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HOW ADVERTISING, MEDIA, AND ENTERTAINMENT COMPANIES CAN LEVERAGE THIRD-PARTY DATA TO ENHANCE ANALYTICS

Enrich your data and unlock new insights faster with live, governed access to external data in Snowflake's Media Data Cloud

CHAMPION GUIDES

EBOOK

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EXECUTIVE
SUMMARY

Data is a valuable asset. Organizations can make it even more useful with the addition of third-party data. This data, which comes from external sources such as public open data sets or data providers, adds powerful insights that enable agencies, media companies, game publishers, and advertising technology (AdTech) companies to resolve customer identities and enrich profiles to improve campaign performance and optimize user experience.

Third-party data empowers teams to make better data-driven decisions. It helps create the most complete view of a customer, especially when it's integrated with first-party data or data collected directly from customers. However, traditional methods for sourcing third-party data can be inefficient and unsecure. Traditional data

marketplaces may not scale, and legacy technologies for transferring data (FTP, APIs) may require extensive engineering work before the data can be used. This situation results in delays, stale data, and poor data analysis.

In this ebook, you will learn how to:

- **Access live third-party data without any ETL, making the data immediately available for analysis and first-party data enrichment**
- **Easily discover third-party data sets, such as product intelligence data or granular audience insights, that best fit your business needs**
- **Use enrichment services to improve the quality of first-party data by securely sharing slices of your data with providers**

ACCESSING THIRD-PARTY DATA SAFELY IS MORE IMPORTANT THAN EVER

In the world of advertising, media, and entertainment, content drives the subscriber and advertising revenue engine, but data has become more important than ever in powering better data-driven business decisions. Behavioral data, demographic data, clickstream data, purchase data, and attribution data are all important sources of insight. This has been accelerated by today's consumers viewing content and ads and making purchases on a wide variety of channels and devices. To keep pace with changing consumer needs, businesses need both first-party and third-party data to power advanced analytics and obtain actionable, 360-degree views. The result is a better understanding of needs, preferences, and intent, allowing businesses to improve advertising effectiveness, boost customer lifetime value, and reduce churn.

Third-party data has long been essential for segmentation, targeting, and measurement, but ever-changing privacy measures and regulations, like the E.U.'s GDPR and the California Consumer Privacy Act, are changing the media and marketing ecosystem. In response, the industry has adapted to new ways of accessing consented data, creating unified ID, and leveraging data securely and in a privacy-safe way, for example by leveraging data clean rooms.

Third-party data originates from a variety of sources and exists in a wide range of categories, including, but not limited to:

- Online behavior (searches, social media, app usage, web traffic, geolocations)
- Media/advertising (consumption, measurement, viewership)
- Consumers (demographics, psychographics, transactions, consumer sentiment)
- Businesses (advertising, pricing, ratings and reviews, store locations)
- Events (satellite and weather, event detection)
- Aggregated data (IoT, web-crawled, B2B, open data)

By combining these third-party data sets with their own data, agencies, media companies, and game publishers can build 360-degree subscriber views to improve customer acquisition and retention, enhance personalization, refine attribution models, differentiate advertising offerings, and much more.

THREE WAYS TO UNLOCK THE HIDDEN VALUE IN YOUR DATA

To extract the most value from third-party data, organizations need to connect it to first-party data and business intelligence analytics. To illustrate this idea, here are three examples of how third-party data can improve the accuracy of ad targeting, reach more prospective customers, and optimize user experience in near real-time when it's combined with first-party data sets.

1. FACILITATE MORE-POWERFUL SEGMENTATION AND TARGETING

With the help of third-party data, advertisers can segment their audience with greater precision, creating dynamic audiences that leverage consumers' propensity to buy and intent signals instead of relying on static segments. For example, for industries such as financial services, automotive, or home care— where people move in and out of the market—having access to third-party data about which consumers are in-market at any given moment reduces wasted ad impressions, making spend more efficient.

Organizations can also use third-party data to improve their understanding of existing customers and, ultimately, their strategy for future campaigns. For example, a marketer will have purchase data from their consumers but no insight into their demographic profile, like age range and gender, or other preferences, like if they tend to shop with a competitor. By enriching their first-party purchase data with demographic data from a provider such as Acxiom, they can gain valuable insights such as their customers' household size, which they can use to optimize campaign creative and targeting.

2. INCREASE REACH

By augmenting their first-party data sets with third-party data, organizations can grow their database overall, adding new, high-value prospects to campaigns. Consider the example of a company marketing a household cleaning brand. During the pandemic, it wanted to find customers online when in-store sales had dropped. By leveraging third-party purchase data from retail locations, the company built new audience segments composed of people who had bought its product before the pandemic but not since, and targeted them with online offers.

