A Mailjet Research Study

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Marketers Plan to Shift to New Marketing Channels Post ePrivacy

The Research

In March 2018, <u>Mailjet</u> commissioned a new piece of research conducted by Morar Consulting to understand the effect that ePrivacy will have on marketing strategies and ROI following it's implementation. The professional survey was taken by 400 marketers and marketing decision makers from both B2B and B2C companies across the UK and France.

Executive Summary

New research reveals that 'cookie law' could see brands lose more than 40% of web traffic.

GDPR is not the only new regulation on the minds of Marketers in the UK.

A new international study commissioned by email service provider Mailjet has found that Marketers plan to shift to new marketing channels post ePrivacy.

91% of marketers expect that the implications of ePrivacy will directly cause a loss in global web traffic. Likely more concerning for marketers, is the decreased ability to extensively track the actions users take on their website. With 31% of marketers in the UK stating that the most important information they collect via cookies is Google Analytics data, there is good reason to be worried.

As marketers look to find new means of procuring data, they are instinctively looking to change their channel priorities. 30% plan to reduce the amount of cookie-based display, paid search and retargeting they carry out while 79% of marketers predict they will use email marketing more as a channel post ePrivacy.

Surprisingly, despite the potential fallout, overwhelmingly marketers feel ePrivacy will be a good thing for their company in the long term. Marketers will rely less on tactics like retargeting ads and build more qualitative data insights to build campaigns that resonate with new consumers (57%).

Have you thought about how ePrivacy and GDPR will affect your business?

Marketers clearly understand the difference between ePrivacy & GDPR

Do you feel you have a good understanding of the difference between GDPR and ePrivacy?

15%

85%

Yes
They are broadly the same thing
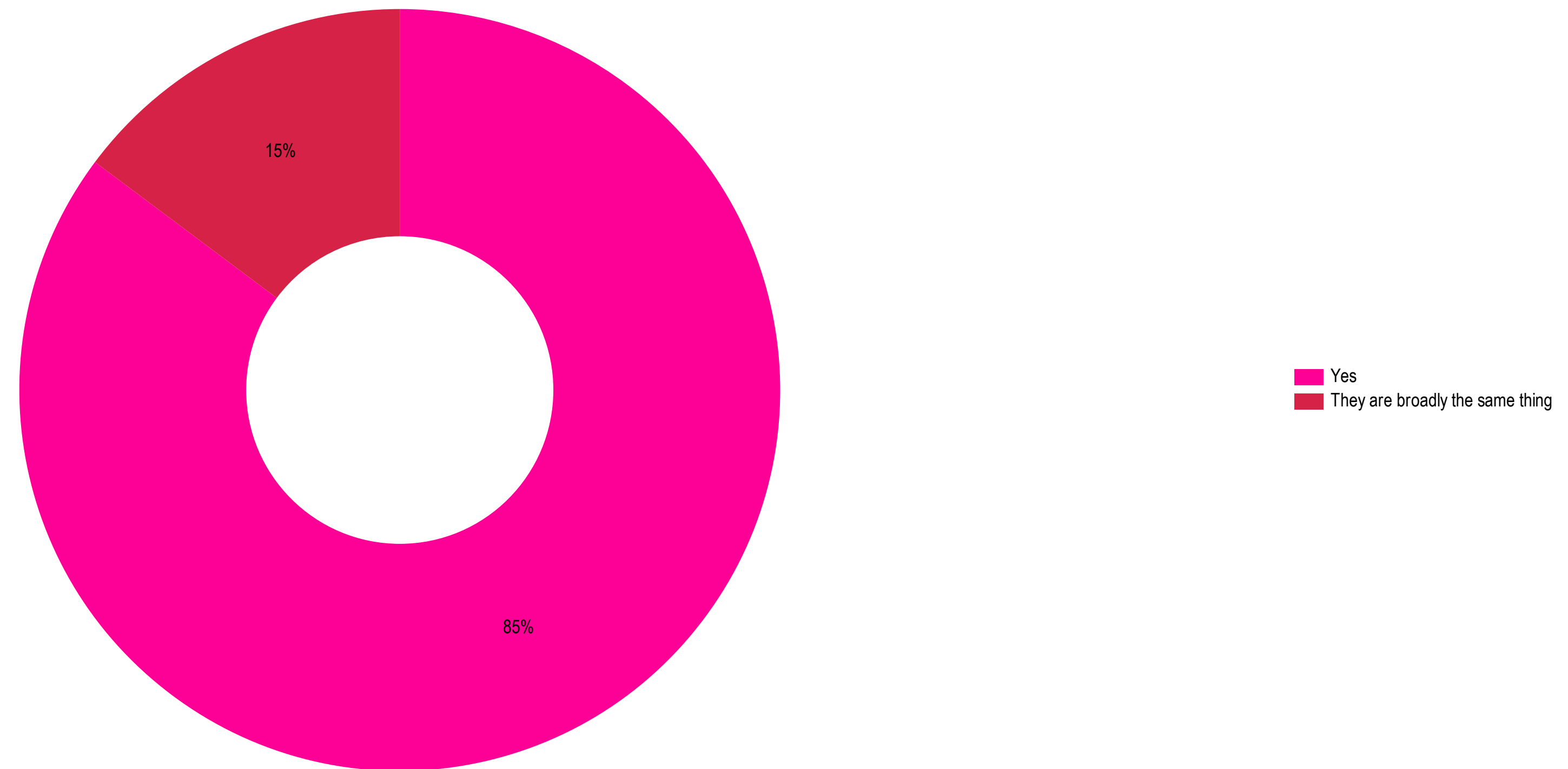
85% of marketers are confident they know the difference between ePrivacy and GDPR.

*Data from UK & France

Top reason Marketers use cookies: advertising

For what purpose do you currently use cookies for on your company website?

