

Zeroing In

What Zero-Party Data Is and Why You Need It



Introduction

A quarter-century of cookie-based online advertising is coming to an end. We've seen many changes in the last few years, from the introduction of international privacy guidelines like GDPR and CCPA, to Google's announcement that it would – eventually – stop supporting third-party cookies, to Apple's announcement that it would – abruptly – phase out its mobile Identifier for advertisers.

This evolution has been a meandering trail with many curves and loops. Some changes were unexpected, others were well-telegraphed, and others have been postponed repeatedly. It is clearly an evolution and one that healthcare marketers must understand and evolve with. The information we communicate is too important for us to fall behind on the best ways to reach the people who need it.

While Forbes has said the changes have been sending “waves of panic through the marketing industry,” AdAge calls this “a watershed moment for the digital ad industry to reinvent itself”.

At Sharecare, we agree. This is a time of opportunity for healthcare advertisers. It's our chance to refocus our efforts to reach people – especially patients, and prospective patients – with more specificity, surety, sensitivity, and efficiency than ever before.

Never before has self-reported data been more important in reaching patients and caregivers with important messaging they can trust, through channels they can trust.

That's what we mean when we talk about **“Zero-Party data.”** Let's explain exactly what that is and why it matters more than ever today.

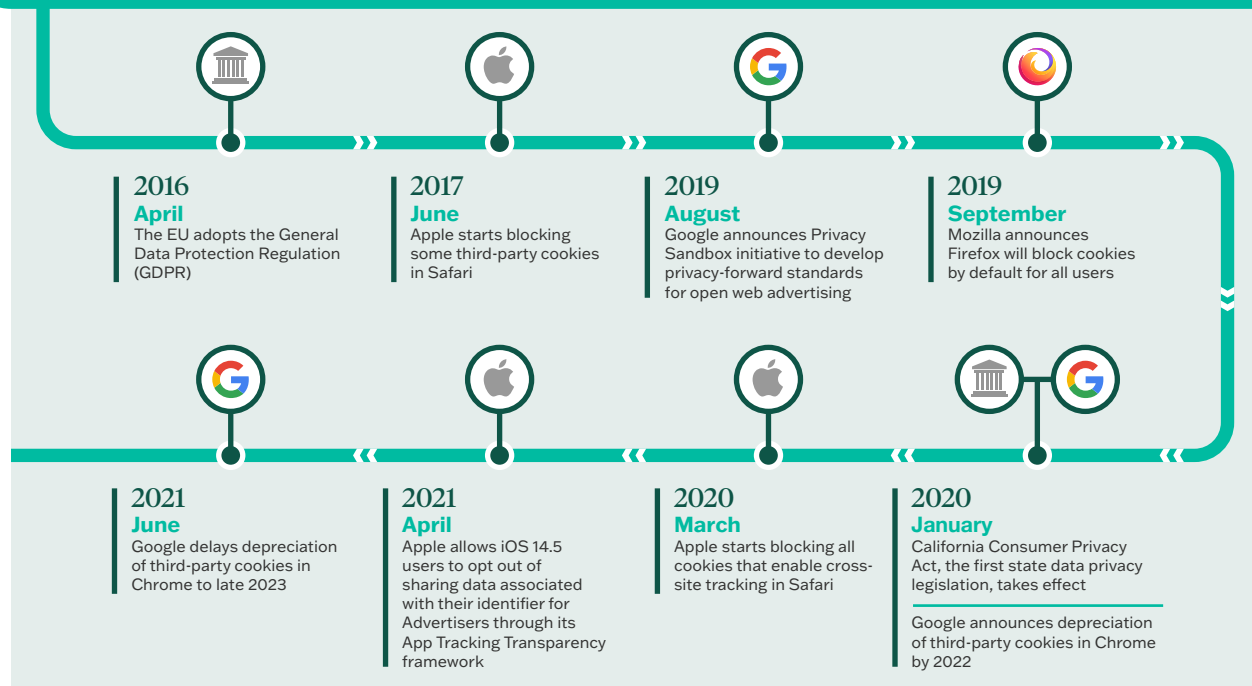


The Only Constant Is Change

The word “cookieless” has been used, over the past half-decade, more times than anyone could count. (We’ve also seen “cookiepocalypse,” which at least makes for a nice change?) But, of course, the world isn’t quite cookieless yet. (On Sesame Street, a blue monster breathes a sigh of relief.)

