

EBOOK

How to Build a First-Party Data Strategy **THROUGH LIVE EXPERIENCES**

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“I throw them in the garbage.”

That's what a Molson Coors Beverage field marketing manager told Brad Feinberg, the North America vice president of media and consumer engagement when he asked what [happens to the names](#) after hosting a contest and drawing the winner.

Little did they know that two years later, collecting that information would help the drink and brewing company save over **\$300,000 on data fees** when buying online ads.

After helping brands like Budweiser, Dick's Sporting Goods, and Michaels scale their data collection efforts from their tours, concept showrooms, and group classes; we understand how difficult it can be to capture consumer information from an in-person event. And yet, this data is the secret weapon against several issues working against brands, including, but not limited to: broken consumer trust, online tracking changes, and privacy regulation.

So that's why we're sharing everything we know about **building a live experience first-party data strategy**.

This guide will cover:

- What is a live experience (and why do they have a data problem)?
- The four components of an experience first-party data technology stack
- How three brands build customer loyalty using an experience relationship management (ERM) tool like AnyRoad



Let's get started.

What Is a Live Experience

(And Why Do They Have a Data Problem)?

You may ask yourself, “But what is a live experience?”

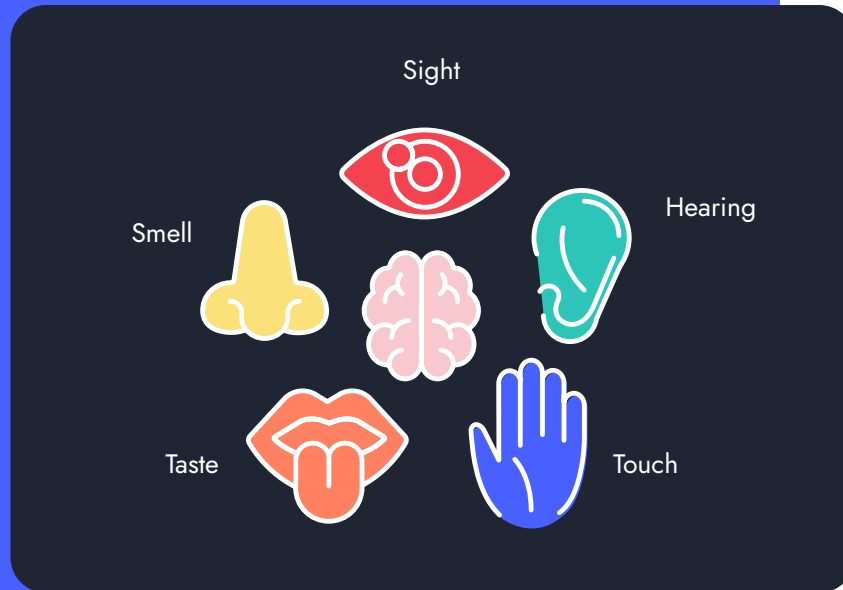
The simplest explanation is through comparing what an experience is to other economic offerings like commodities, goods, or services. According to B. Joseph Pine II and James Gilmore, authors of [The Experience Economy](#):

“ When a person buys a service, he purchases a set of intangible activities carried out on his behalf. But when he buys an experience, he pays to spend time enjoying a series of memorable events that a company stages—as in a theatrical play—to engage him in an inherently personal way. ”

To illustrate their point, the authors explain how Walt Disney transformed the characters and worlds of his movies into one immersive concept: Disneyland. And with the Parks and Products division’s recent report of a [308% increase in revenue](#) despite a global pandemic, Pines and Gilmore’s hypothesis still holds true:

“ Time is the currency of experiences. If you get customers to spend more time with your brand, they will spend more on your offerings. ”

But you don't have to open an amusement park to invest in experiences. Experiences can be in-person or virtual, one-on-one or in a group setting; so long as participants activate three of the five senses:



For example, any person of legal drinking age can walk into any major grocery store chain and pick up a six-pack of Guinness Beer. But a customer only uses touch and sight to make that purchase. In contrast, a tour of the Guinness Storehouse activates all five of the senses through:

- Displays and exhibits (Sight)
- Listening to the rush of water (Hearing)
- Sampling the beer (Taste)
- Running your hands through barley (Touch)
- Inhaling the scent of hops (Smell)

So put yourself in the shoes of the customer. Someone who's never been to Dublin may walk past the storefront display to purchase another brand of beer. But for someone who's taken the Storehouse tour and understands how it's manufactured, the familiar branding will trigger a positive memory association and increase their likelihood of making a purchase.

