IAB Europe Webinar

Universal ID – As The Cookie Crumbles, Is This The Solution?

Thank you for joining! We will begin momentarily.

Welcome and Introduction

AARON CURRAN
Technical Account Manager EMEA,
Iponweb

IPONWEB

Presenters and panelists

Moderator

Aaron Curran

IPONWEB

Travis Clinger

LiveRamp

Salvatore Cospito

DotMean

Jordan Mitchell

iab. TECH LAB

Mathieu Roche

ID5

Alwin Viereck

united internet

Francesca Warne

PubMatic

iab.europe

Universal ID 101

ALWIN VIERECK,
Head of Programmatic Advertising & Ad
Management, United Internet Media

IAB WEBINAR
UNIFIED ID - 101

5th December 2019

Alwin Viereck
United Internet Media

Solve

Identify Problem

Establish understanding

Bye Bye ID

You are approaching the Post Cookie era

united internet media
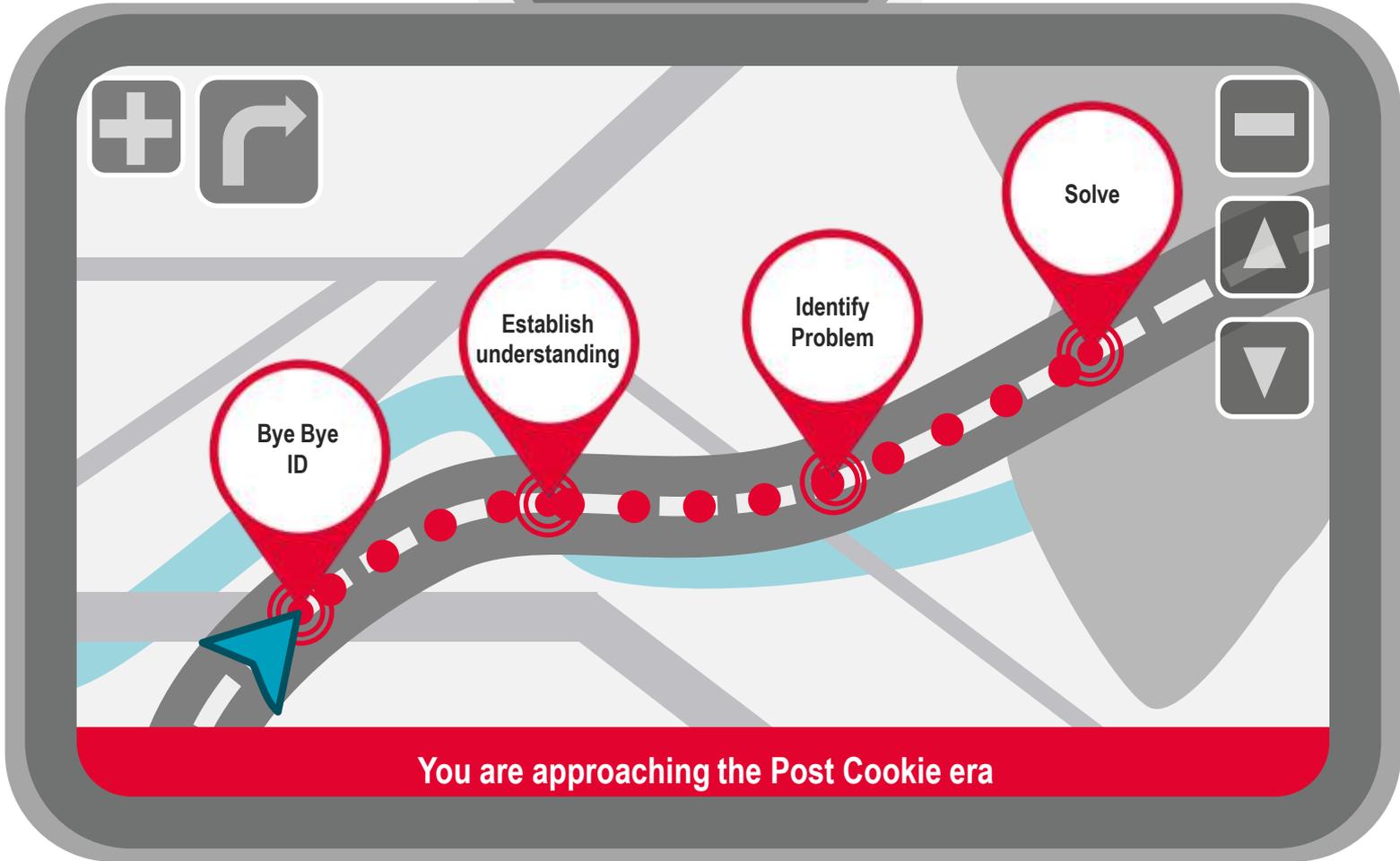
Source – how is an ID build/generated?