Category	Percentage
Advertising Solutions (ex. Display Ads, Paid Search, Re-targeting)	63%
Google Analytics	55%
Storing Customer Information (ex. Address, Phone Number, Payment Information)	55%
Storing Customer Log-in	48%
Saving Shopping Carts or Wish Lists	42%
Product Recommendations	34%
Other (please specify)	1%
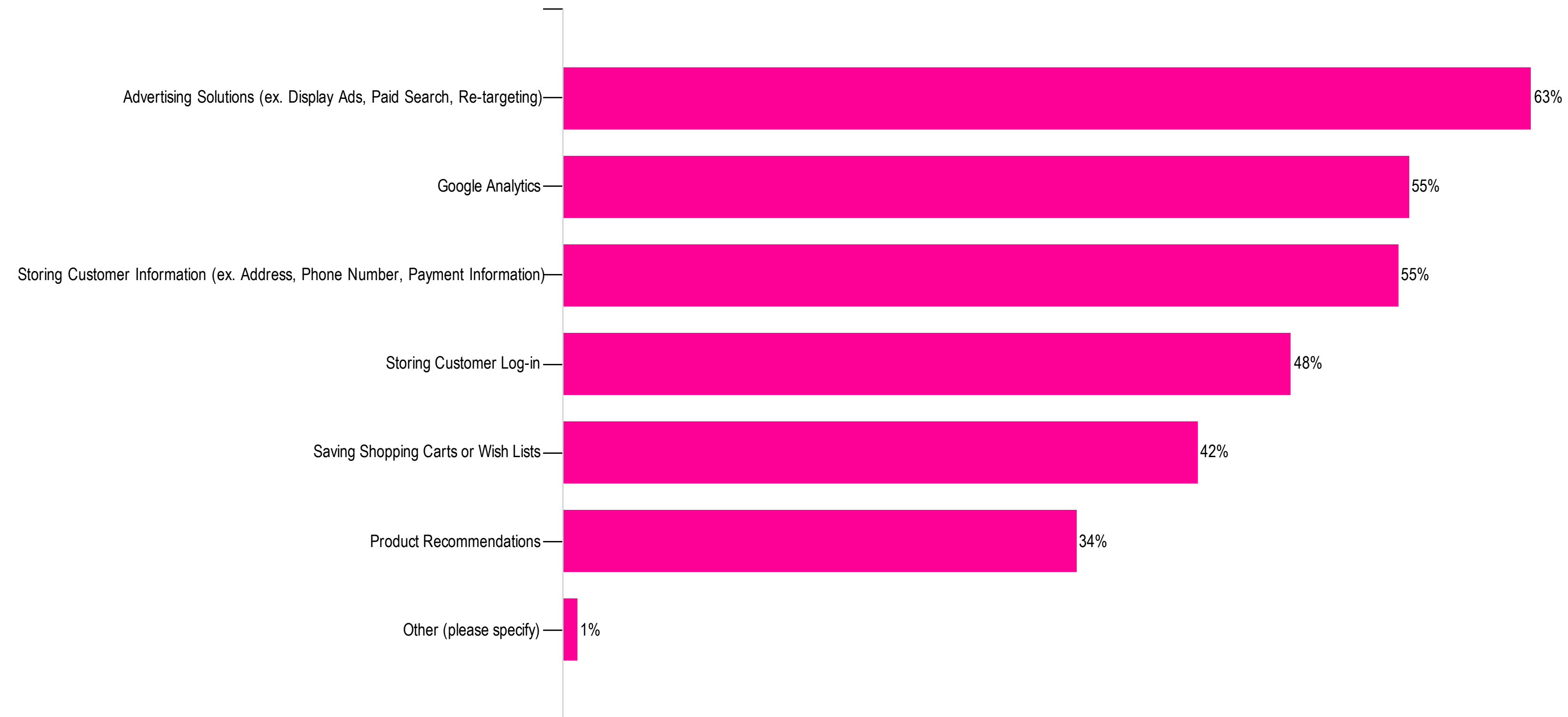
93% of companies are still using cookie-based advertising to reach their customers.

*Data from UK & France

Google Analytics data collected via cookies is critical to Marketers
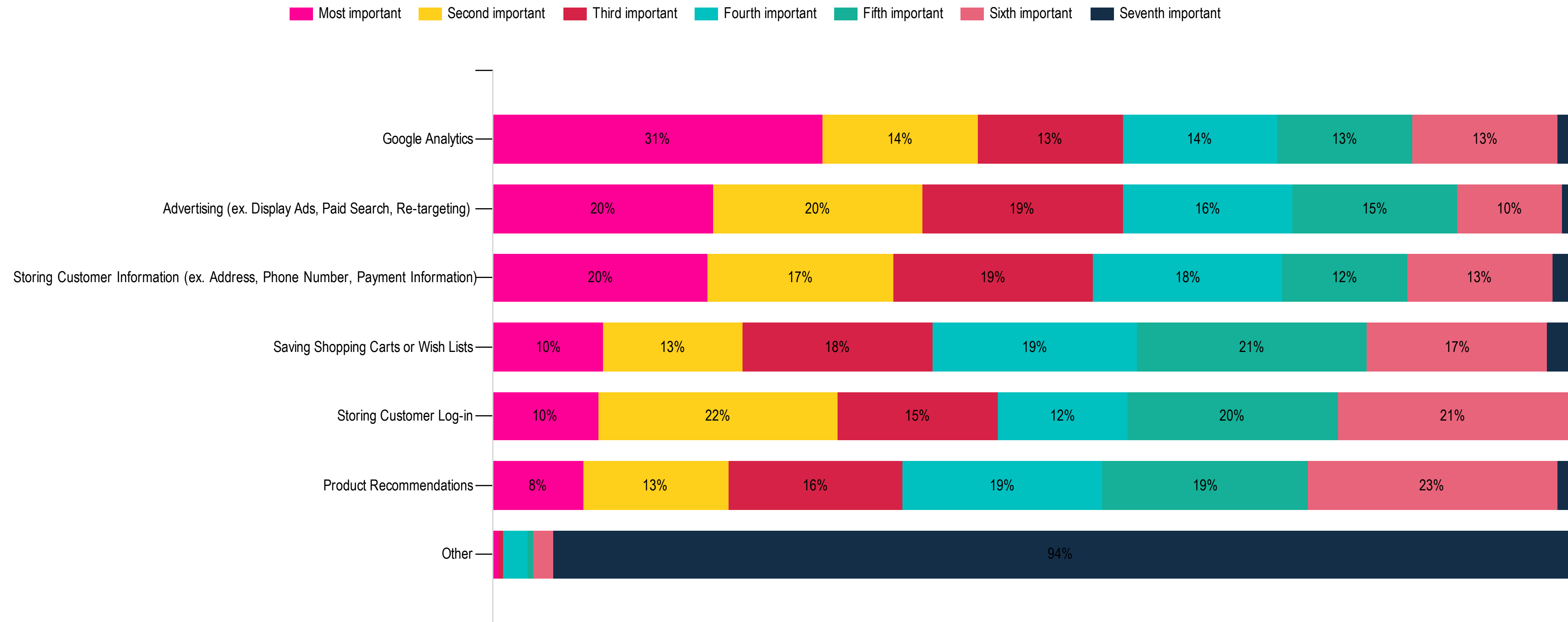
Which cookie information is the most important for you in order to conduct business?

