PUBLISHER DATA PLAYBOOK

FREESTAR

LAST UPDATED: JUNE 2024

IN THIS SHORT PLAYBOOK, YOU'LL FIND:

- The importance of first-party data in the evolving digital advertising landscape and how it can replace third-party cookies to improve targeting, personalization, and compliance with privacy regulations.
- Practical strategies for collecting first- party data from your audience, including methods like email newsletters, account creation, and social media integration, to enhance user engagement and data accuracy.
- Ways to leverage first-party data for audience segmentation, personalized content, and email marketing to maximize ad revenue and drive better campaign performance through Freestar's identity solutions and partnerships.

INTRODUCTION

For 20 years, the digital ecosystem has relied on a mechanism called third-party cookies to find, target, and track advertising campaigns across the web.

Due to increased privacy laws and regulations, third-party <u>cookies</u> are no longer acceptable for users because of the changing privacy landscape. Therefore, brands must use alternative targeting methods to find their desired audiences online.

As the industry moves to a new way of identifying and targeting users across the web, industry leaders are working together toward solutions. These solutions are not a onetime fix-all, but a multi-faceted and evolving approach. One part of the solution is for **publishers to gather first-party data.**

Freestar's Audience Strategy Team has worked with hundreds of publishers, at different stages in their first-party data journey, to help them develop a strategy that makes sense for their business.

Keep reading for insights, tips, and trends in Freestar's first-party playbook.



HOW DID WE GET HERE?

Why all the fuss about 'a world without third party cookies' and how bad is it really? Rest assured, the sky is not falling. Freestar sees this 'new world' as a positive change for both users and publishers if we work together to adapt and pivot.

Third-party cookies have been used extensively to track users across websites, create detailed profiles of individuals' online behavior and target them with personalized advertisements. However, this approach raises significant privacy issues and has led to growing concerns about user consent, data security, and the misuse of personal information. While many browsers like Safari and Firefox have already shifted away from third-party cookies, Chrome has just begun the process and will continue to deprecate cookies as time progresses.

In response, the industry is creating new "privacy-friendly" ways to target users. The shift away from third-party cookies encourages greater transparency and empowers users to





have more control over their data, improving online security and reducing cyber threats.

The shift also encourages innovation by developing alternative technologies and approaches for digital advertising. This could lead to more innovative and ethical solutions that respect users' privacy while allowing advertisers to reach their target audiences effectively. It also shifts power to the publisher who has access to first-party data which is now more valuable than ever.

WHAT IS FIRST-PARTY DATA?

First-party data is data collected directly from your customers, by you – the publisher. This can be a phone number, name, or address, but the most common – and usable – form is an email address. The difference between first-party data and third-party data is that first-party data is gathered straight from your audience, making it highly accurate and valuable to advertisers.



WHY IS FIRST-PARTY DATA IMPORTANT?

As we say goodbye to third-party cookies, this targetable or **addressable** user data is more valuable than ever. Over time, publishers will see a revenue uplift in the form of higher 'Cost Per Mille' or cost per one thousand impressions (CPMs) and improved Revenue Per Session (RPS).

Why? First-party data plays a critical role in advertising execution including improved targeting, enhanced personalization, and higher return on investment (ROI), while also ensuring compliance with privacy regulations and maintaining a competitive edge in the market. Possessing <u>this important data</u> gives publishers an advantage that advertisers pay a premium for.



ADDRESSABILITY = **REVENUE** FOR PUBLISHERS!

Improved ROI: Targeting audiences based on first-party data allows buyers to allocate their advertising budgets more efficiently. By reaching the right people with the right message at the right time, buyers can maximize their ROI and achieve better campaign performance. Therefore, they are willing to pay more for audiences they can target.

Compliance with Privacy Regulations: In

an era of increasing data privacy regulations, such as GDPR and CCPA, first-party data is considered more compliant and less risky than third-party data. By using first-party data, buyers can ensure that their advertising efforts adhere to regulatory requirements, mitigating the risk of fines or penalties.

