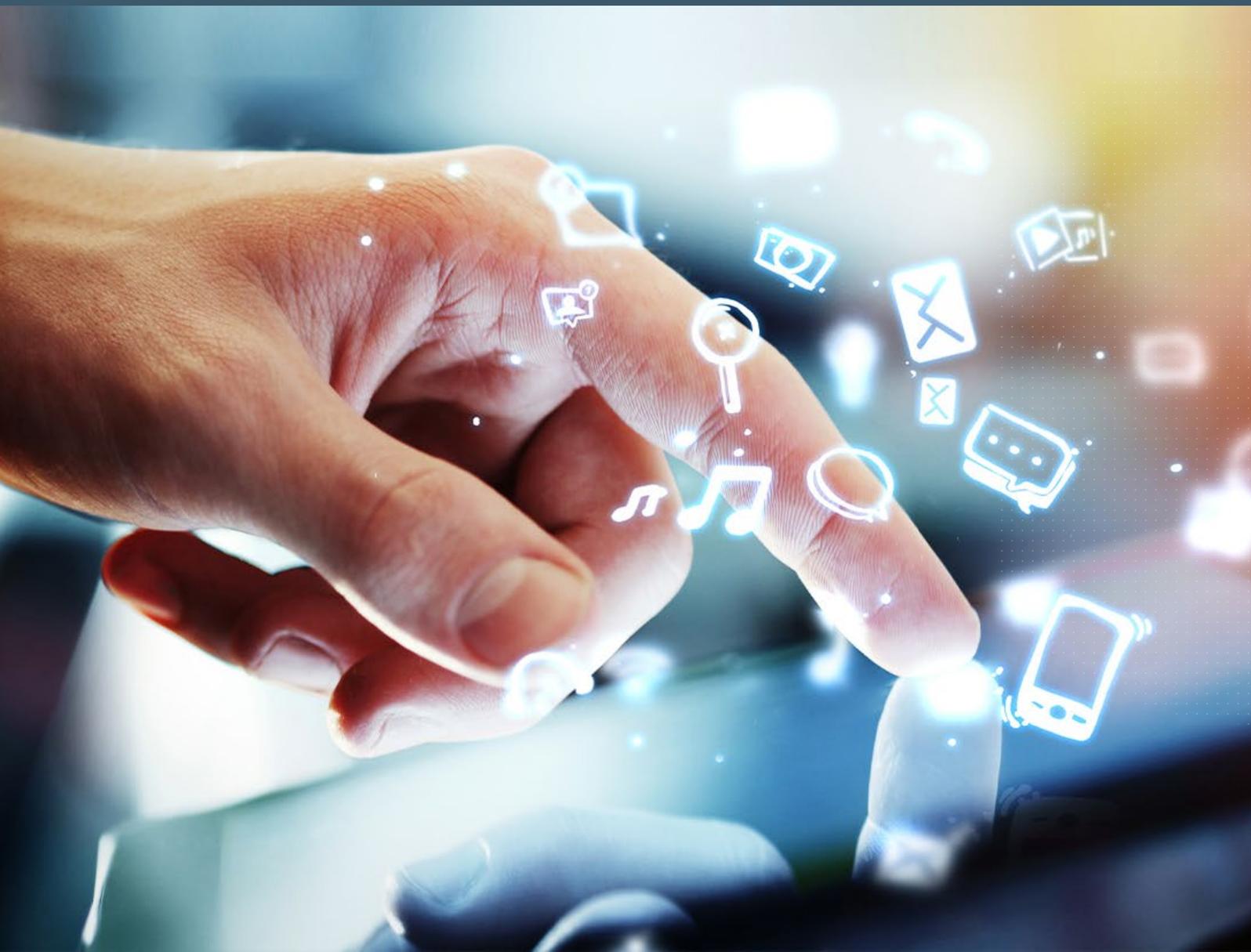




3radical

Understanding
How To Build An

EARNED DATA CULTURE





Conversations about data-driven organizations often focus on tools, big data, and technological advancements that have made collecting, processing, and analyzing data faster and more economical. While these are all significant, creating a data-driven culture across the organization is vital to move beyond just a few successful data initiatives, and pockets of excellence limited to particular business divisions.

A data-driven culture refers to data for all decision-making, treating data as a strategic asset of the organization by making it widely available and accessible. However, traditional data-first cultures still put the organization's goals at the center — not the consumer. That's where pivoting to an Earned Data Culture comes in.



WHAT EXACTLY IS AN **EARNED DATA CULTURE?**

An Earned Data Culture focuses on building consumer trust and uses trust as a key performance indicator. The higher the trust earned from consumers, the better. An Earned Data Culture engenders a consumer base— it is data-centric and drives organizations to make decisions based on current, relevant, and permission-based data received directly from the consumer.