As we mentioned, it’s been a long road. This timeline from Insider Intelligence and eMarketer tells the story well:

Major Events in the Ongoing Depreciation of Third-Party Identifiers



Source: Apple, California Office of Attorney General, European Data Protection Supervisor, Google, Mozilla

INSIDER INTELLIGENCE | eMarketer

Since this timeline was published, Google again pushed back its phase-out, now to the second half of 2024. And Apple, after its moves to amp up both its app and browser restrictions, seems to be developing its own advertising capabilities: limiting the abilities of what will soon be its direct competitors

As the saying goes, the only constant is change.



What's Better Than First?

Explaining Zero-Party Data

Third-Party data involves, as you might guess, a third party. It's collected and stored by someone other than the property the user is interacting with.

First-Party data, however, is collected and stored by that property. It could be information about where the user goes on a website, or what emails they've opened, for example.

“Zero-Party data is that which a customer intentionally and proactively shares with a brand. It can include preference center data, purchase intentions, personal context, and how the individual wants the brand to recognize [them].”
- Salesforce

In case you are wondering, yes there is **Second-Party data**. It comes from having a partnership with someone who collects 1st Party data. Think sporting goods website selling their data to clothing retailers to help them target audiences interested in workout clothing.

What we now call **Zero-Party data** was once lumped in with the larger definition of **First-Party data**, but as you can see, it's really quite different.

The Sharecare Data Difference

Competitive Data Sources 1st, 2nd & 3rd Party Data	Sharecare Data Zero-Party Data
Inferred	Intentionally Provided
Reliance on Demographics, Geographic, Contextual & Behavior	“Comprehensive Health Profile”
Historical	Real-Time
Not Always Permission Based	100% Opted-In
Unverified	PII Verified by Multiple Sources
General	Granular

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What's Better Than First?

Explaining Zero-Party Data

Imagine your friend introduces you to Alexis at a party . . .

Third-Party data is when the party organizer tells you Alexis is likely to play tennis because they have purchased items in a sporting goods store in the past. Interesting!

First-Party data is what you observe when you get to the party: Alexis is wearing a t-shirt for a local tennis league. Confirmation, right?

Zero-Party data is what you learn when you're chatting: Alexis doesn't actually play tennis at all; Alexis is married to someone who does. Oops!



Zero-Party data is information someone volunteers to you during a personalized interaction. It isn't inferential, based on what you or others have seen them do or say; it's information they're specifically disclosing, specifically to you.

In a time when cookie targeting is being phased out, and consumers are increasingly prioritizing privacy, consent, AND personalization – a tricky trifecta – **Zero-Party data** matters more than ever.

The Tricky Trifecta

Balancing Competing Consumer Preferences

Let's talk briefly about that tricky trifecta:



Privacy



Consent



Personalization

Research into personalization demonstrates a few things that we all (as members of the public ourselves) intuitively probably already realize:

- Almost every company attempts to personalize their marketing efforts (the difference is in the degree).
- Consumers are more engaged with brands that offer better personalization.
- Data privacy continues to be top-of-mid for consumers. Over-personalization can lead to privacy concerns.

However, in stats compiled by LXA (formerly the MarTech Alliance), we can also confirm that most consumers are concerned about their data privacy, as well as that of others, and they want more control over it.

In a recent survey that we conducted of more than 4,300 consumers, we learned a few more interesting pieces of information that validate and expand on this knowledge.

First, the majority of respondents agreed that advertising is what allows publishers to create content and make it available on a free and open internet.

61% of health site visitors understand this value proposition.



Visitors to health sites are more likely to accept being targeted with ads to get that valuable content.

24%

visitors to health sites

visitors to non-health sites

1 in 4

people with a chronic health condition clear cookies regularly.



To quote a recent article in Digiday, “[New approaches] must root their source of truth in a direct, transparent value exchange with the consumer.... [C]onsumers must see enough value to disclose their data and agree to its use.”

