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# Balancing Privacy and Personalization for Today's Empowered Traveler

Conversant + Skift

- Oct 03, 2018 2:15 pm

Skift Take

Data privacy is becoming a growing issue for consumers, even as travel brands try to gather more accurate identity details and deliver personalized experiences. Is it possible to thread the needle between these seemingly conflicting goals? Emerging strategies suggest the answer is yes.

— *Conversant*

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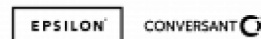
Effective personalization is the linchpin at the center of today's travel industry marketing, ecommerce, and customer retention strategies. That comes through in the priority travel brands are now placing on the discipline. Only 64% of consumers surveyed in Epsilon's 2018 Power of Me Personalization study felt that travel and leisure brand websites were delivering personalized brand experiences well. But as

personalize must also be balanced by a corresponding investment in marketing techniques that respect consumer privacy.

In light of recent news about company data breaches and concerns over data privacy, more consumers are aware of how and why their personal information is being used by marketers online. Consider the results of a 2018 Poll conducted by Harris, which found that 78 percent of U.S. consumers believe a company's ability to protect user data is "extremely important," and that only 20 percent now "completely trust" organizations to protect their data. In addition, more travel brands are recognizing a need to build long-term trust and establish safeguards against future problems.

"Trust has always been the cornerstone of any mutually beneficial relationship between consumers and brands," shared Stacey Hawes, President, Data at Epsilon. "Because of the high volume of constantly changing consumer data from online and offline channels, travel brands, in particular, have much to gain in clearly communicating to consumers that they have transparency and choice when it comes to how their data is used and it can help deliver relevant marketing messages – the ones people really want – like last-minute flight offers and hotel deals in dream destinations." On top of all this, travel brands that engage global consumers must also ensure compliance with new data privacy regulations like Europe's GDPR.

How will they manage to deliver the personalized brand experiences that consumers crave? And how will they do it in a way that protects consumer data in this increasingly privacy-driven environment? Here are three best practices travel marketers need to keep in mind as they try to balance between these two seemingly competing forces.

1. Build comprehensive consumer profiles based on accurate identity

In order to deliver customized experiences to travelers, and do so in a way that respects privacy considerations, brands need to build comprehensive profiles of each consumer linked to identity keys, and consider doing this in a manner that does not contain data that directly identifies the consumer. This is often a challenging task, especially at a time when technology habits make it harder than ever to keep track of travelers' online activities and proliferating devices.

Forrester, and comScore, the typical consumer owns more than four web-connected devices.

That's why brands need to work with partners who can utilize directly identifiable data, transforming it into data which does not directly identify the consumer, and do this in a privacy-protected way that adheres to the highest industry standards. Doing so will lead to a more comprehensive view of identity that can drive more effective, and relevant, personalization while still respecting privacy needs.

How might this work in practice? One example is bridging online and offline data matched via purchase transaction data to create more accurate consumer profiles tied back to a consumer's name and address. The brands using this data must then adhere to the principle of data minimization, guaranteeing that potentially sensitive data (such as name and address) aren't utilized or even stored unless they are necessary to achieve proper personalization.

There is a delicate balance which must be achieved, but in the end, transaction-level data is important as it fuels "known" offline-to-online matches and allows for better personalization. When considering this "known" customer information, travel marketers can build their personalization decisions by starting with privacy-protected details that illustrate how and where consumers choose to engage with brands:

- Onsite and call center bookings and transactions
- Loyalty membership information
- Email addresses
- Mobile app usage
- Ecommerce transactions

This more specific information is then stripped of data which directly identifies the consumer, synced to the consumer's online "pseudonymous" identity, and supplemented by digital data to build a more complete picture of that consumer. This digital data includes:

- The types of computers, phones and tablets they use
- The websites they visit
- The videos they watch
- The places they visit
- What types of products they tend to buy

& lifestyle details)

What does this look like when effectively deployed by a travel brand? One example is Road Scholar, an educational travel organization for adults. The company was facing challenges in its efforts to effectively personalize its messages to potential customers. But due to outdated technology, the company was only able to speak to recent website visitors using a mix of basic retargeting and cookie-based tracking techniques. But with the aid of more sophisticated transaction-based identity tools from Conversant, the company was able to expand its reach to include historical site visitors as well as recent and lapsed customers, and to do so across devices, helping to boost the company's incremental sales by more than 8%.