The practice of using third-party data to scale audiences is especially important for categories where the scale of first-party data collection is limited. Consider a TV manufacturer that sells products through big box retailers or a soda brand that is sold in grocery stores. In both cases, the merchant owns the direct consumer relationship; relatively few people interact with the brand directly. By building a complete view of their customer, marketers and agencies can identify the attributes of loyal top-brand consumers and reach more like them by activating a third-party audience segment who have similar traits.

3. OPTIMIZE USER EXPERIENCE

Gaming companies are under immense pressure to drive engagement and retention by improving the player experience. This is especially true as they increase their focus on ad-supported mobile games that are free to download and play but where players are more likely to quit when they start getting bored.

To increase the "stickiness" of their games, publishers are investing in live operations (LiveOps) that optimize player experience in near real-time. In practice, this can mean increasing the number of levels players are allowed to play before encountering ad content—if the players are suspected of having a high likelihood of churning. To enable the sophisticated funnel analysis required to make real-time optimization possible, publishers can leverage third-party product intelligence and analytics sources such as Mixpanel and Amplitude on top of their first-party data (for example, data from marketing or customer support departments).

Game publishers can also leverage third-party audience segments to personalize a player's advertising experience. On top of the basic demographic information they already likely have, such as age and gender, they can layer on insights such as whether players are interested in sports or the outdoors. From there, they can serve players with personalized ads that are more likely to be interesting and engaging.

SOURCING
THIRD-PARTY DATA
CAN BE CHALLENGING

While the reasons to use third-party data are sound, the practice of sourcing it can be challenging and getting data from traditional data marketplaces can be overwhelming. How do you choose from the multitude of marketplaces? How do you get started? How do you determine which vendors are reliable, what data will be most useful, and what value each data set really holds?

These questions point to the cost, time, and effort required to find and select the best-suited third-party data. It comes down to a problem of scalability. There's no efficient process for contacting each vendor, evaluating its data, and acquiring the data.

Organizations spend enormous amounts of money staffing teams to perform this time-consuming task. Some organizations let their data scientists muddle through the data acquisition process, but this takes valuable resources away from the task they were hired to do: build data models. Other organizations use data aggregators and brokers to facilitate data marketplace transactions. This solution has advantages but doesn't address the challenges presented by reliance on traditional file sharing methodologies.

Vendors continue to employ FTP, APIs, and other file downloading techniques to transfer data, which often requires them to copy files and perform intensive engineering work to extract, transform, and load (ETL) data. Even APIs can be a burden, as developers need to maintain and troubleshoot multiple APIs from different data vendors. In addition, every API has different security and authentication methods, which puts the burden on an organization's security teams and poses potential risks. Plus, APIs are inefficient for receiving large volumes of data.

But the biggest challenge with these data sharing methods is that they result in stale data copies that are nearly impossible to securely govern. Manual transfer efforts are prone to human error, and organizations face potential security and compliance issues. Worst of all, they can be left with questionable data that results in poor analytics.

Taken together, these challenges raise the question: How can you use external data at scale without wasting time, money, and resources and without compromising on security and compliance?

SNOWFLAKE'S MEDIA DATA CLOUD
## SOLVES TRADITIONAL DATA SHARING ISSUES

If organizations could minimize time spent on building and managing ad hoc methods of data sharing, they could allocate more resources to extracting valuable insights from that data. But the numerous barriers presented by traditional data marketplaces and legacy data sharing practices must be eliminated so organizations are empowered to discover and evaluate data sources easily and combine external data with internal data for rapid analysis.

Snowflake's Data Cloud represents the modern answer for data. With its multi-clustered shared data architecture, Snowflake's platform centralizes all data in a single, secure location in the Data Cloud: the network that connects Snowflake customers, partners, data providers, and data service providers across public cloud providers and regions. It removes traditional data sharing barriers and eliminates data

silos. Organizations immediately benefit from access to secure and governed data, which can be shared within and between organizations. For business teams, this means the ability to resolve identity, enrich customer profiles, conduct attribution analysis, and more from where the data already lives, without costly extraction, storage, and integration processes and without the risks of potentially exposing PII.

DATA CLOUD IN MEDIA

THOUSANDS OF ORGANIZATIONS ARE SHARING DATA WITH THEIR ECOSYSTEM
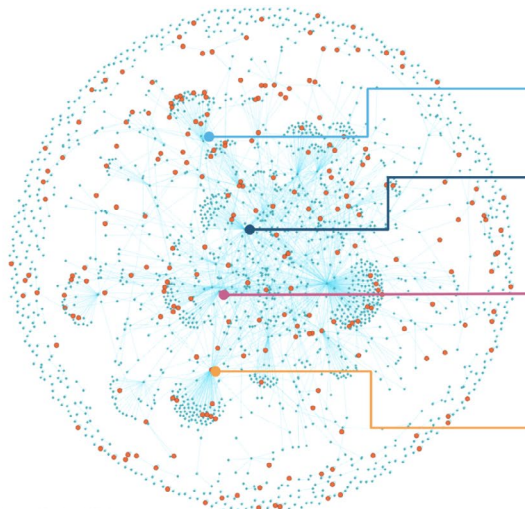
Agencies using secure data sharing with clients to drive higher campaign performance

Data providers enriching customer profiles and sharing log-level campaign data with advertisers and publishers.