A regular data-driven culture isn't bad - it's still a great thing. Let's be clear— organizations using data to make business decisions will almost always experience better outcomes. However, the critical difference is that you may be collecting data that you're just not using. And, you're probably not driving the best experiences for your consumers—or protecting the data that you capture or ensuring that you are using the data.

The main difference in Earned Data Culture - is that it focuses on using the information to serve the consumer better.





NEVER COLLECT DATA FOR DATA'S SAKE

Having any type of data-first culture is at least a step in the right direction—organizations working on a data-oriented approach will be streets ahead. Earned Data culture, however, focuses on only collecting data that is usable.

In an Earned Data Culture— organizations understand that data is not an event or a binary transaction. It can't be earned and then considered done; Earned Data Culture understands that data changes and needs to be updated. Therefore, it is less event-focused and more process and relationship-focused.

For example, in a traditional data culture, a marketer may say they need to sell more jackets as they have a surplus. They know that out of their 120,000 consumers, 10% have previously bought coats and jackets, so by emailing all 120,000 consumers, they stand a good chance of selling another 12,000 jackets.

Wrong.

You have no idea if these consumers are interested in buying another jacket from your brand. This is an assumption made on historical (outdated) data. Spamming consumers like this is problematic because

consumers don't just buy from you, they buy from other brands; transactional data is not an accurate indicator of future behavior. It doesn't give you an idea of what consumers want today, who they are as individuals, their preferences, or status. The consumer may have already bought three new jackets from another brand. Using data in this way is overly simplistic and one way to waste marketing dollars.

On the other hand, an Earned Data approach will look at the entire consumer base and choose to ask additional questions before deciding on how to structure the jacket campaign—for example, by asking current consumers if they are looking to buy outerwear in the next month.

An Earned Data Culture is concerned with how and when you captured the data. Brands using this approach ask the consumer directly, "do you need a jacket?" or will shape experiences that encourage them to share this information. That way, you can market directly to this smaller, more precise group of consumers in a time frame relevant to the offer.





IT'S NOT A 'SEE WHAT STICKS' APPROACH

It should feel abhorrent to marketers to send emails containing specific offers to their entire database. Although, it often doesn't. It's still all too common for companies to take a broad-stroke approach and alienate consumers. In the end, consumers will unsubscribe to communications not relevant to them. Maybe they will still buy in-store, but now, until you earn back that consumer's trust, you have no way of communicating with them.

As a consumer, if you have told a brand, you are in the market for new outerwear, and immediately they send you a collection to look through - the chances of having a great

experience and making a purchase are incredibly high. Because the brand followed through on its promise, you immediately trust them. Moreover, the next time the brand asks you for data, you're only too happy to provide it because you understand the benefits. This is a mutual value exchange.

Earned Data Culture looks at individuals, not an audience; micro audiences, not an entire audience. The upshot of this is that you target your marketing spend to make an impact while shaping and supporting a conversation with your consumer.

WHY DO YOU NEED AN EARNED DATA CULTURE?

1. You will have a business advantage

Earned Data goes one step beyond where the likes of responsible data handling and storage started. There will become a tipping point where an Earned Data approach will be the only approach, and we are not far off from it now. Starting to build an Earned Data Culture today will put you at an advantage when more than just cookies are banned for digital advertising.

2. It shows respect towards your consumers

In a world where consumers are often the biggest drivers of sales, showing them respect is essential. Earning data and driving this as a culture in your business shows a commitment to developing products and experiences to adapt to the consumer's needs. Asking for permission in real life is essential, so why should it be any different in the digital world?

3. It grounds your employees

Many businesses say they are consumer-focused. Internally, however, the view says differently. If you're rewarding your employees based on the company's financial goals, they will do anything to get the sale, make the difference, and hit their targets. But the consumer will never be at the heart of that - money will. Understandably, businesses need to turn a profit. If organizations change the focus to consumers and business objectives around trust, revenue will grow, and customer retention will increase.

4. It's an ethical way to do business

Let's talk about ethics. We all want to do better for our world and our consumers, but it looks like a steeper hill to climb against the current global landscape and economy post-Covid-19. Establish clear values around honesty, transparency, and data accountability that transcend internal business practices and extend right through to all your consumers. You should set the tone from the board that data is a precious commodity, never owned by the organization.

5. It forces organizations to value trust

It's worth dissecting the word 'culture' because it's a loaded word. It's not until Earned Data becomes a standard culture that you can honor the trust that you were allowed to receive from the consumer in the first place. Brands are never done earning the data that informs preference, motivation, and intent from consumers— they need to re-earn it, and that's a significant difference.



WHAT ARE THE INDUSTRY BEST PRACTICES AROUND EARNED DATA?

So, you want to start moving to an Earned Data approach. Where do you start? There are three key areas or stages in the path to an Earned Data Culture: Data Capture, Data Usage, and Decision Making. As with any change, you will need a team of advocates within your organization who champion the approach and put policies in place. Let's take a look at each stage in more detail.