Thats where privacy regulations starts

Universally Unique Identifier (UUID)

- Standardized by RFC4122
- (Originally) **anonymous**
- (Originally) timestamp based
- the total number of randomly generated UUIDs is so large that the probability of generating two identical UUIDs is very small
- A UUID is 128 bits long and requires no central registration process
- Example: 550e8400-e29b-11d4-a716-446655440000

Hash of [Account] or [Mail address]

- Typically considered as **pseudonymous** since its based on „personal data" as defined by the GDPR and other guidelines/regulations

Hash of multiple data points based on recipe

- Typically considered as **pseudonymous** since its based on „personal data" as defined by the GDPR and other guidelines/regulations

- Thats what is generated with probabilistic methods (statistical) based on custom fonts, operating system, browser versions and many more data points

united internet media

Storage of IDs

1st / 3rd Party Cookie	Local Storage
Device based	Server Side

Don't mix the ID and it's place of storage

Storage = Soil

ID = Tree

Data = Leaves

Reality is a complex multi device behaviour – using Web (Desktop & MEW) & InApp

Before getting up	On the way to work	At work	On the way home	On the couch	In bed before sleep
07:03 Uhr	08:41 Uhr	12:35 Uhr	18:45 Uhr	20:00 Uhr	22:59 Uhr

(Cookie) ID fragmentation is the death of a holistic advertising identity

Page Impressions InApp ~50% of Total
(=none-cookie world)

Keeping in mind, that ~50% of traffic is already InApp, the percentage bisects to 19,5%

Page Impressions in Web (Desktop/MEW) = 100%

Unblocked Media = 70% (Adblocking -30%)

Only for 39% of targeted Users in Web no fragmentation of identity exists…

Single Device = 49% (Multi-Device Usage -30%)

