holdback validation to improve accuracy. This allows us to regularly measure biases and inaccuracies to continuously tune our models.)



- 6 Once the ad interactions and conversions have the appropriate links between them, we aggregate them and surface them in your reporting. We only include modeled data in reporting when we have high confidence that conversions actually occurred as a result of ad interactions. This rigor ensures that we avoid systematically over-reporting.



[!\[\]\(70fe8e9535b25b843243cca42ea05eeb_img.jpg\) Learn more about how conversion modeling works](#)

Step 2

[Measure] Ensure your measurement remains accurate and actionable

Modeling can also set your campaigns up for success by enabling products like [Smart Bidding](#) in Google Ads to work better because of access to more complete information - all with user privacy at the forefront.

 [Learn more about conversion modeling](#)

In addition to more complete conversion measurement and optimization, modeling can also help you learn new customer insights from your behavioral analytics data. For example, [Google Analytics 4](#) uses advanced machine learning models to surface customer insights from your first-party data - across both app and website - and use those insights to improve your marketing.

Then [data-driven attribution](#) in Google Ads can take your analysis a step further by using advanced machine learning to determine how each marketing touchpoint contributed to a conversion, all while respecting user privacy. Like all of Google's measurement solutions, we respect people's decisions about how their data should be used in the attribution process, and have strict policies against covert techniques, like fingerprinting, that can compromise user privacy.

To help all advertisers take advantage of better attribution in today's changing privacy landscape, data-driven attribution is now the [default attribution model](#) for all new conversion actions in Google Ads.

 [Learn more about different types of machine learning models](#)

Step 2

[Measure] Ensure your measurement remains accurate and actionable

Check out what the future looks like

Chrome's [Privacy Sandbox](#) aims to develop new technologies to help you get the reporting and insights you need without having to track individuals across the Internet.

For instance, instead of measuring what people do on the Internet in a way that could identify them, they can be kept anonymous by putting limits on data when their actions are reported and adding random data (noise) into the report.

Here's how it could work

A web browser will match a conversion that happens on an advertiser's website with an ad that was clicked or viewed on the web. The browser will only report information in a way that doesn't expose people's identities—for example, aggregating the data and limiting the amount of information shared about each conversion.

The Privacy Sandbox technologies will work along with capabilities like first-party data and machine learning to power Google's measurement solutions.

[Activate] Drive performance by keeping your ads relevant

In this chapter, you'll learn how to:

- 1 Rely on first-party data to engage audiences
- 2 Use automation to help you discover new audiences

Step 3

[Activate] Drive performance by keeping your ads relevant

Use first-party data to engage audiences

When marketers analyze first-party data for insights, they can better connect with audiences by delivering more meaningful experiences in a privacy-safe way.

For instance, you can use first-party data to engage with your best customers. When people share their contact information with your business, you can use [Customer Match](#) to reach those same users again as they're moving across Google properties, including Search, the Shopping tab, Gmail and YouTube.

CASE STUDY



Telia increases revenue by 15% with Customer Match

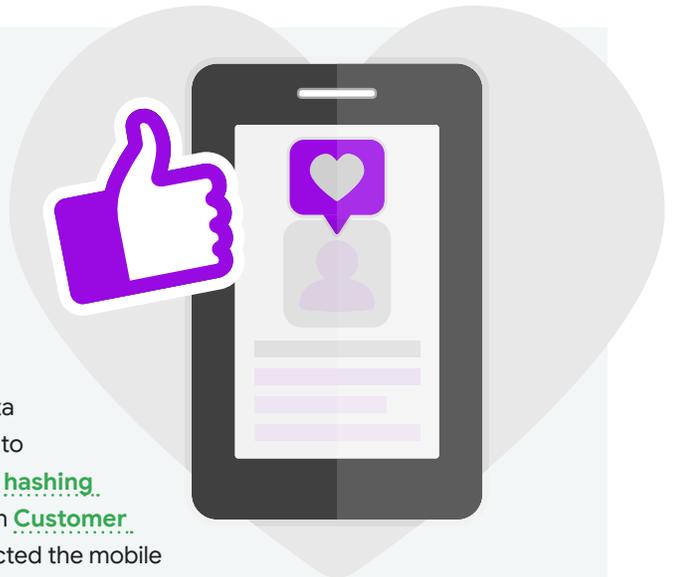
Approach:

Norwegian telco [Telia](#) was looking for ways to convince existing customers to upgrade their contracts. After exploring their CRM data to find eligible customers, Telia worked with its media agency Carat to reach these customers with highly personalized ads. Using a secure [hashing algorithm](#), email addresses were uploaded into Google Ads through [Customer Match](#) so that they could launch personalized campaigns that reflected the mobile usage and existing contract status of these customers.

Results:

Telia managed to drive 69% of upgraded mobile plans at a conversion rate 22% higher than the average campaign. As a result, cost per acquisition fell by 23% compared to the average, and both Telia Smart and Telia UNG have seen overall revenue increases of 15%.

[Learn more](#)



In addition to helping you re-engage your best customers, Customer Match lists can also provide useful signals to boost the performance of your other Google campaigns. For example, [Smart Bidding](#) takes your Customer Match lists into consideration to understand who is valuable to you.

Use automation to help you discover new audiences

One of the most exciting benefits of machine learning is its potential to help marketers reach qualified audiences - even when some signals are limited.