But wait... that's not the only reason. Firstparty data empowers you, the publisher, to better understand your audience, and deliver more personalized content, recommendations, and experiences directly to your audiences. This will increase audience engagement, retention, user experience, and overall loyalty to your brand. A long-term strategy worth the investment!

HOW DO I GET FIRST-PARTY DATA FROM MY USERS?

It's more important than ever for publishers to consider <u>the value exchange for users</u> because let's face it, people are protective of their personal information. Your audiences don't readily hand over their data without something of value in return, which makes it a challenge for publishers to gather a meaningful amount of first-party data.

"Your audiences don't readily hand over their data without something of value in return"

This value exchange can be in the form of premium content, special promotions, discounts, or loyalty rewards. This creates a sense of exclusivity and incentivizes users to share their information in exchange for valuable perks or benefits. You could also offer additional features to users who opt-in to data collection, such as personalized dashboards, advanced search capabilities, bookmarking features, or customization options.

Publishers can **demonstrate transparency** and trustworthiness by providing users with clear explanations of what data is being collected, how it will be used, and the ability to control their data preferences. Offering robust privacy settings, consent management tools, and opt- out options empowers users to make informed choices about their data and ensures a positive user experience.

Publishers can foster a sense of community and belonging among users by leveraging first-party data to connect like-minded individuals, facilitate discussions, or organize events and activities tailored to specific interests or demographics. This creates opportunities for social interaction and engagement, enhancing the overall value proposition for users.

Overall, a good value exchange for publishers collecting first-party data involves providing users with **meaningful benefits**, **personalized experiences**, and **control over their data**, while also respecting their privacy and maintaining trust and transparency. By delivering value to users in exchange for their data, publishers can build stronger relationships, drive user engagement, and ultimately, maximize the value of their data assets.

Freestar works with hundreds of publishers. Across our publisher partners, the majority of sites have 2-5% of their audience whom they can verify data for, also known as, authenticated traffic. This verification process typically involves users creating an account and providing personal information such as an email address. username, or password. Authenticated traffic is valuable to publishers and advertisers because it provides more accurate and reliable user data compared to anonymous or unauthenticated traffic. When users authenticate themselves, publishers can track their behavior and preferences more effectively, leading to improved targeting, personalization, and user experience.

There are a select few who, based on the nature of their business, may reach upwards of 50% authentication by requiring logins. While authenticated users are only one part of Freestar's identity strategy, these authenticated users are extremely valuable for monetization because buyers are willing to pay more for users they can target.



MOST COMMON WAYS PUBLISHERS COLLECT FIRST- PARTY DATA:



1. Email Newsletters

Collecting email addresses through newsletter sign-ups is the most common and low-lift way to start collecting first-party data. A publisher's newsletter audience is one of the most useful, loyal, and monetizable It's not uncommon to see email as one of the top ten traffic referral sources.

Learn more about newsletter best practices and how to select an email service provider.

2. Offer users the chance to create an account

Ever heard the term <u>freemium</u>? Freemium refers to a model where users may not have to pay to read content, but at some point they may be required to at least log in to continue to read content. Many publishers don't have the brand strength to leverage a paid subscription model, however a softer approach of prompting a user to log in after interacting with the site might be worth it.

By encouraging users to create free accounts or register for memberships, you can begin to create value points around that model. For example they could access content they wouldn't otherwise be able to view.

3. Surveys and feedback forms

People love to share their opinions. Many users are willing to provide their name and email address in exchange for feedback opportunities. It's also a great chance to gather real-time insights by asking users questions while they are on your website.

We hear great things about **Qualaroo**!

4. Contests or giveaways Who doesn't like to win things?! Hosting contests or giveaways and collecting user information as part of the entry process can help gather first-party data. While there are certainly ways to go about custom exclusive giveaways, there are also third-party vendors who specialize in providing the technology and demand to get this running. We recommend <u>Bonbon Technologies</u> for our publishers interested in this strategy.