Single Cookie = 39%
(Multi-Cookie Usage -20%)
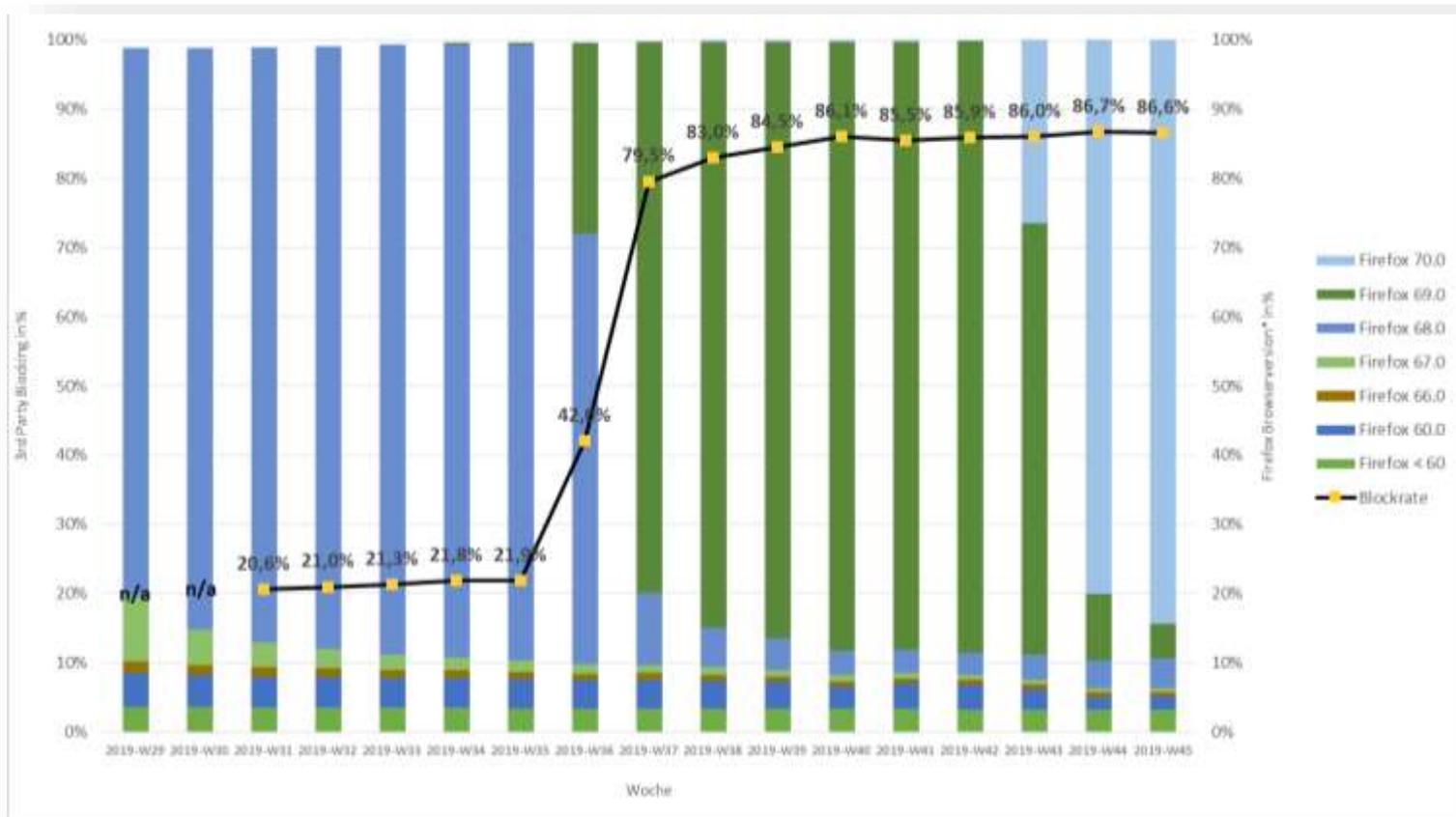- Firefox ETP, Safari ITP (3rd Party Cookie Blocking)

united internet media

Storage = no 3rd Party cookie

ID = not persistent anymore

Data = cannot be associated

Impact of Browser Gatekeeping – e.g. Firefox Enhanced Tracking Protection | Safari Int. Tracking Prevention

The 3rd Party Cookie is dying

…many deaths:
- ✓ Laws (EU-GDPR, ePR)
- ✓ Firefox (Enhanced Tracking Protection)
- ✓ Safari (Intelligent Tracking Prevention)
- ✓ direct AdBlockers (ABP, Ghostery, …)
- ✓ indirect AdBlockers (Avira, Symantec, Kaspersky…)
- ✓ Multi-Device Usage

Impact:
without **cookie** *currently* no i**dentity**.
without identity no **data**.
without data no **target group**.
without target group no **revenue**.