Legend: ■ Most important ■ Second important ■ Third important ■ Fourth important ■ Fifth important ■ Sixth important ■ Seventh important

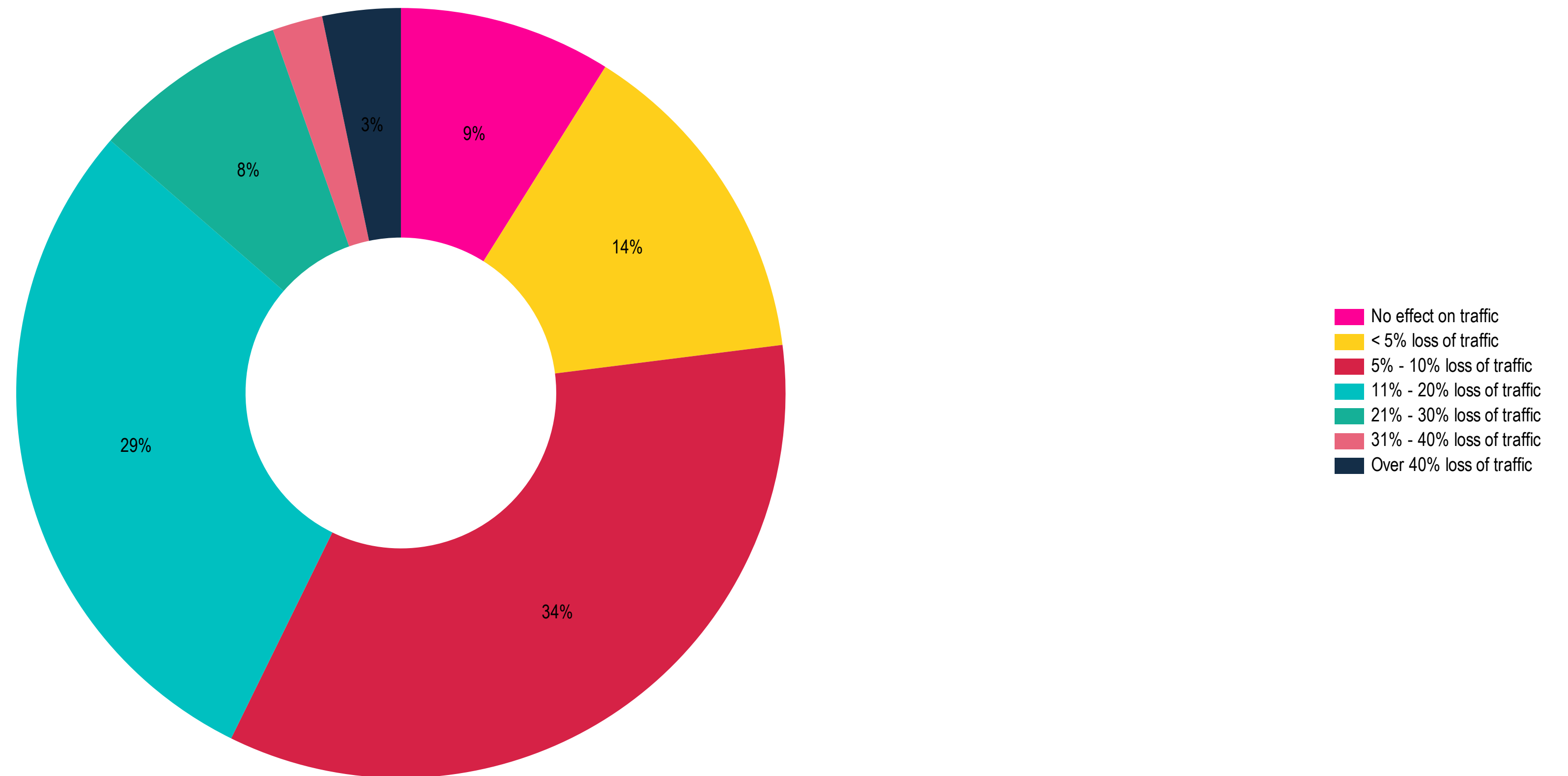| Category	Most	Second	Third	Fourth	Fifth	Sixth
Google Analytics	31%	14%	13%	14%	13%	13%
Advertising (ex. Display Ads, Paid Search, Re-targeting)	20%	20%	19%	16%	15%	10%
Storing Customer Information (ex. Address, Phone Number, Payment Information)	20%	17%	19%	18%	12%	13%
Saving Shopping Carts or Wish Lists	10%	13%	18%	19%	21%	17%
Storing Customer Log-in	10%	22%	15%	12%	20%	21%
Product Recommendations	8%	13%	16%	19%	19%	23%
Other						94%

31% of marketers in the UK stating that the most important information they collect via cookies is Google Analytics data.

*Data from UK

ePrivacy will cause a loss in Web Traffic

Under ePrivacy, when entering a website, if users have not already set their cookie consent preferences in their internet browser, they will encounter a pop-up window which blocks access to the site until they have either accepted or rejected cookie consent.

By how much do you believe that such a pop-up window could affect the traffic to your website?