But Live Experiences Have a **Data Problem**

However, we noticed a problem when one of our customers—a global consumer brand—wasn't receiving customer data back from the agencies who run live experiences for them.

The more we analyzed this issue across other brands, the more we realized there are four parts to this data problem:

- 1 - Incomplete or inaccurate data
- 2 - Data held in departmental silos
- 3 - Non-compliant data storage practices
- 4 - Lack of actionable insights

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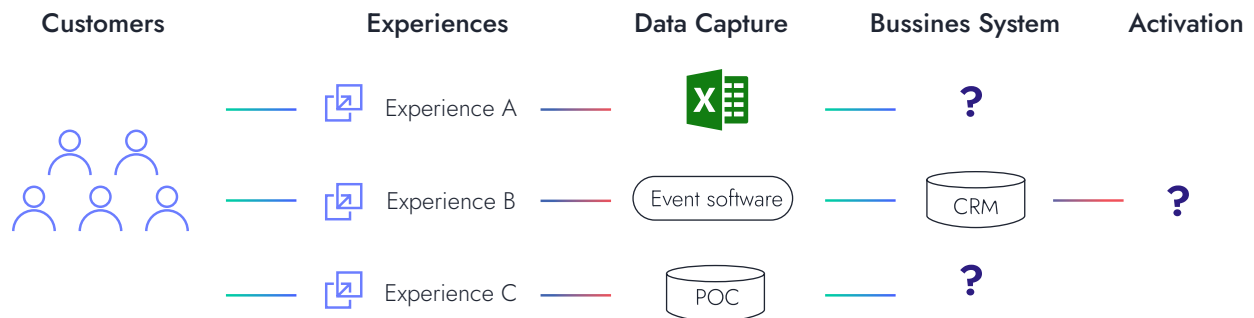
Let's break them down.

Incomplete or inaccurate data

Did you know [poor data quality](#) costs companies an average of \$12.9 million per year? This includes:

- Time spent by employees manually moving data from one place to another
- Missed revenue opportunities from personalized digital marketing campaigns
- Falling behind as other brands embrace the [digital transformation](#)

But even if digital marketing teams understand the value of capturing data from experiences, field and event marketers are busy. They may agree to transferring the data into a customer relationship management (CRM) tool. However, this process is often manual, one-off, and cumbersome. Without some sort of automated process or tools that integrate with each other, the likelihood of data loss is high.



In other words? If your brand is using incomplete or inaccurate data sets, it can lead to an incomplete picture of what your customers actually want and value—meaning any decision made with such data could result in stagnation or a decrease in revenue.

Data held in internal silos

02

It's a familiar story: Brands have the data. It just lives in "that other department."

Edd Wilder James, VP of Technology Strategy at Silicon Valley Data Science, explains four reasons [data silos happen](#):

- **Structural:** As in, the outdated tool holding valuable data wasn't designed for sharing in the first place
- **Political:** Individuals or groups want to keep the data for their own usage
- **Growth:** Changes in leadership over the years make it difficult to integrate philosophies, let alone data sets
- **Vendor lock-in:** Using software that doesn't make it easy to migrate data from one tool to another

Data silos can happen in any organization. But for live experience-driven brands, this is a major problem because field marketers work off site. Being physically isolated from the digital marketing team makes it hard to build relationships; let alone prioritize the need to build processes that automatically transfer the data for usage in marketing campaigns once an event concludes.

Furthermore, there are [8,000+ tools in the Martech landscape](#). Depending on the size of the organization, it might take months to get cooperation from the engineering team to integrate one software suite with another, let alone building a data warehouse to create a single source of truth.



Ready to eliminate data silos by combining registration, payments, check-ins and guest communications on one platform? Request an AnyRoad demo today

03

Non-compliant data storage practices

The challenge continues even after brands gather the data. Thanks to [General Data Protection Regulation \(GDPR\)](#) and the [California Consumer Privacy Act \(CCPA\)](#), it's now crucial for brands to store customer data in a way that not only serves their business needs; but also complies with the law.