[Google Audiences](#) can factor a wide range of signals with the help of machine learning to reach interested users and optimize what ad to show them.

Signals are attributes about users, including:

- ✓ Who they are (their demographics)
- ✓ What their interests might be (based on websites and apps they use), and
- ✓ What context they're in at the time of the auction (such as the content of the web page they're browsing)

Here's how it works

Google Audiences will rely on as many of these signals that are available at the time of an auction to help advertisers deliver the most appropriate message possible.

For instance, even when cookies are available, Google Audiences will combine those user signals with contextual ones to determine someone's interests and preferences. And in cases when cookies are restricted - either because of browser restrictions or consent choices - Google Audiences will automatically turn to other signals, such as the context of the ad placement, to determine relevance.

Advertisers can also take advantage of automation to find new and relevant customers, either with [Optimized Targeting](#) in Google Ads or [Targeting Expansion](#) in Display & Video 360.

 [Learn more about how automation can help you reach new audiences](#)

Step 3

[Activate] Drive performance by keeping your ads relevant

Advanced Supercharge your marketing with cloud technology

Cloud-based solutions are increasingly being used by marketers to manage data while protecting user privacy. That's because cloud technology offers inherent privacy and security advantages when it comes to storing and organizing large data sets, such as encrypting all data by default and setting parameters for who has access to that data.



Here's how it works

By consolidating first-party data into a cloud-based data warehouse like [BigQuery](#), a data scientist or analyst can help you do more advanced analysis on the data. When you uncover new and more powerful insights, you can easily act on them by integrating with your marketing tools.

For example, data scientists can train machine learning models using historical customer information to predict or anticipate the outcomes of future interactions with your customers, and those like them.



CASE STUDY



Rituals increased conversions by 85% with Google Cloud

Approach:

The digital marketing team at bath and body retail company [Rituals](#) wanted to scale how they could find a greater number of valuable customers.

First, they brought all of their first-party data from Google Marketing Platform, their CRM systems, and point-of-sale transactions into [BigQuery](#). Then, with Google Cloud's advanced machine learning capabilities, the team created models that could predict how likely customers were to make a purchase, including if the purchase would happen in a store or online, which items they were likely to buy, and when.

Audience segments were created based on these propensities using [Google Analytics 360](#), and were then shared with [Display & Video 360](#), where a campaign was created to reach certain groups with tailored messaging.

Results:

After launching the campaign, Rituals saw an impressive 85% increase in conversions with a 15% decrease in cost-per-acquisition.

[Learn more](#)

CASE STUDY



ADSWERVE

Alaska Airlines improves return on ad spend by 30% with Google Cloud

Approach:

When the COVID-19 pandemic put travel to a halt, [Alaska Airlines](#) had the foresight and optimism to prepare for when travel would eventually recover. They partnered with their Google Marketing Platform partner [Adswerve](#) to build a marketing data warehouse using Google Cloud, which tied together first-party data across their CRM systems, media campaigns and site analytics.

Once the warehouse was in place, Adswerve helped Alaska Airlines use Google Cloud's advanced machine learning capabilities to uncover new audience insights and growth opportunities. For instance, Adswerve's data scientists were able to build models from the consolidated data that could predict a customer's lifetime value based on information like origin and destination airports, preferred travel dates, and loyalty program activity.

When the predicted values were fed into [Search Ads 360](#), the marketing team at Alaska was able to adjust bids accordingly and increase the return on investment from their search campaigns.

Results:

Alaska improved its return on ad spend (ROAS) from paid search by 30%.



Step 3

[Activate] Drive performance by keeping your ads relevant



Check out what the future looks like

Chrome's [Privacy Sandbox](#) aims to develop new technologies that can offer sustainable solutions for delivering interest-based and remarketing ads.

Here's how it could work for interest-based ads: a person's browser could help match ads to people based on their interests without tracking them across the Internet.

Here's how it could work for remarketing: when people visit a company's website, the website can tag people's browsers when they take an action that's valuable to the company, such as viewing a product. Then, when those people visit other websites with ad space, the browser helps inform what ad might appear without exposing people's browsing activities in the process.

The Privacy Sandbox technologies will work along with capabilities like first-party data and machine learning to power Google's audience solutions. For example, Google Ads and Display & Video 360 will combine the Privacy Sandbox technologies with a wide range of other available signals to match audiences with your interest-based ads. These signals include physical location and which website the ad appears on, so that you can continue to reach people, even without third-party cookies.

Preparing for the future

Growing concerns around user privacy have impacted every corner of the digital advertising industry. And while the digital advertising ecosystem continues to change in response to user privacy concerns, here are some additional steps that organizations can take today to stay ahead.

- ✓ **Create a center of excellence.** Some companies have established a dedicated team of experts and vendors ranging from legal, data science, and marketing, whose focus is to stay on top of all the changes, consider different scenarios and come up with a plan for how to respond to each.
- ✓ **Learn about new privacy-preserving technologies.** Chrome's [Privacy Sandbox](#) is an open source initiative to develop new technologies centered on advances in anonymization, on-device processing, and other privacy techniques. In fact, anyone can submit proposals and run experiments. So work through your industry associations or lean on your ad tech vendors to make sure your business needs are being considered as these technologies get underway.

As we've seen from the clients and agencies featured here, respecting user privacy doesn't have to come at the cost of business results. Quite the opposite: the tools and resources available to digital marketers today can create more opportunities to connect with customers than ever before - all with privacy in mind.