- No effect on traffic
- < 5% loss of traffic
- 5% - 10% loss of traffic
- 11% - 20% loss of traffic
- 21% - 30% loss of traffic
- 31% - 40% loss of traffic
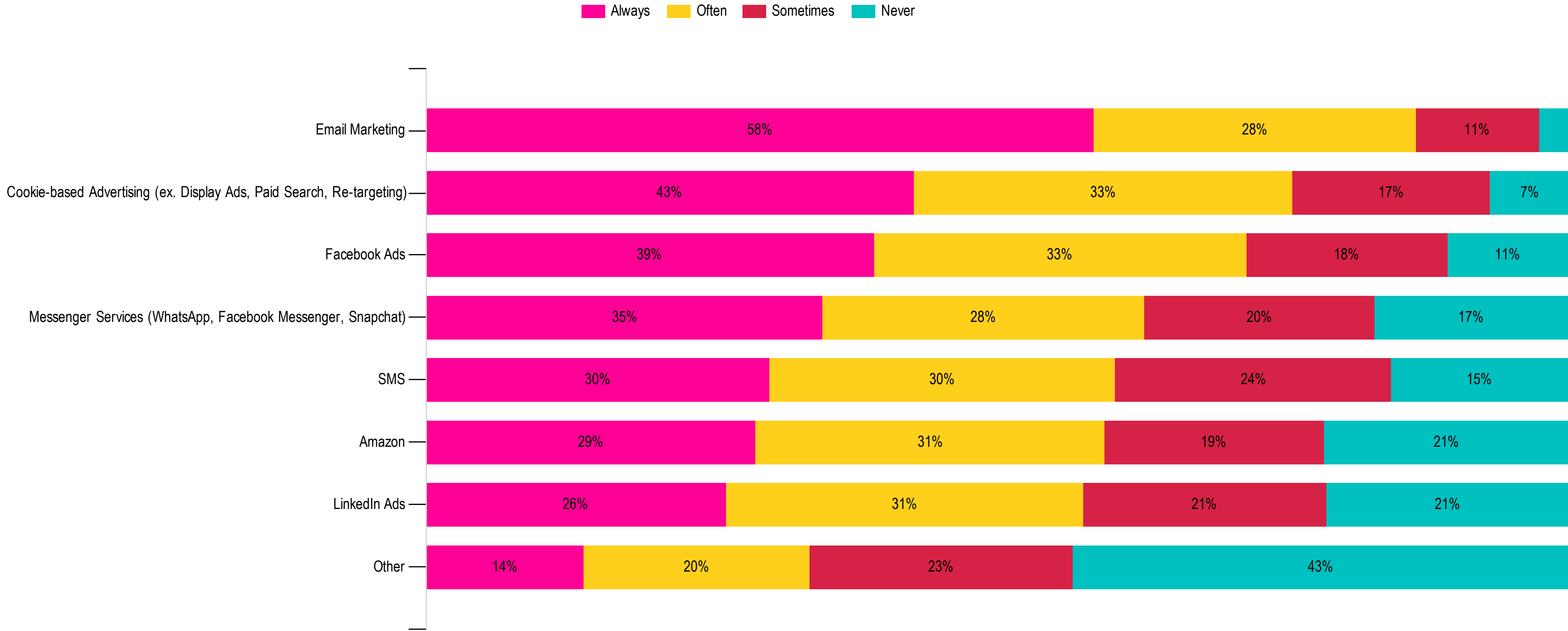- Over 40% loss of traffic

91% of marketers expect implications of ePrivacy to directly cause a loss in global web traffic, although 57% anticipate that this drop will be 10% or less.

*Data from UK & France

Email is the top channel to reach customers

Currently, how often do you use the following marketing channels to reach your customers?

Legend: **Always** **Often** **Sometimes** **Never**

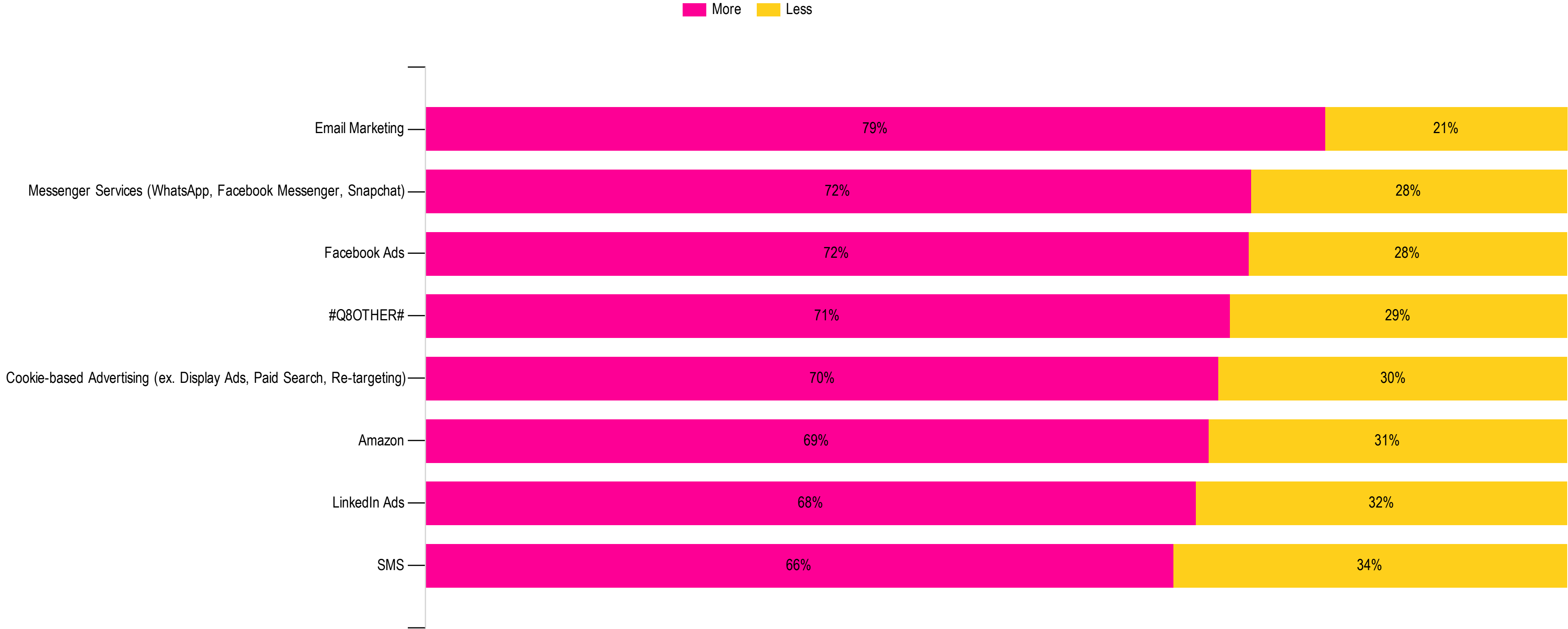| Channel	Always	Often	Sometimes	Never
Email Marketing	58%	28%	11%	
Cookie-based Advertising (ex. Display Ads, Paid Search, Re-targeting)	43%	33%	17%	7%
Facebook Ads	39%	33%	18%	11%
Messenger Services (WhatsApp, Facebook Messenger, Snapchat)	35%	28%	20%	17%
SMS	30%	30%	24%	15%
Amazon	29%	31%	19%	21%
LinkedIn Ads	26%	31%	21%	21%
Other	14%	20%	23%	43%

Currently, 58% of respondents state they use direct marketing always and 60% report they 'often' use SMS communications.

*Data from UK & France

Email the go-to channel post ePrivacy

Following the implementation of ePrivacy and the restrictions on collecting cookie data, do you plan to use these same channels more or less?