Translation: It may be easy to set up a spreadsheet to collect customer data at an event. But without a way to confirm consent or capture the source, it's technically not compliant with GDPR or CCPA standards.

To understand the legal implications when brands violate these policies, check out this chart to see the five biggest fines issued under GDPR regulation.

Top 5 biggest GDPR fines

1	Google Inc.		€ 50.000.000
2	H&M Hennes & Mauritz		€ 35.258.708
3	TIM - Telecom Provider		€ 27.800.000
4	British Airways		€ 22.046.000
5	Mrriott International		€ 20.450.000

Source: [Data Privacy Manager](#)

04

Little or no actionable insight

It's not enough for brands to collect the data—it must be transformed into a format so they can make business decisions. To understand how companies become data-driven, let's walk through the data, information, knowledge, wisdom (DIKW) pyramid.



To put this in application, let's go back to how Guinness might apply the DIKW pyramid into their strategic planning process.

- **Data:** A single point-of-sale transaction dollar amount at the Guinness Storehouse
- **Information:** Calculating the total amount of transactions over a fixed period (Daily, monthly, weekly, or yearly)
- **Knowledge:** Comparing NPS conversion for Guinness Storehouse visitors to the benchmark for other similar brand homes
- **Wisdom:** Understanding why Guinness Storehouse drove a lower brand conversion than the average brand home and being able to act on this information

But consider this. If Guinness Storehouse's point-of-sale transaction data isn't transferred to a place where other departments can view it; the company won't be able to transform that data into information, knowledge, or wisdom.

The result? A lack of actionable insight on the true state of affairs in the business. Or even worse, making decisions based on gut feeling.

So now that you understand what live experiences are and why they have a data problem, let's talk about what you can do about it.

The Four Components of a Live Experience **First-Party Data Technology Stack**

You may not be a data scientist or an engineer. But if data really is the [new oil](#), marketers should understand how to:

- Capture first-party data from live experiences
- Ensure said data is structured for your Martech systems and compliant with privacy regulations

After working with 200+ brands since 2013, we discovered that there are four crucial components of a live experience-driven first-party data stack:

- 1 - An experience relationship management (ERM) tool
- 2 - A customer data-platform (CDP)
- 3 - An identity-resolution platform (IRP)
- 4 - A data-management platform (DMP)

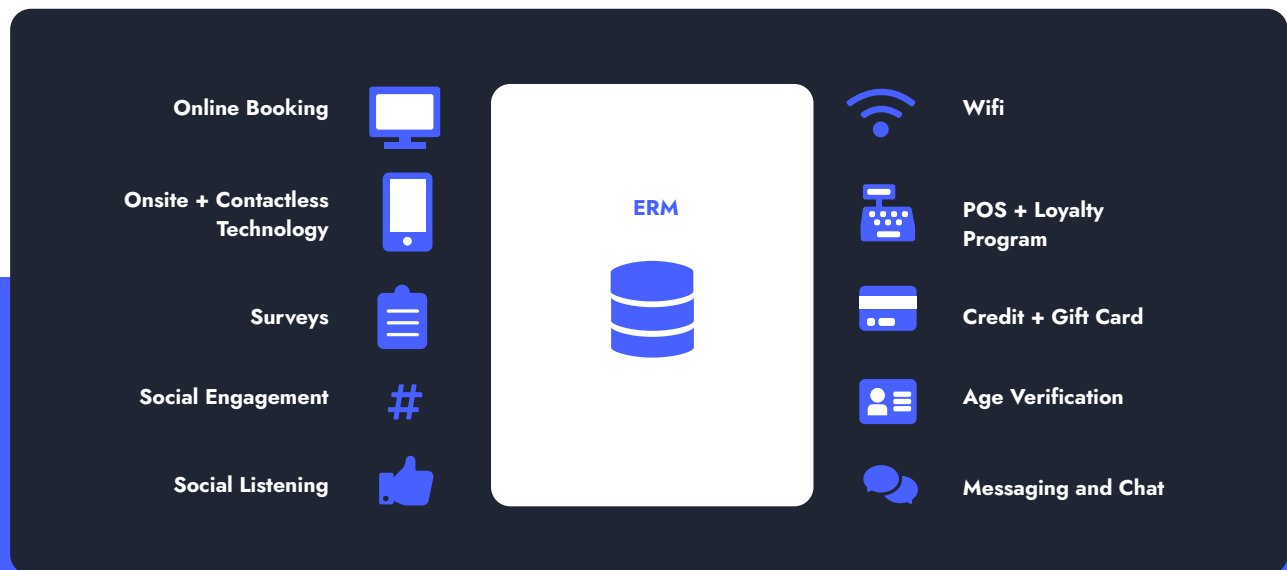
Let's go through each of them.