2. Create ongoing relationships with customers

Travel marketers looking to balance privacy and personalization also need to start thinking about their interactions with customers in terms of ongoing relationships rather than one-off conversations. Personalization can start to feel "creepy" when a brand doesn't keep in regular contact, yet still seems to know lots of detail about the consumer. This can make these marketing moments feel less like an interaction with a trusted friend and more like a random encounter with a stalker. When you're able to speak to each consumer differently based upon what you know about them, such as budget vs. luxury traveler or active loyalty member, you can create a better user experience and improved brand engagement.

Building accurate customer profiles is important to deliver better brand experiences, but these profiles must be not only be accurate, they must also be persistent over time so they can be used to plan interactions that lead to ongoing, even lifelong, relationships with customers.

How can marketers do this? First, it's important that all marketing and brand messaging speak to people as individuals, instead of devices, cookies, or segments. Second, it's also important to reach travelers intelligently and proactively, instead of just reacting to any single action. Last but not least, it's worth remembering that many travel purchases have longer journeys as consumers move through the

persistent relationships, marketers don't have to reintroduce their brand to customers every time they connect or start a new search.

The benefits of this approach are evident in a recent collaboration between Marriott and Epsilon, which showcases the business benefits of building these persistent contacts. In a recent interview describing the partnership, Marc Sheinkin, Marriott's director of member marketing, described the opportunity. "What we're trying to do is take those 1:1 relationships that we have with our guests in the hotels and translate that to our digital platforms," he said. Email is one channel where Marriott has been able to evolve its approach. "Three to five years ago, we were using [email] more like a billboard, batching and blasting communications to millions of people at a time," said Sheinkin. "Now we're starting to see emails as very much a 1:1 communication."

3. Measure your results at the individual level

As personalization becomes a more important focus for the travel industry, marketers will also need to rethink the strategies and metrics they use to gauge campaign success. Similar to their efforts to build a more accurate picture of consumer identity, marketers now need to extend that line of thinking to measurement efforts, ensuring that they're reaching the right consumers with their messages.

How can a travel marketer put this measurement approach into practice? First and foremost, they need to monitor and measure the success of their investments related to the creation of accurate identity, ensuring that the work they are doing is paying off over time. They should measure real bookings back to the individual traveler messaged by the brand. Having this greater accuracy with consumer identity leads to continuous optimization and increased efficiency, all leading to more effective personalization and relevance over time. This is because an accurate and persistent identity enables delivery of a better brand experience, resulting in improved brand trust and greater loyalty.

Beyond that, marketers also need to use metrics that reveal what is driving those moments in the customer journey that lead to conversions. Those include metrics such as app downloads and time-

can conduct direct matches between their transaction files (what people booked) and their campaign history (what was promoted).

Conclusion

Striking the right balance between effective 1:1 personalization and a respect for consumer privacy can be challenging. But as more travel brands are now discovering, the tools and best practices exist to make it work. This includes building more comprehensive profiles of the consumer, doing so in ways that utilize pseudonymous data mapped to verified real travelers where possible. This also means that travel brands must seek to build persistent, long-term relationships with customers that are customized to their unique wants and needs. Last but not least, it involves a rethink of how travel brands design their metrics to gauge success. Balancing privacy and personalization isn't easy – but if executed properly, the opportunity is there for the industry to deliver on the promise of true one-to-one marketing.

This content was created collaboratively by Conversant and Skift's branded content studio, SkiftX.

Tags: Conversant, data, digital, personalization, privacy