■ More ■ Less

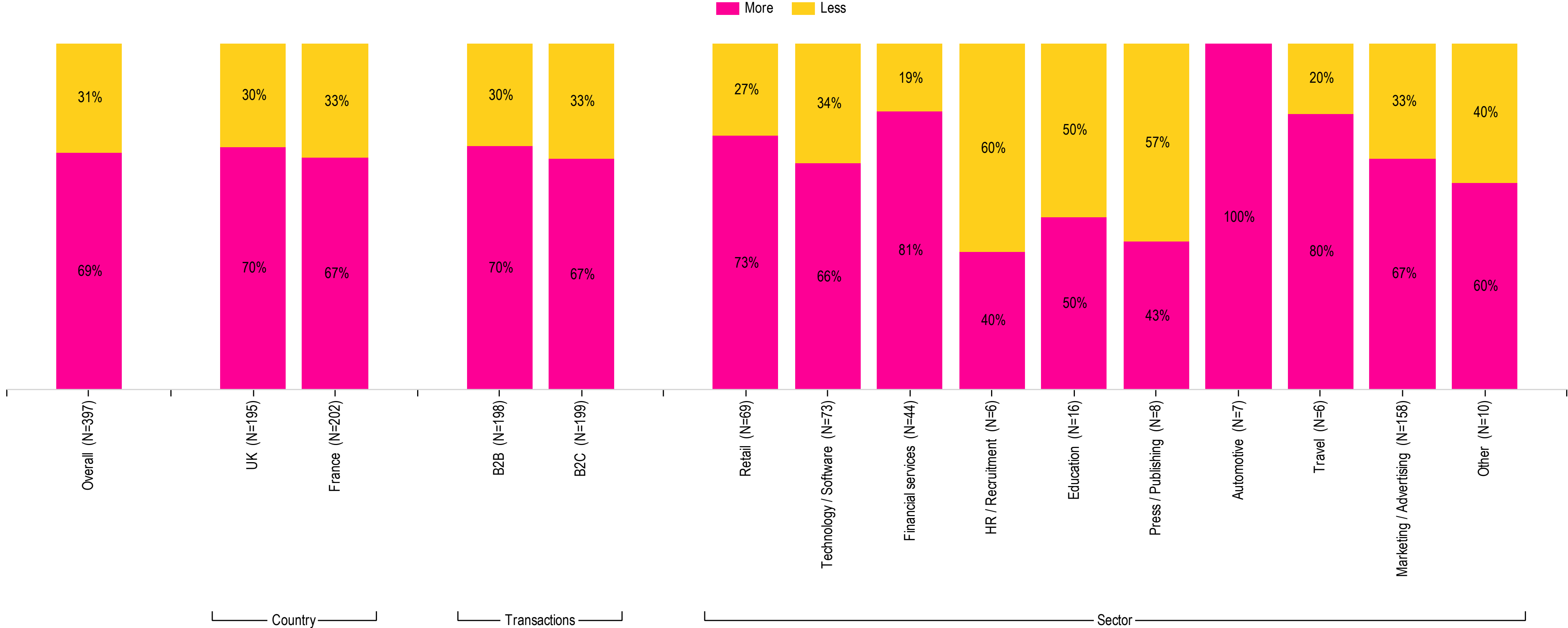| Channel	More	Less
Email Marketing	79%	21%
Messenger Services (WhatsApp, Facebook Messenger, Snapchat)	72%	28%
Facebook Ads	72%	28%
#Q8OTHER#	71%	29%
Cookie-based Advertising (ex. Display Ads, Paid Search, Re-targeting)	70%	30%
Amazon	69%	31%
LinkedIn Ads	68%	32%
SMS	66%	34%

79% of marketers predict they will use email marketing more as a channel post ePrivacy.

*Data from UK & France

B2C Marketers will increasing interest in Amazon

AMAZON: Following the implementation of ePrivacy and the restrictions on collecting cookie data, do you plan to use these same channels more or less?

■ More ■ Less

	More	Less
Overall (N=397)	69%	31%
UK (N=195)	70%	30%
France (N=202)	67%	33%
B2B (N=198)	70%	30%
B2C (N=199)	67%	33%
Retail (N=69)	73%	27%
Technology / Software (N=73)	66%	34%
Financial services (N=44)	81%	19%
HR / Recruitment (N=6)	40%	60%
Education (N=16)	50%	50%
Press / Publishing (N=8)	43%	57%
Automotive (N=7)	100%	
Travel (N=6)	80%	20%
Marketing / Advertising (N=158)	67%	33%
Other (N=10)	60%	40%