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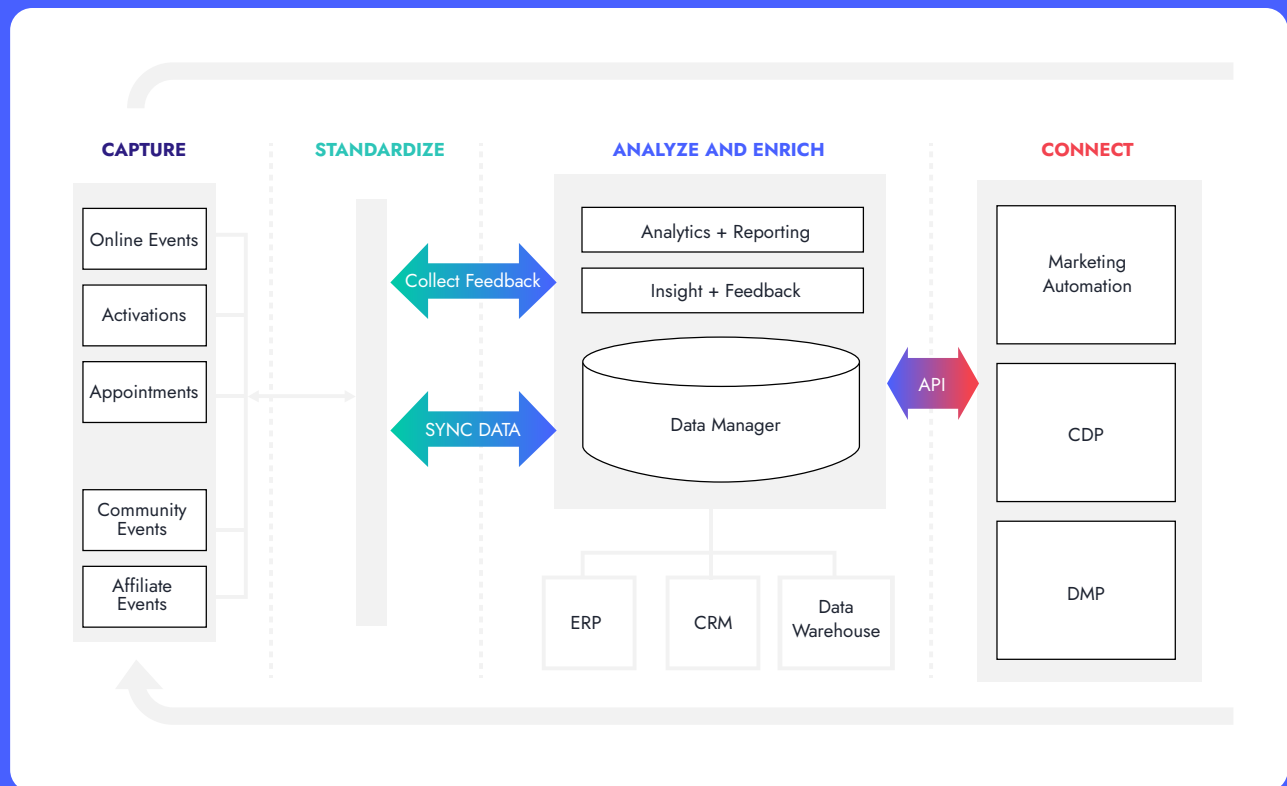
Experience Relationship Management (ERM) tool

For brands like Budweiser and Diageo, there are 1M+ visitors to their breweries, brand homes and online experiences every year. But even if field marketers agree with the pressing need to collect data from attendees of their events; they may lack the energy, time, and skills to capture it. That's where an Experience Relationship Management (ERM) tool like AnyRoad comes in handy.