Open Internet needs to cooperate to solve the identity problem

Advertiser & Agencies

DSP (Demand Side Platform)

theTradeDesk · Active Agent · MediaMath · RTB HOUSE · Display & Video 360 · AMOBEE TURN · TubeMogul · adform · criteo · appnexus

DMP (Data Management Platform)

ADEX · adsquare · neustar · emetriq · LOTAME · LiveRamp · semasio

OpenRTB Protocol · iab

SSP (Supply Side Platform)

Yieldlab · INDEX EXCHANGE · rubicon · appnexus · PubMatic · OpenX · smart AD SERVER · IMPROVE DIGITAL · verizon media · Transparent Ad Marketplace · Google Ad Manager

Publisher

Unified Identity & Consent Management

united internet media

Categories of IDs

based

| Cannot easily be shared | Cannot easily be stored (anymore) | (Currently) Lack multi-device ability | Needs to scale & does not exist after logout | Resists on device and do not exist in WEB |

Publisher IDs

1st Party IDs

Vendor IDs

Adform,
MediaMath,
Xandr,
Rubicon,
PubMatic
etc.

Shared IDs

TradeDesk ID,
DigiTrust,
ID5
etc.

Account IDs

NetID,
LiveRamp,
Britepool,
etc.

Device ID

IDFA (iOS)
AAID (Android)
WAID (Windows)

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internet
media

Questions?

Alwin Viereck
SVP | Programmatic Advertising & Ad Management

Telefon: +49 (0)89 – 14339 274
E-Mail: alwin.viereck@united-internet-media.de
Web: www.united-internet-media.de

Unser Markenportfolio:

TRAVIS CLINGER,
Vice President of Global Strategy and
Partnerships, LiveRamp

The Case for a Universal ID

Travis Clinger
VP, Strategic Partnerships

Industry Challenges

The industry needs a future-proof solution to maintain and grow media investments in programmatic while meeting the rising bar of privacy regulation

Dominance of Walled Gardens

Walled Gardens continue to disintermediate publishers from their audiences and take a disportionate sum of ad budgets

Privacy Regulations

Stringent regulatory guidance is raising the stakes for data governance and compliance

Decline of Third Party Cookie

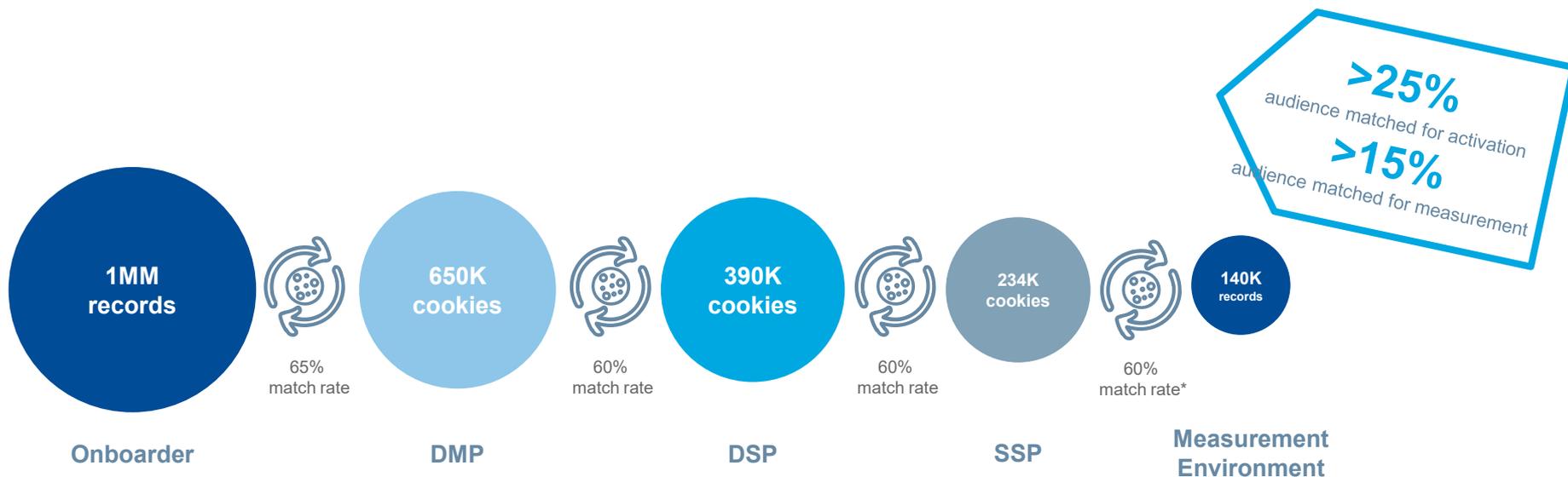Browsers are enabling more privacy controls for consumers by default