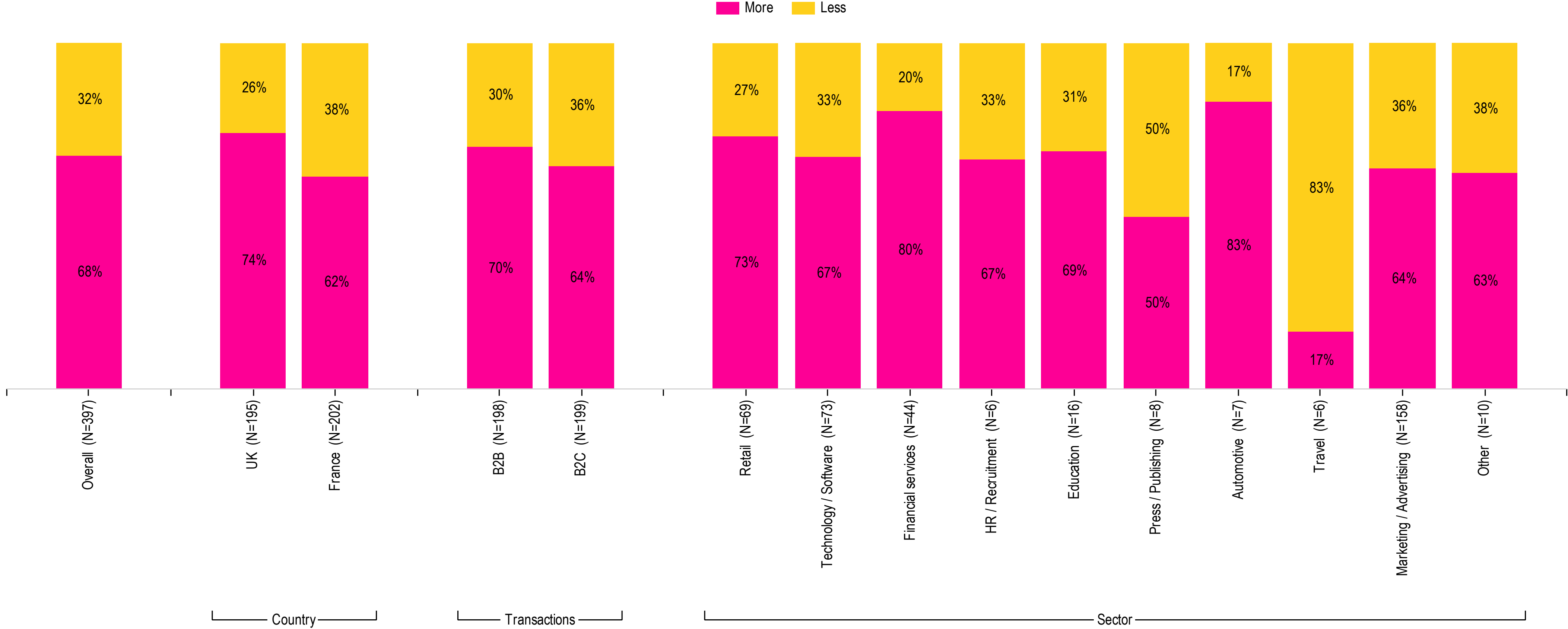Country — Transactions — Sector

Over two thirds (67%) of B2C marketers state they will use Amazon more.

*Data from UK & France. Specifically for Amazon.

B2B Marketers will interest in LinkedIn Ads

LINKEDIN ADS: Following the implementation of ePrivacy and the restrictions on collecting cookie data, do you plan to use these same channels more or less?

■ More ■ Less

| Category	More	Less
Overall (N=397)	68%	32%
UK (N=195)	74%	26%
France (N=202)	62%	38%
B2B (N=198)	70%	30%
B2C (N=199)	64%	36%
Retail (N=69)	73%	27%
Technology / Software (N=73)	67%	33%
Financial services (N=44)	80%	20%
HR / Recruitment (N=6)	67%	33%
Education (N=16)	69%	31%
Press / Publishing (N=8)	50%	50%
Automotive (N=7)	83%	17%
Travel (N=6)	17%	83%
Marketing / Advertising (N=158)	64%	36%
Other (N=10)	63%	38%

Country — Transactions — Sector

70% of B2B marketers perceive their spending on LinkedIn ads will increase as a direct result of ePrivacy.

*Data from UK & France. Specifically for LinkedIn Ads.

Buying third-party data still common practice

Third-party data is information (usually purchased) about consumers with whom you don't have a direct relationship with. Third-party data is acquired from data sales houses or other large site and system operators.

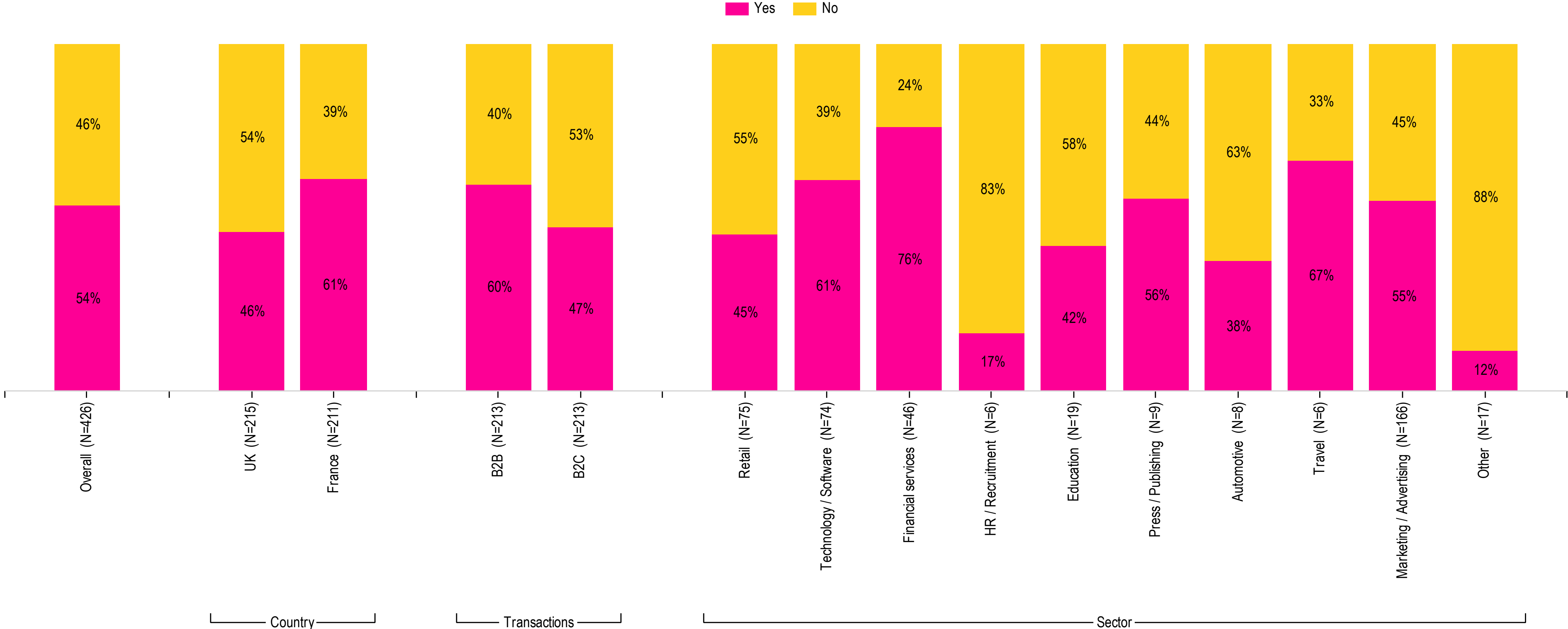## Do you currently purchase third-party customer data?