Data Capture

- Always be explicit with consent
- Communicate how you will use the data
- Capture at a relevant time



Data Usage

- If you don't have a clear path to using it, don't ask for it
- Improve compliance with data privacy laws
- Consider keeping your data set as small as possible. Size equals more risk
- Use data to shape the online experience for the consumer, not for the business
- Usage should remain selective - just because you can, doesn't mean you should use it
- Spamming is never, ever ok



Decision-Making

- Set your KPIs around consumers instead of channels
- Use data for long-term decisions, as well as immediate
- Make decisions around how to best support your consumers, not your business goals

WHY SHOULD AN EARNED DATA CULTURE MATTER TO YOU?

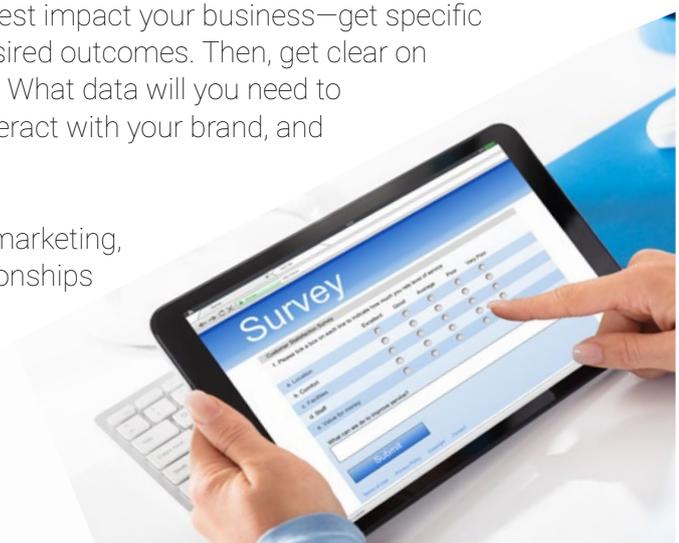


It matters because cultures drive change, KPIs don't, transactions don't. It matters because the status quo isn't going to drive success into the future. We don't just want to sell jackets. We want to answer the needs of our customers. And we need to do this in a very conscientious way taking the current industry climate into account – privacy regulations, the perception of third-party data appends, and the elimination of cookies and cross-domain tracking. No one wants to be the hamster on the treadmill; if all we do is focus on the transaction, we are that hamster. Everyone is going to get burned out - especially the consumer.

WHERE SHOULD I START WHEN COLLECTING DATA FROM MY CONSUMERS?

One way to get started is to identify the data that would best impact your business—get specific on what the information is that will drive the business' desired outcomes. Then, get clear on who your consumers are as people, not as IDs or profiles. What data will you need to understand their preferences, what motivates them to interact with your brand, and what drives their intent to purchase?

Establish a few simple opportunities to earn consent via marketing, subscription account collection, and registration. All relationships start with permission - and you can't begin until you nail the consent piece.





BUILD TRUST, BY DESIGN

No organization will ever be perfect because no human being is perfect. Organizations should aim to design a process that makes earning data and building consumer trust as easy as possible. That means finding ways to incentivize Earned Data practices and reframing KPIs and goals around the consumer experience.

ABOUT 3radical

The consumer experience is a human experience.

We believe a consumer is more than their clickstream data. A consumer is a human with needs, motivations, and values. We help organizations develop the capability to move beyond traditional data and get to the heart of what inspires and activates their audiences. With the continued onset of privacy regulations and proposed changes to third-party data usage and tracking, organizations need to establish a trust to capture data and permission to deploy it, providing consumers maximum control of their experience. Gamification techniques create a cycle of achievement and reward while capturing consented, Earned Data that uniquely comes directly from consumers.

We use game science and comprehensive strategic services to shape and support the consumer experience by creating a fair value exchange delivered directly to each recipient and optimized by data and real-time decisioning. Every progressive exchange results in consented, Earned Data provided by the consumer in a transparent, motivating, and mutually beneficial environment enticing consumers to want to share and engage more.

3radical is a consumer data acquisition and audience engagement solutions provider. We help organizations listen to their consumers and adapt experiences accordingly by giving them the ability to earn consented data directly from their audience. Critically, this fosters humanized interactions through choice-driven journeys provided by 3radical's gamification software. 3radical operates globally through offices in North America, the UK, and the Asia Pacific and serves major brands across various industries.

UK

Deskldodge House, Redcliffe Way,
Bristol BS1 6NL England
+44 117 205 0150

SINGAPORE

111 Middle Road, #03-02,
National Design Centre
Singapore 188969
+65 6970 6400

U.S.A

564 W. Randolph Street
2nd Floor, Chicago,
Illinois 60661, USA
+1 312 646 2542

w: www.3radical.com

e: info@3radical.com

t: [@3radicaltweets](https://twitter.com/@3radicaltweets)

l: linkedin.com/company/3radical