

# State of Data Townhall: Identity / Addressability

August 11<sup>th</sup>, 2021



A large, vertical red graphic on the right side of the slide. It has a dark red background with lighter red, diagonal, blurred lines and shapes. The lowercase letters 'iab.' are prominently displayed in the center in a white, bold, sans-serif font.

## Programmatic + Data Center Team



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**IAB & IAB Tech Lab**



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Programmatic + Data Center  
**IAB**

# Agenda

- Introduction
- Presentation by Permutive
- Panel Discussion
- Presentation by Neustar
- Closing Remarks

## Presenters / Panelists



**Mebrulin Francisco**  
Senior VP Audience & Data Enablement  
GroupM



**Steve Francolla**  
Head of Partnerships  
Permutive



**Wes Benel**  
Director of Strategic Partnerships  
Neustar

# IAB Programmatic + Data Center

The **IAB Programmatic + Data Center** is driving the “data agenda” for the digital media, marketing, and advertising industry. Our mission is to define boundaries, reduce friction, and increase value along the data chain, for consumers, marketers, and the ecosystem that supports them.



The only organization of its kind that **represents the complete data** ecosystem – including publishers, ad tech, mar tech, agencies, brands and consultancies.



Our **cross-organizational partners** **enable** us to provide business guidelines AND build the technical solutions needed for implementation.



Our **research** is the most comprehensive due to our unique access to and complete view of the programmatic ecosystem.

## Board Companies

84.51	AccuWeather	acxiom	ALC	Bank of America	MONSTER ENERGY	neustar	nielsen	Pin	theTradeDesk
Broadsign	EPSILON	experian	Google	IBM Watson Advertising	Tik Tok				

# Areas of Focus



**Addressability.** With impending changes to third-party cookies and other identifiers, IAB is convening stakeholders across the digital supply chain and providing **resources to help partners rearchitect digital marketing to harmonize privacy, personalization, and community.** Our goal is to ensure brands and publishers preserve their ability to communicate effectively with their customers.



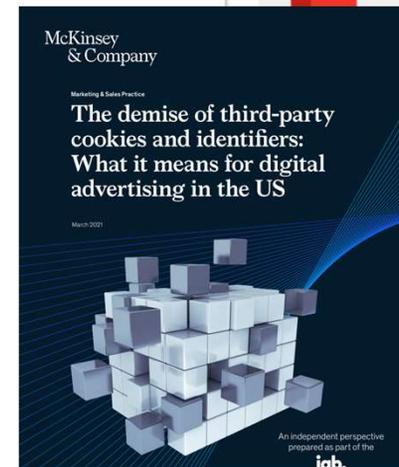
**Measurement.** Measurement powers the digital advertising ecosystem. It's the basis for knowing whether a target goal was achieved and how ads performed. The metrics generated are the standardized currency for our industry. IAB's goals are to provide essential industry guidance on how to **measure media and audiences across platforms amid changes in underlying technology** as well as suggest best practices and guidelines for measurement and attribution, with considerations for addressability, brand safety, ad fraud, and privacy.



**Privacy.** Consumer trust is the lifeblood of digital media and brand loyalty. With the loss of identifiers and increased privacy regulation, advertisers and marketers need to **find new ways to operate their business, address their customers with personalized messaging, and comply with local and global legislation.** Our industry has grown quickly, with innovation outpacing regulation. Now, we need to harmonize privacy, consumer protection, and community.

## State of Data, Published March 2021

- IAB Programmatic+Data Center commissioned **Ipsos to conduct** this **quantitative study**. This survey of more than 200 data decision-makers within brands, publishers, ad tech, agencies, and data companies.
- Another part of the IAB State of Data initiative, **McKinsey conducted a qualitative study** that interviewed nearly 30 key data leaders from brands, publishers, agencies, and ad tech and data companies to better understand how companies will adapt and address the impending loss of third-party cookies and identifiers.



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# Executive Summary

## 01 The Industry's Strong Sense Of Preparedness Is In Stark Contrast To Their Concerns And Challenges

Although most data leaders\* (67%) believe they are prepared for the impending loss of third-party cookies and identifiers, their addressability concerns, challenges and rate of progress suggests this is overly optimistic as over 40% of the industry says they are concerned with limitations regarding targeting (45%) as well as with ad campaign measurement (41%).