An ERM like AnyRoad helps brands collect and activate the [multiple inputs of information that field marketers generate](#) from running an event like online bookings, surveys, and website age verification.



To understand how an ERM tool works in with your other customer data tools, digital marketers should understand the **four stages of transforming data into actionable insights**: capture, standardize, analyze and enrich, and connect.



By kicking off your first-party data collection with a solution like AnyRoad Experience Manager or AnyRoad Live, field marketers can focus on executing the event instead of adding another item on their to-do list.

In addition, digital marketers can standardize, analyze and connect event data with the other important parts of their Martech stack: the customer-data platform (CDP), an identity resolution platform (IRP), and the data management platform (DMP).



[Want to learn more about how ERM can kick off your first-party data strategy? Request a demo of AnyRoad](#)

02 Customer-Data Platform (CDP)

Think of the customer-data platform as the new Yellow Pages for your business—except it holds more information than a name and a phone number. [CDPs help aggregate](#) data from a variety of sources to create one unified view of everything your customer does.

In other words, it's how growth-driven companies use data to tailor marketing campaigns based on a user's activity across their online and offline brand assets.

Brands should pick their CDP based on [two important features](#):

- 1 - A user-friendly interface (so marketers can use it)
- 2 - An analytics workbench (so data scientists can deploy machine learning and AI models to "signalize" the data)

[McKinsey also recommends](#) that CDPs should be "owned" by the marketing team, but kept separate from the organization's in-house [data lake](#).

03

Identity-Resolution Platform (IRP)

If a CDP is for housing first-party data, then an identity-resolution platform (IRP) is for housing second and third-party data.

Treasure Data, an enterprise CDP platform, refers to [identity resolution as:](#)

// A digital detective, piecing together information from disparate data sources to connect the dots between relationships that may or may not appear obvious. //

Note that some CDPs offer identity resolution as an addition to their solution. But in general, [IDPs resolve three specific challenges:](#)

- 1 - Recognizing a consumer across devices and channels
- 2 - Recognizing an individual on their device if they haven't logged in
- 3 - Connecting engagement and activities throughout the customer journey

For example, a customer might browse social media channels on their phone, but purchases from the brand website on their tablet or computer. An IRP tool assists a marketing team in determining that customer as one person with multiple touchpoints.

Data-Management Platform (DMP)

04

While collecting data into a customer data platform (CDP) and/or identity-resolution platform (IRP) is [80% of the work](#), there's one crucial tool that's needed if you're creating audiences or segments for digital advertising campaigns: The [data-management platform](#), or DMP, which can hold many types of data.

According to Lotame, a data solutions provider, there are [four basic steps to getting started with a DMP](#):

- 1 - Organization, or classifying your data into categories and taxonomies
- 2 - Segmenting, which helps you build audiences for future marketing campaigns using demographic data like age, gender, and location
- 3 - Insights, which lets you analyze the data to find trends and patterns, as well as determine customer intent
- 4 - Activation, which helps move the segments you built in the DMP into your media buying platforms

In other words, a [DMP helps you compare the first-party data](#) you've collected in your CDP and/or IRP and compare it against second and third-party data sources—meaning you can create segments that mirror the characteristics of the audience you've already identified as being prospects for your brand.

Now that you understand the four components, let's look at three brands who use live experiences to generate first-party data and build customer loyalty.



How Three Brands Build Customer Loyalty Using An Experience Relationship Management (ERM) Tool **like AnyRoad**

What does an art supplies retailer, a consumer product goods brand, and a craft brewery have in common?

Answer: All three brands use AnyRoad to capture experience customer data from hands-on workshops, online classes, and tours. Let's go through each specific use case.

Michaels

20,000 Experiences in 12 Months

Michaels is North America's largest retailer of arts and crafts materials. They offer classes and events for aspiring creatives in subjects including but not limited to: food crafting, home decor, and jewelry making.