46%

54%

- Yes
- No
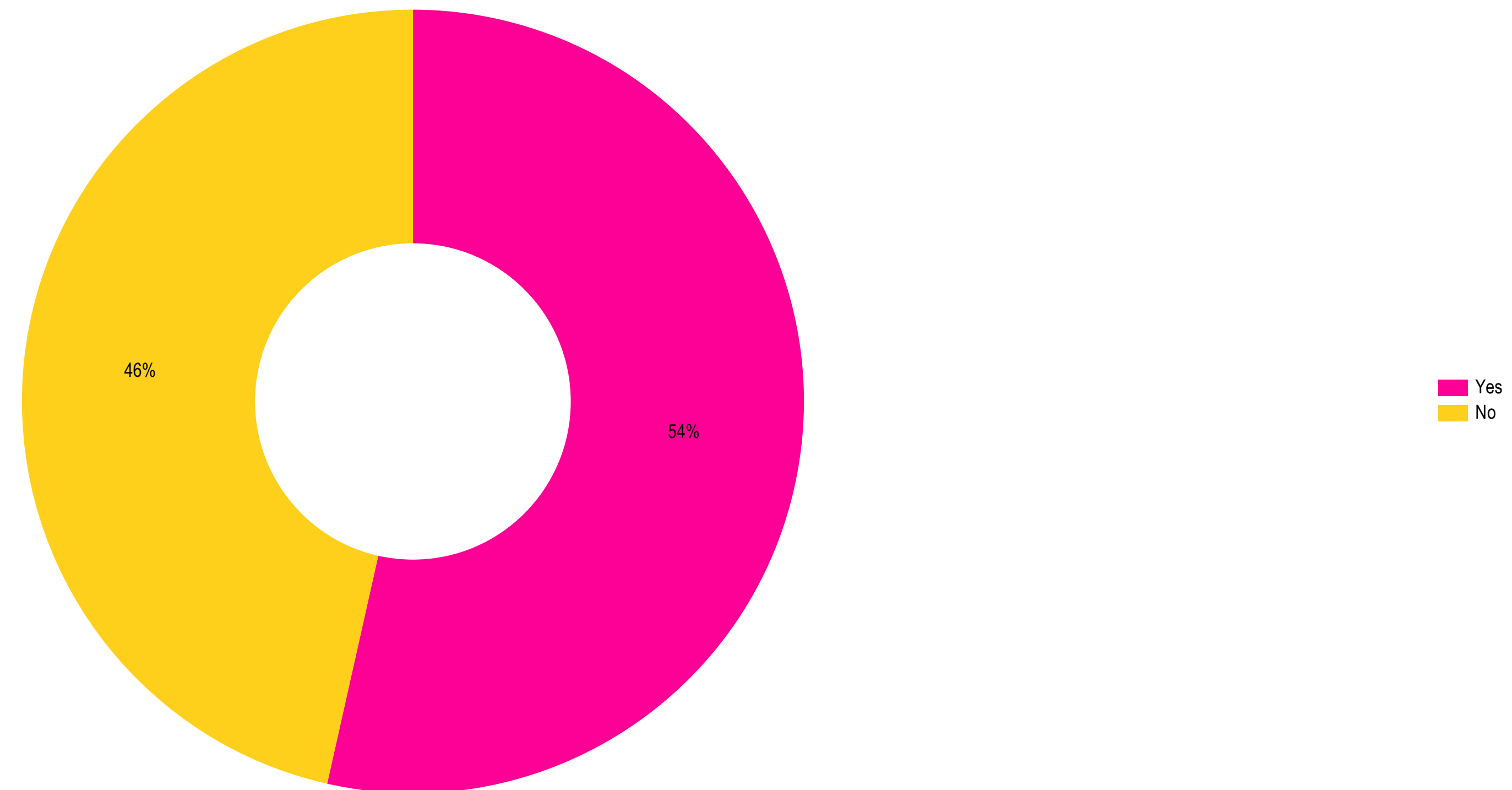
More than half of marketers 54% admit they currently purchase lists of third-party data from data sales houses or other large site and system operators.

*Data from UK & France

Practice differs between B2B vs B2C

Third-party data is information (usually purchased) about consumers with whom you don't have a direct relationship with. Third-party data is acquired from data sales houses or other large site and system operators.

Do you currently purchase third-party customer data?

Legend: ■ Yes (pink) ■ No (yellow)

Category		Yes	No
Overall	Overall (N=426)	54%	46%
Country	UK (N=215)	46%	54%
	France (N=211)	61%	39%
Transactions	B2B (N=213)	60%	40%
	B2C (N=213)	47%	53%
Sector	Retail (N=75)	45%	55%
	Technology / Software (N=74)	61%	39%
	Financial services (N=46)	76%	24%
	HR / Recruitment (N=6)	17%	83%
	Education (N=19)	42%	58%
	Press / Publishing (N=9)	56%	44%
	Automotive (N=8)	38%	63%
	Travel (N=6)	67%	33%
	Marketing / Advertising (N=166)	55%	45%
	Other (N=17)	12%	88%

The practice is marginally (15%) more common in France than the UK, however it has become almost routine among B2B respondents from the financial services sector (76%) and technology sector (61%).

*Data from UK & France

Sales & Marketing both use third-party lists

For what reason(s) do you purchase third party customer data?

Marketing campaigns — 75%

Sales prospecting — 70%
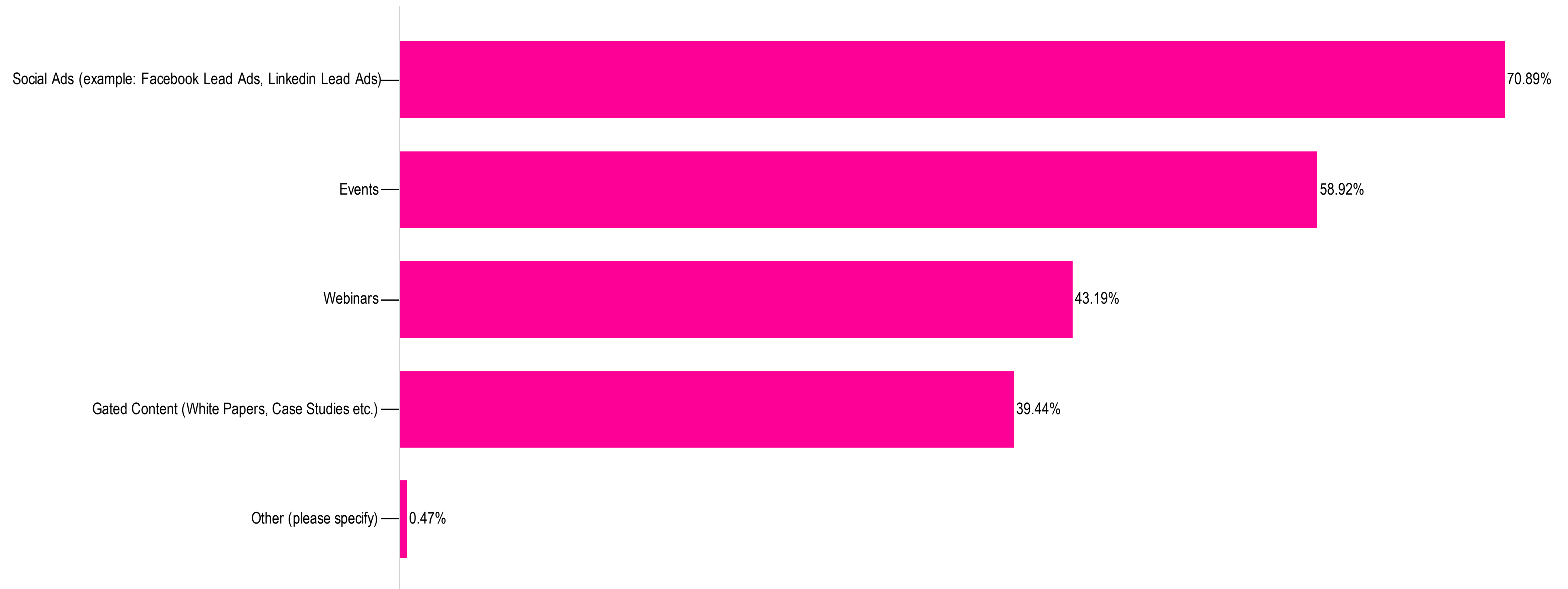
Other (please specify) —