## 02 There Continues To Be Too Much Reliance On Third-Party Data

Spending on third-party audience data, which increased 3.3% to \$12.3B YoY in 2020, shows continued reliance on data sources becoming less reliable as third-party cookies and identifiers continue to be suppressed at greater rates.

## 03 The Industry Needs To More Aggressively Plan For The Potential Financial Impact Of The Post Third-Party Cookie/ID Ecosystem

Some of the companies that do NOT think their company's revenue (76%) & equity/resources (69%) will be impacted by the loss of third-party cookies and identifiers are likely being short-sighted. This is due to the investments they'll need to make to conduct business-as-usual in the future which include the types of data they purchase as well as the internal/external resources and partnerships needed for activation and new areas of expertise—in aggregate these will cut into profits, decrease margins and alter future financial strategies.

## 04 Industry Collaboration, Privacy-First Addressability Solutions And First-Party Data Are Essential For Success

The IAB's Programmatic+Data Center recommends a way forward designed to enable companies to thrive, not just survive, in the post third-party cookie and identifier ecosystem. Our recommendations are founded on leveraging the power of third-party cookie/ID-less tech that will stand the test of time and collaborating with the right experts within your company and throughout the industry in order to engage in and derive value from a privacy-first approach.

<sup>4</sup> \*A user/purchaser/collector/analyzer or seller/provider/facilitator of audience data supporting media efforts at one of the following types of companies: brand, agency, publisher, ad tech and data provider

## There are three critical findings this study reveals must be immediately understood, absorbed and acted upon:



- 01. Most data leaders\* think their company's revenue & equity/resources will NOT be impacted by the loss of third-party cookies and identifiers.** In fact, they certainly will be impacted as investments will be needed to restructure their operations for the post third-party cookie/ID era.
- 02. The full potential of first-party data is not being realized.** Data leaders need to aggressively collect and then leverage first-party data in a compliant exchange that benefits both the audience/consumers and the brand/publisher.
- 03. There is a strong level of concern for the execution of data-driven tasks fundamental to digital advertising and marketing, i.e., targeting and measurement.** Data leaders must collaborate with industry partners to implement privacy-first addressability solutions in order to resume those tasks with equal effectiveness.

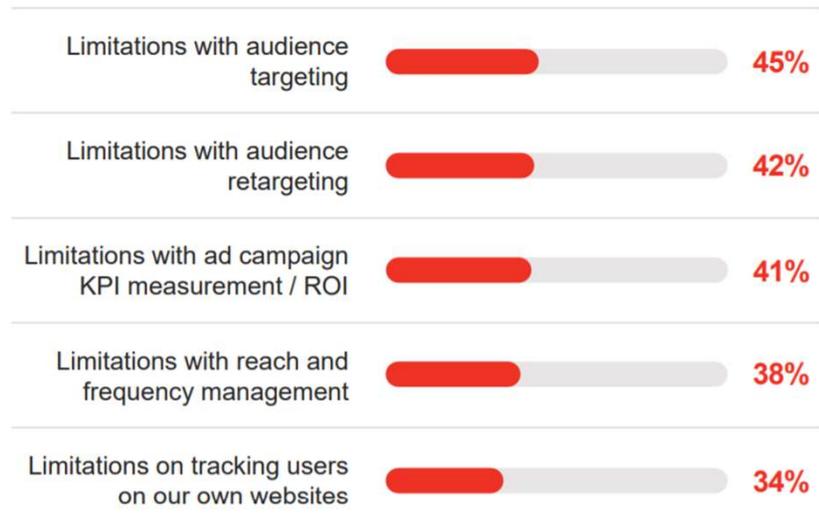
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# Data Leaders are Concerned about Addressability & Measurement