But in 2018, they came to [AnyRoad to build out the infrastructure of their Community Classroom offering](#), citing two concerns:

- The need to generate actionable insight from individual customers
- The capture of actionable data on content and instructors, since classes were led by Makers within the local community (Not Michaels employees)

Using AnyRoad Marketplace, Michaels enhanced the Instructor portal, allowing them to self-manage their classes and schedules. Other improvements include:

- Viewing events on a global calendar (which replaced an existing manual system)
- Booking crafting parties at local Michael's stores through a new online system

By streamlining the scheduling process, Michaels' Community Classroom program has grown to 20,000 experiences per year; despite the COVID-19 pandemic. Thanks to their previous work with AnyRoad, it didn't take long for them to transition instructors to teaching online.

“

It's surreal how quickly we were able to move during shelter-in-place—both the Michaels and AnyRoad teams. Lockdown kicked in and stores were closing so AnyRoad suggested we try online classes. From then on it was like our teams were on hyperdrive and it was amazing.

”



Jen Harness,
Director of Marketing,
Content, and Experience

Key results:

- **500 hours** of administrative/operational work saved per month
- **30% increase** in average spend per class booking
- **Support Makers** during a global health crisis

Nestlé

A Two-Sided Marketplace in 60 Days

Imagine an online marketplace where new pet owners could connect with dog trainers. That was [Nestlé's vision when they asked for AnyRoad's support](#) in response to the COVID-19 shelter-in-place orders.

Using AnyRoad Atlas and Experience Manager, the Nestle team launched a two-sided marketplace in 60 days. The resulting online portal offered:

- Individual, group, and recurring sessions
- A variety of price points and class formats
- A custom-branded Help Center with 24/7 customer support

Now pet owners had access to training that was safe and compliant with government policies; and dog trainers had an additional income stream to their businesses.

Now Nestlé doesn't have to rely on second and third-party data sources to do customer research on these two audience segments. AnyRoad's robust data capture abilities make it easy for their digital marketing teams to access and activate this data for personalized marketing campaigns in the future.

“

For us, the big win was how quickly we were able to stand up something meaningful — with data and results [using] AnyRoad. In just 60 days, we were able to look at usage and make adjustments in real time to make the project a success.

”



Angela Smith,
Digital Innovation Specialist
at Nestlé USA

Key results:

- A best-in-class NPS **score of 100**
- A fully-operational two-sided marketplace in **60 days**
- Generating direct customer insights for **meaningful data and results**

Sierra Nevada

92% Brewery Visitor Satisfaction

Sierra Nevada is one of the largest craft breweries in the nation. Their two bi-coastal locations receive 1M visitors every year, meaning there was a tremendous opportunity to build brand loyalty.

But the Guest Experience team struggled to connect with customers. They ran surveys, but information got stuck in data silos. They were eager to measure the success of their programs, learn what resonates with guests, and create connections among guests who would ultimately choose Sierra Nevada products after their experience.

By [implementing a suite of AnyRoad products to scale their program](#), Sierra Nevada now collects first-party data on guest demographics and habits. As a result, each location can be more strategic about their tour planning, promote repeat visitors, and understand a tour's impact on future purchase intent.

“

AnyRoad helped us to solve problems we didn't know existed. We didn't know what we didn't know, we didn't know what key we needed, and the data and insights we surfaced through AnyRoad were the missing piece

”



Gentry Power,
Head of Guest Experience

Key results:

- Encouraged **93% of infrequent buyers** to become brand champions
- Decide to **change up their programming to appeal to repeat visitors** (as a result of seeing the data)
- Strategically **plan tours for higher guest satisfaction**

Now, a Recap

If you're one of the [88% of digital marketers who believe collecting first-party data is a priority](#), we encourage you to start with collecting information from the field marketing, classes, events, and tours your brand currently hosts. And by starting with an experience relationship management platform (ERM) like AnyRoad, you can avoid the problems most brands run into:

- 1 - Incomplete or inaccurate data
- 2 - Data held in departmental silos
- 3 - Non-compliant data storage practices
- 4 - Lack of actionable insights

Besides streamlining the multiple inputs of information generated from live experiences (like online bookings, surveys, and website verification), AnyRoad's suite of products helps marketers not only collect event data but also activate it across the other essential parts of an **live experience first-party data technology stack**:

- 1 - A Customer-Data Platform (CDP)
- 2 - An Identity-Resolution Platform (IRP)
- 3 - A Data-Management Platform (DMP)

Now that you better understand how to build a first-party data strategy using the live experiences your brand already runs, how will you use it to drive loyalty and create customers for life?





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