Predominantly brands buy lists for both sales prospecting (70%) and marketing campaigns (75%), a practice which puts them at risk of breaching various GDPR requirements, i.e. the principle of transparency, use of data without clear consent or other legal basis.

*Data from UK & France

Social Ads to become a new Lead Generation method

What methods do you plan to use in the future to increase your base of potential prospects (without purchasing Third Party Data)?

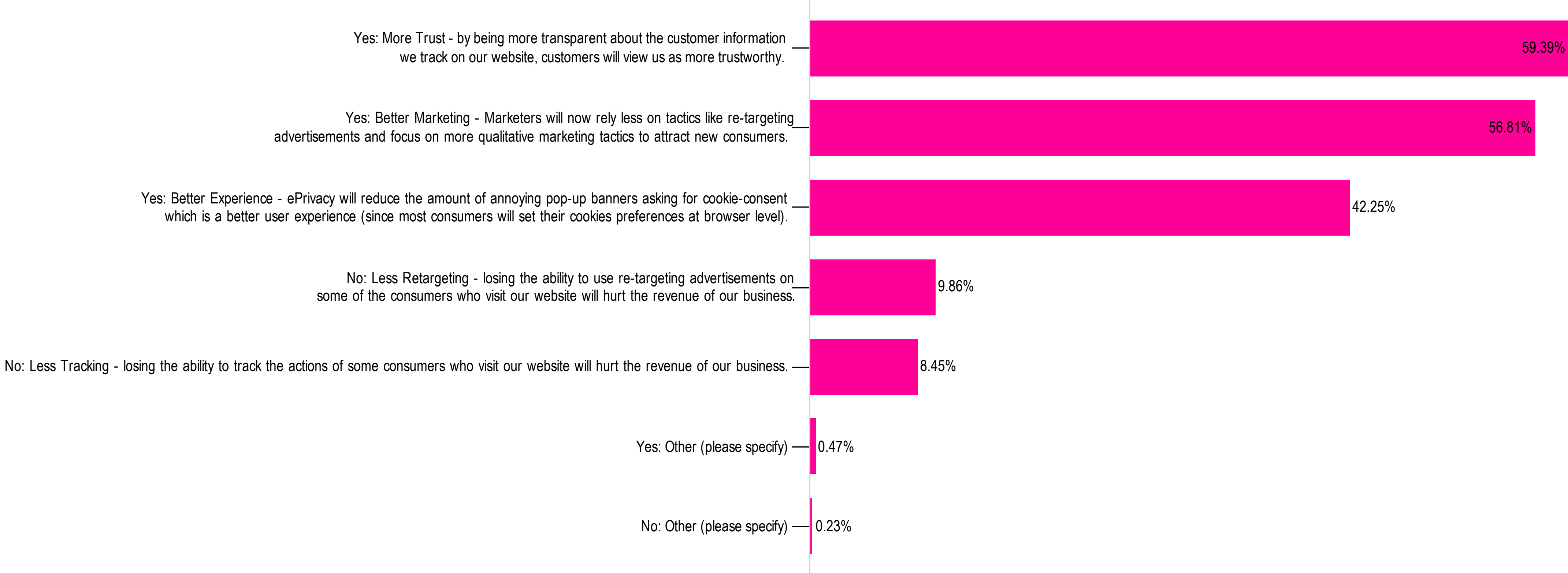| Method	Percentage
Social Ads (example: Facebook Lead Ads, Linkedin Lead Ads)	70.89%
Events	58.92%
Webinars	43.19%
Gated Content (White Papers, Case Studies etc.)	39.44%
Other (please specify)	0.47%

Overwhelmingly marketers feel ePrivacy will be a good thing for their company in the long term. Marketers will rely less on tactics like retargeting ads and build more qualitative data insights to build campaigns that resonate with new consumers (57%).

*Data from UK & France

Marketers feel ePrivacy will be good in the long term

In your opinion, can ePrivacy bring benefits to a company?

Category	Percentage
Yes: More Trust - by being more transparent about the customer information we track on our website, customers will view us as more trustworthy.	59.39%
Yes: Better Marketing - Marketers will now rely less on tactics like re-targeting advertisements and focus on more qualitative marketing tactics to attract new consumers.	56.81%
Yes: Better Experience - ePrivacy will reduce the amount of annoying pop-up banners asking for cookie-consent which is a better user experience (since most consumers will set their cookies preferences at browser level).	42.25%
No: Less Retargeting - losing the ability to use re-targeting advertisements on some of the consumers who visit our website will hurt the revenue of our business.	9.86%
No: Less Tracking - losing the ability to track the actions of some consumers who visit our website will hurt the revenue of our business.	8.45%
Yes: Other (please specify)	0.47%
No: Other (please specify)	0.23%

Overwhelmingly marketers feel ePrivacy will be a good thing for their company in the long term. Marketers will rely less on tactics like retargeting ads and build more qualitative data insights to build campaigns that resonate with new consumers (57%).

*Data from UK & France

Mailjet's View:

" "ePrivacy will impact marketers across the world in many different ways. Immediate concerns will likely centre on the loss of data fuelling customer experiences and revenue, the longer term opportunity of browser-level cookie approval means both B2B and B2C brands will have to focus strategically on how they can grow and maintain the most valuable customer insights that really drive their business forward." "

Michyl Culos, Head of Marketing Communications at Mailjet

Mailjet: Global Email Service Provider

2 Billion
emails sent
each month

All-In-One
Email Solution

Manage both **Marketing & Transactional emails**

Tools that let Marketers & Developers collaborate

World-Class
Deliverability

Increase Inbox Success with our tools & services

Close relationships with Mailbox Providers worldwide

Tailored Support
& Consulting

Dedicated Customer Success & Support teams

Help increase the KPI that matter for your business

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