## Concerns Regarding Changes to Third-Party Cookies & Identifiers



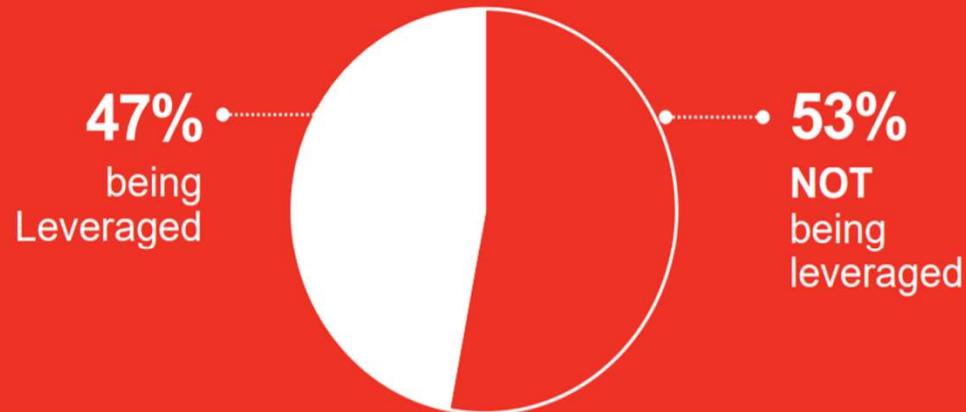
Please rate your level of concern with each item below when it comes to the current / impending changes to third-party identifiers as well as new consumer privacy laws and other related legislation. - Top 2 Box Summary (Total, n=203)



# Data leaders are sitting on valuable, untapped opportunities to use their collected data to better connect with their consumers and audiences

The majority of collected first-party data is **NOT** leveraged for advertising and marketing purposes

% of First-Party Data being Leveraged for Media  
(incl. Advertising & Marketing)



# Permutive



**Steve Francolla**

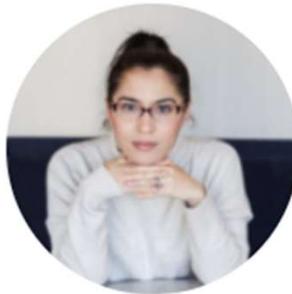
Head of Partnerships  
Permutive

## Meet Our Panelists



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## Browser/OS Ads Testing Working Group

The world of identity as we know it is about to change, as the looming elimination of the third-party cookies and other identifiers has **marketers actively seeking solutions** for unprecedented scenarios. While much is still uncertain, it is near guaranteed that the digital marketing landscape is about to be upended. With this massive change on the horizon, **it is more important than ever that the advertising community is educated, informed and speaking the same language.**

**Programmatic+Data Center** is gathering thought leaders and industry experts to:

- Strategize on approaches to emerging forms of addressability
- Crowd-source implementation ideas for testing features, such as FLoC, FLEDGE, etc.
- Share aggregate results, successes, and failures in early testing
- Build consensus for collective feedback to browsers and other platforms rolling out new forms of addressability



## What We Intend To Learn

- What are the uses cases for FLoC and FLEDGE?
- Will FLoC and FLEDGE be effective? What can we expect?
- Can they scale? Are there any limitations with reach?
- How do marketers figure out which cohorts are best for them?
- Do we need new tech standards, or need to update any current tech standards?
- How can it be used to target and measure product and/or page specific interest?
- How will we measure campaign effectiveness? What will matter most - viewability, clicks or conversion?
- What data will be available? How do we access the data? What can we do with the data?
- What are some of the business implications for measurement, brand safety, ad fraud, etc, that we need to consider? (Especially from a contractual perspective)
- And more...

# We Need Your Support. Our Ask Of You....

## Involvement

- Establish testing KPIs, strategy approaches, specs, and requirements
- Provide and share feedback, POV, and results
- Develop educational and deployment strategy guides

## Engagement

- Meet once or twice a month; 1-2 hours (starting in Aug/Sept)
- Speaking opportunities, sponsorship and discounts to IAB events
- Contribute and author presentations, guides, and other documents

IAB welcomes industry thought leaders from marketing, ad operations, data analytics, legal & compliance, product, and other interested parties in developing and establishing industry standards and guidance towards testing and activation.

FOR MORE INFORMATION, CONTACT THE PROGRAMMATIC+DATA CENTER • [DATA@IAB.COM](mailto:DATA@IAB.COM)



## Upcoming Events

### Programmatic+Data Center

- **Identity Solutions Town Hall August Session** *AUG 24 2021 / 1:30 PM – 3:00 PM EST*

### IAB Events

- **2021 IAB Fall Marketplace** *SEP 14 2021*
- **IAB Audience Connect: Balancing Privacy, Personalization & Safety** *SEP 15 2021*
- **2021 IAB Brand Disruption Summit** *NOV 8-10 2021*
- **2022 IAB ALM AUG 24 2021** *JAN 30 - FEB 1 2022; PALM DESERT, CA*



TO REGISTER FOR EVENTS, VISIT • [WWW.IAB.COM/EVENTS](http://WWW.IAB.COM/EVENTS)

