blueconic

HEINEKEN

HEINEKEN USA Uses BlueConic to Build a 'Golden Consumer Record'

About

HEINEKEN is a global alcoholic beverage company that sells beer, ale, porter, and other malt beverage products to consumers through retailers, restaurants, bars, and live event venues. HEINEKEN USA, a division of the Heineken company, is the parent organization of HEINEKEN, Tecate, and Dos Equis in the Americas.

Challenge

As a CPG company, HEINEKEN USA needed to make the inevitable shift to building a first-party data asset. As privacy legislation like GDPR and CCPA became more prominent and the dominant web browsers restricted the use of third-party cookies, HEINEKEN knew that third-party data had become less reliable than ever before. This was in addition to the longstanding drawbacks of third-party data being a shared resource among competitors.

Putting consumers at the center of their business and reducing reliance on third-party data was imperative for HEINEKEN USA. But their lack of first-party data, particularly transactional data, presented a challenge. In fact, laws prohibit the company from selling directly to consumers.

So, HEINEKEN USA launched a first-party data strategy to gain new insights and engage consumers in ways that are privacy compliant and offer value.

Solutions

Unifying data into actionable 'Golden Consumer Records'

To bring data into their own hands, HEINEKEN set down the path of building 'golden consumer records.' Using a combination of BlueConic <u>listeners</u> and <u>connections</u> to collect data from online and offline sources,





HEINEKEN unified their data into individual-level <u>profiles</u>. These profiles are then tiered into bronze, silver, and gold. 'Golden records,' represent consumers that HEINEKEN can develop a direct relationship with through marketing.

The unified profile data comes from HEINEKEN's interactions with consumers through various online touchpoints such as sweepstakes, virtual events, website visits, and partner retailers (e.g. delivery apps, etc.) as well as offline touchpoints like sponsored sporting events and music festivals.

For example, HEINEKEN uses the wristband data collected from visitors to their sponsored tent at one of the nation's largest music festivals to re-engage them by offering tickets for other types events they might be interested in – creating a value exchange with consumers. Another example is Tecate, which launched a series of virtual events called 'El Patio' in 2020, bringing live musical acts together to create an engaging consumer experience. Despite being their smallest brand, Tecate now has the highest number of web visitors.

Replacing DMP segmentation with multi-dimensional segmentation

By historically relying on DMP-based segments, HEINEKEN lacked insight into who their customers were and it left them unable to weave ad experiences into cohesive consumer journeys. Additionally, because DMPs rely heavily on third-party cookies, it became critical for HEINEKEN to replace their DMP-based segments with a more sustainable solution using the multi-dimensional and dynamic segmentation capabilities in BlueConic. Now, HEINEKEN can build segments to be used across channels based on consumer interests, behaviors, demographics, marketing consent, and more.

⁶⁶ For the first time ever, we can use Heineken's owned segments instead of relying on third-party data. With that data in hand, we can design robust, personal journeys for our various audiences."

Former Director Consumer Data Strategy, HEINEKEN USA

Optimizing for media efficiency

As a CPG company, a significant portion of HEINEKEN's marketing mix is allocated to digital advertising. One of their main goals for using a CDP is to improve media efficiency and effectiveness through smarter segmentation and consumer engagement strategies in their advertising.

As an alcohol company that cannot sell directly to consumers, their media 'funnel' starts with an ad impression or click. But because HEINEKEN doesn't host the transactions associated with purchases of their products, it has been difficult for their media team to know how to optimize ad campaigns beyond clicks and web visits.

With BlueConic in place, the HEINEKEN media team now has insight into how many profiles include a 'product added to cart' after clicking an ad. Additionally, they can build lookalike audiences based on their own first-party data to further refine ad targeting to consumers that are more likely to convert – thus improving media efficiency. Using segments originating from BlueConic data is "much more reliable than DMP segments," said the former Director of Consumer Data Strategy.

Mitigating consumer data risk while gaining new insights

Sweepstakes are also an important part of HEINEKEN's marketing, and they work with external agencies to run them. Prior to implementing BlueConic, the external agency would collect consumer data on Heineken's behalf, resulting in a long lead times to get data into HEINEKEN's hands and risk when it came to resolving identities safely.

With BlueConic in place, HEINEKEN set up a process where data from these external agencies is brought into BlueConic to be unified with other profile data, then deleted on the external agency end. This enables HEINEKEN to not only gain new consumer insights more quickly, but also have control over the data so they can mitigate consumer data risk by centralizing consent management in BlueConic.

Now, HEINEKEN can easily go into one environment and delete consumer data when requests come in under CCPA legislation – an immediate benefit HEINEKEN's legal team saw from bringing this data in-house. Building 1:1 relationships with consumers seemed like a pipedream at the time, but with BlueConic we're going to enable our email marketing pilot this year. It is very exciting!"

Former Director Consumer Data Strategy, HEINEKEN USA

Results

In a single year, HEINEKEN created millions of golden consumer records. Additionally, they're seeing improved media efficiency when comparing key performance metrics before and after BlueConic was implemented.

They're also able to add new channels and programs to their marketing mix that weren't possible before. For example, HEINEKEN will be launching their email marketing pilot in 2021, using data, segments, and insights from BlueConic to continue to develop a direct relationship with consumers.

Additionally, HEINEKEN's marketing team can now leverage data in BlueConic to develop new experiences intended to drive loyalty and awareness for sponsored events without having to rely on a CRM system that lacks the data, speed, and flexibility needed to effectively power these experiences.