5. Social Media integration

Integrating social media login options or sharing buttons can provide access to user data from social media profiles. While certain social platforms like Facebook and X aren't driving as much traffic to websites these days, don't discredit them all. Reddit, Pinterest, and Google Discover are all <u>on the rise.</u>

6. Transactional data

Do you provide a shoppable experience with onsite conversion capabilities? If yes, did you know that users expect to provide their name, address, zip code, and phone number? You can also analyze user transactions, like past purchases or subscriptions, to evolve your product or service.

7. Forums and commenting widgets

User-generated content can be a challenge to moderate and keep spam-free, but for some publishers the community-value aspect makes it worth the effort. People like meaningful conversations about niche topics and understand they will need to provide their name, email, etc. to access these commenting features.

Disqus and **Open Web** are two platforms publishers use for commenting widgets.

8. Walled content If you're a content creator who publishes guides, seasonal pieces, service pieces, or in- depth informational posts, <u>walled content</u> (i.e. a paywall or wall that blocks content your reader is trying to access) is a great way to collect email addresses.

CONTENT QUALITY

MORE INFORMATION USERS ARE WILLING TO PROVIDE

It's important for publishers to be transparent about how they collect and use first-party data and to ensure compliance with relevant privacy regulations, such as GDPR or CCPA. Building trust with users is crucial for maintaining a positive relationship and improves their willingness to share info about themselves.

HOW DO I USE MY FIRST-PARTY DATA?

You've acquired first-party data...but now what? You'll need a strategy to monetize these audiences at a premium. And while there is an overwhelming amount of identity resolutions and tech vendors, here are the most common uses of first-party data that we're seeing so far.

Audience Segmentation

Publishers can grow their first-party data and then <u>segment that audience</u> based on demographics, interests, behavior, and preferences that is then packaged up for <u>Private Marketplace</u> (PMP) demand. Offering highly targeted and relevant opportunities to advertisers increases ad engagement and revenue.

Keep reading to learn about what Freestar offers for audience segmentation!

Personalized Content and Recommendations

First-party data can be used to create personalized content recommendations, product suggestions, and user experiences to enhance engagement and retention. This data can inform content development strategies, such as identifying trending topics, understanding audience interests and tailoring content to specific audience segments.

For example, you can provide the user an opportunity to provide their likes and interests



at the time they create an account. This info can then be used to customize content recommendations appearing in content recirculation widgets to better align with their interests.

Email Marketing

Publishers can use first-party data to create customized communications with their readers, such as personalized newsletters, promotions, and announcements to drive better user engagement and conversion. Popular Email Service Providers (ESPs) include MailChimp, <u>Braze</u>, Salesforce, <u>MailerLite</u> and <u>Drip</u>. With a substantial subscriber list and decent open rate, newsletters can drive incremental revenue with banner ad placements.

Freestar has partnered with LiveIntent for email monetization.

Look-alike Audiences

Sure, authenticated traffic monetizes 3-4x higher than non-authenticated users, but if the average site has only 2-5% authenticated users, this presents a significant scale problem for publishers.

Publishers can use first-party data to distinguish <u>look-alike audiences</u> to increase the reach of their campaigns while providing a hyper-relevant experience for the user.

Publishers should view first-party data as a valuable asset that can drive strategic decision- making, improve user experiences, and unlock new revenue opportunities. By investing in data collection, analytics, and privacy compliance efforts, publishers can maximize the value of their first-party data and strengthen their competitive position in the digital landscape.

HOW CAN I LEVERAGE FREESTAR'S FIRST-PARTY DATA IDENTITY SOLUTIONS AND PARTNERSHIPS?

Knowing which Identity Solutions are right for your business needs is no easy task. We're committed to partnering alongside you each step of the way.