Privacy, consent, and personalization are indeed a tricky balancing act. But **Zero-Party data**, uniquely, keeps them all in the air.

The Zero-Party Difference

The Proof Is in Performance

Zero-Party data is much more than a trending topic or a catchy new phrase: it's a proven force multiplier. Because, at Sharecare, we've been masters of **Zero-Party data** since 2010, we have the evidence to show what a difference it can make.

Why Zero-Party Data Matters

Sharecare Campaign Performance Using ID-Based Zero-Party Targeting vs. Cookies

In recent campaigns for rare disease and chronic condition brands, performance in Audience Quality, measured by third parties, saw significant increases when using **Zero-Party** ID-based targeting vs. cookies alone*

Rare Disease

+63%

+25%

Psoriatic Arthritis

Rheumatoid Arthritis

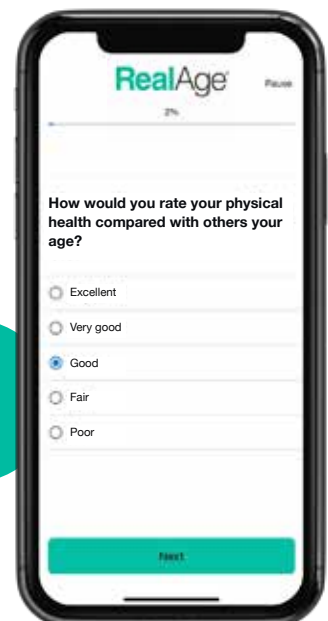
+23%

+23%

Psoriasis

*Audience Quality source: Veeva Crossix, Symphony Health, pre and post ID-based targeting

The power of our data lies in the quality and engagement of our audience. Our 100+ question RealAge test is a unique, comprehensive, consistent tool that analyzes, in great detail, a multitude of health and lifestyle parameters. Our real-time profiling abilities work nimbly to find target audiences and offer them specific resources.



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The Zero-Party Difference

The Proof Is in Performance

Quotes from Sharecare client and agency partners:

“ We are thrilled that Sharecare delivered for us, and achieved a terrific number of on-site high-value actions. ”

“ Sharecare [had] the strongest performance, with the highest audience quality ranking... and had the lowest cost-per-target ranking among programs in the comparison. ”

“ Sharecare has more gross conversions than all the other partners combined. ”

“ We see most of our endemic partners delivering around a 2x+ targeting multiple. Sharecare is at a targeting multiple of 6. ”



Conclusion

“Rather than mourning the demise of the Third-Party cookie, publishers should instead be looking at how the industry can re-architect ad technologies ”

- What's New in Publishing

We are entering “a new ecosystem rooted in trust where it’s clear to consumers what is happening,” as Travis Clinger, LiveRamp VP of global strategy and partnerships, said in an interview with Ad Exchanger. And for some, who still haven’t yet explored their options, as Social Media Week noted, “this means developing an entirely new approach to advertising.”

As marketing strategy consultant Ben Jacobson put it in an op-ed for TheNextWeb: *“The truth is, for the most part, programmatic retargeting and personalized ads that relied on cookie data have failed to live up to their own hype. ... [Success requires] a community that meaningfully engages with audience members and harnesses their support and willing cooperation. Gaining a rich view of the customer depends strongly on user feedback, reviews, surveys, and other information provided voluntarily.”*

At Sharecare, we’ve known this for more than a decade. Our **Zero-Party data** fuels not only our proven performance, but the profound level of trust with which patients honor us. Our consumers are at ease and understand the inherent value exchange in our business model, as we regularly confirm in surveys. Because the users volunteering their information are active, informed, and empowered participants, it should come as no surprise that campaigns that rely on this information enjoy stellar performance.





Sharecare is the leading digital health company that helps people – no matter where they are in their health journey – unify and manage all their health in one place. Our comprehensive and data-driven virtual health platform is designed to help people, providers, employers, health plans, government organizations, and communities optimize individual and population-wide well-being by driving positive behavior change. Driven by our philosophy that we are all together better, at Sharecare, we are committed to supporting each individual through the lens of their personal health and making high-quality care more accessible and affordable for everyone.



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