Media publishers unifying their data across platforms through secure data sharing and cleanrooms

AdTech/MarTech companies sharing timely, granular insights with clients

* Visualization based on actual Data Cloud sharing activity as of July 31, 2021

That's because Snowflake is built using Snowgrid—a unique, global technology that connects regions and clouds and enables secure and governed data sharing.

With Snowgrid, you can share and access live, ready-to-query data across clouds and regions without any ETL or APIs. Anyone granted access to a data set simply references the data in a controlled and secure manner, without gaining physical custody of the data. This means that data access is revocable, enabling you to better comply with industry regulations such as the GDPR. And because any changes made to the data are done to a single version, data remains up to date for all data consumers who have access, without any latency or contention due to concurrent users.

With first-, second-, and third-party data unified in the Data Cloud, shared data can be instantly combined with existing data. Data is available in ready-to-query formats without replication, transformation, or processing. Data analysis delays become a problem of the past.

And, with its cloud-agnostic architecture, Snowflake enables seamless and immediate access to all shared data, regardless of cloud infrastructure, geographic location, or cloud provider (AWS, Azure, or Google Cloud Platform). Snowflake Secure Data Sharing even lets organizations share data with companies that don't yet have a Snowflake account, making it a global and inclusive feature.

COLLABORATION | DATA ENGINEERING | CYBERSECURITY | DATA SCIENCE & ML | APPLICATIONS

DATA WAREHOUSE   DATA LAKE   UNISTORE

DATA
Unstructured
Semi-Structured
Structured
Streaming

CROSS-CLOUD SNOWGRID

snowflake®

INTELLIGENT INFRASTRUCTURE

ELASTIC PERFORMANCE ENGINE

OPTIMIZED STORAGE

OUTCOMES
Insights
Predictions
Monetization
Data Products

SNOWFLAKE MARKETPLACE:
READY-TO-USE DATA AND DATA SERVICES

Data consumers can now access live, ready-to-query third-party data and data services in Snowflake Marketplace. Rather than wasting time hunting for vendors and downloading stale data, data consumers can use Snowflake to easily evaluate and access live external data in a secure and compliant manner that is virtual instantaneous, and practically frictionless.

Without the burden of data transformation, integrating external data with your existing data becomes fast and seamless. Data analysis can begin right away. You can use enrichment services to improve the quality of your own data without having to copy and transform data, which is time-consuming and can pose security and compliance challenges. Instead, Snowflake Marketplace enables you to share slices of your data with a data provider who then can securely share the enriched and augmented data back directly into your Snowflake account.

Whether you use external data to augment data sets for improved business analytics or to help train AI and machine learning (ML) models for data science, the advantages of Snowflake Marketplace are clear.

- **Ease of discovery:** Benefit from a single place to access a wide variety of data sets that can be queried, joined with internal data, used in data modeling, or added to BI tools—all with speed and ease

- **Live, up-to-date data:** Never worry about stale data again; without any manual intervention or scheduling, all updates by the third-party data provider are immediately reflected in your data sets

- **Reduced costs:** Eliminate unnecessary data analytics expenses around data loading, transformation, and API integration and management. Because there's no data movement (only data access), you also don't pay storage costs for third-party data

- **Personalization:** Request personalized, secure data feeds that are customized to your specific data needs.

- **Enriched internal data:** Use enrichment services to improve the data quality of your own data by securely sharing slices of your data with providers.

- **Global access:** Receive fast access to third-party data hosted on any major cloud provider.

BECOME AN EMPOWERED
DATA CONSUMER TODAY

With Snowflake Data Marketplace, the ability to securely access and quickly combine data from third-party sources makes ad targeting more powerful, increases reach, and optimizes user experience.

Discover for yourself the difference Snowflake Marketplace makes. Go to **snowflake.com/ marketplace** to get started. You can explore the many varieties of data sets and data providers—from demographic and purchase data to identity and product intelligence—and start querying data immediately.

Only one question remains: Are you ready to extract more value from your first-party data?

ABOUT SNOWFLAKE

Snowflake enables every organization to mobilize their data with Snowflake's Data Cloud. Customers use the Data Cloud to unite siloed data, discover and securely share data, and execute diverse analytic workloads. Wherever data or users live, Snowflake delivers a single data experience that spans multiple clouds and geographies. Thousands of customers across many industries, including 573 of the 2022 Forbes Global 2000 (G2K) as of January 31, 2023, use Snowflake Data Cloud to power their businesses. Learn more at **snowflake.com**