Here are three ways Freestar can help you leverage your first-party data:

 Connect with our Audience Strategy Team!
Utilize our audience strategists, ask questions, and create a plan. Contact your Customer
Success Manager to schedule a call with one of our audience strategists.

Check out our latest webinar: <u>A Publisher's</u> Guide To First Party Data.



2 - Leverage the emails you're collecting with Freestar's Hashed Email Passthrough

If you're collecting email addresses, we can supply them (as a hash) to multiple upstream ID vendors and bidders to increase the value of this inventory. Follow <u>these setup instructions</u> and we'll take care of the rest! Hashed emails can be a great way to identify visitors for targeting across devices. Emails link a user's devices (phone, computer, smartwatch, etc.). This allows for cross-channel targeting, improves an advertiser's ROI, and results in higher revenue per session for you, over time.

3 - Implement LiveConnect Email Extension to increase the amount of newsletter subscribers that advertisers can target

The LiveConnect Email Extension is simply an

additional URL parameter LiveIntent recommends that publishers add to all URLs within their newsletter to maximize newsletter monetization and improve the identity of their site visitors. Adding this extension will increase the number of newsletter subscribers that advertisers can target enabling more programmatic and first-party data opportunities. Implementation instructions can be found <u>here</u>. *Please note, as part of your Freestar setup and the work we've done on your behalf in the background, you already have the LiveConnect tag enabled on your website and can therefore skip the prerequisite note listed in the instructions.

Solving for user privacy, whilst maintaining the ability to provide a considered and consumer friendly advertising experience is a work in progress for the entire industry and all players will need to evolve and adapt as new solutions surface. Rest assured, as a principal member of Prebid, Freestar is not just adapting to changes; we are actively shaping the future of advertising. We contribute to Identity and Privacy committees, advocating for standards that protect publisher interests and adjust to evolving privacy norms. Freestar is constantly investing in partnerships with leading Identity vendors so that over time, as demand shifts away from the cookie, our technology will be able to keep users addressable and CPMs stable

4 - Audience Segmentation

We've partnered with leading data activation and audience management platforms, including Audigent, Magnite, and Triplelift, to package up and sell first-party audience segments - all in a privacy-compliant way.

Using first-party data, contextual and user segments based on demographics, interests, behavior, and preferences are packaged up for Private Marketplace (PMP) demand. The data is collected and segmented in a privacy-safe way from IDs running in Freestar's code. Offering highly targeted and relevant opportunities to advertisers increases ad engagement and revenue.

Publishers are instantly eligible and opted in, no action is needed on your part to be included in this program. Publishers can also opt out at any time.

If you have questions about Freestar's broader Identity strategy or would like to schedule a call with our audience strategists, contact us at hello@freestar.com!



*REGARDING PRIVACY POLICIES...

Please ensure you follow all applicable regulations for providing disclosures to users and have valid consent for how the data will be used. As always, we recommend consulting with your legal counsel to advise on steps to keep your business compliant.

SUMMARY

 User privacy regulations are transforming the way digital advertising collects, stores, and shares data.

2. The industry is working together on solutions that benefit all players in the space. As a principal member of Prebid, Freestar is not only adapting to changes; we are actively shaping the future of advertising by advocating for standards that project publisher interests and adapt to evolving privacy norms.

3. Freestar ensures our publishers are plugged into the most important identity strategies and partnerships, most of the work we can do on the backend through our research, testing, and technology.

4. Publishers should create a business strategy on how to collect and utilize first-party data.5. Freestar partners with hundreds of publishers to help build their identity strategies, ensure



they are plugged into the right identity solutions, and guide them through the everchanging and complex ad tech ecosystem.

CONTRIBUTORS



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FURTHER READING & WATCHING

- Read more about our partnership with LiveRamp
- Learn more about Freestar's **Identity Partners**
- Check out our webinar: <u>A</u> Publisher's Guide To First Party Data.

Want to speak with one of our experts?

To book a chat with our Audience Strategy Team contact us at



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