Ecosystem Fragmentation

Highly fragmented ecosystem makes it difficult for advertisers to reach people-based audiences at scale
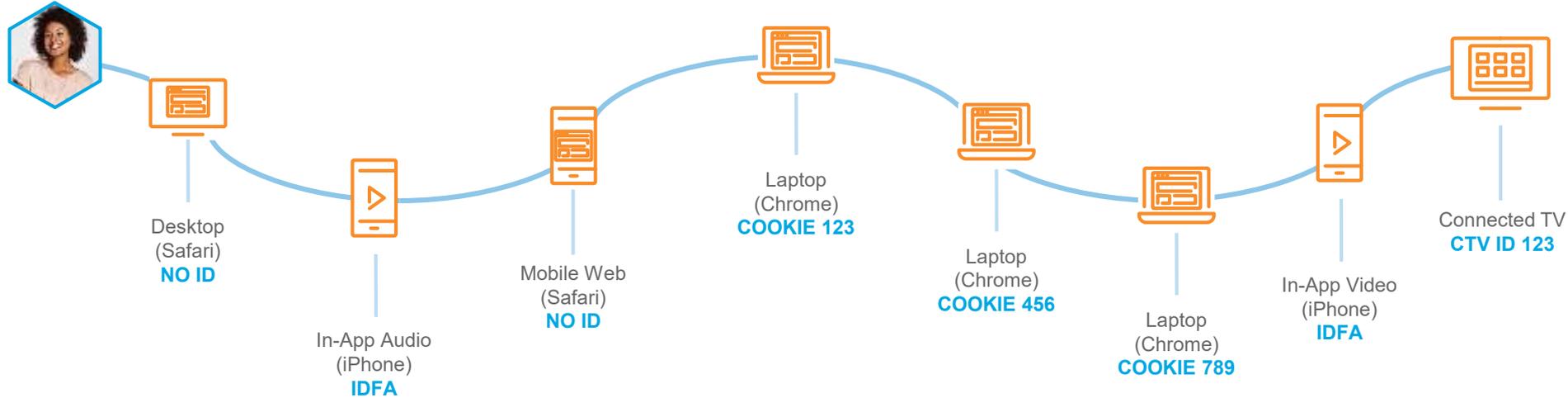
LiveRamp

Ecosystem Fragmentation

Audience loss due to cookie syncs leads to less effective programmatic investment

>25%
audience matched for activation

>15%
audience matched for measurement

1MM records

65% match rate

650K cookies

60% match rate

390K cookies

60% match rate

234K cookies

60% match rate*

140K records

Onboarder

DMP

DSP

SSP

Measurement Environment

*Measurement drop off represents translation of exposure logs to records (IDL)

LiveRamp

Identifying Consumers Across All Inventory

Desktop (Safari) **NO ID**

In-App Audio (iPhone) **IDFA**

Mobile Web (Safari) **NO ID**

Laptop (Chrome) **COOKIE 123**

Laptop (Chrome) **COOKIE 456**

Laptop (Chrome) **COOKIE 789**

In-App Video (iPhone) **IDFA**

Connected TV **CTV ID 123**

LiveRamp®

Transparency **includes consumers** in the online value exchange

The consumer status quo:

- Lack of transparency over personal data = trust issues

- No online identity = obscured control

- Content and advertising based on assumptions (probabilistic vs. deterministic) leads to poor personalization

Addressability with a Universal ID

An interoperable identifier across the ecosystem would eliminate data loss when moving data between platforms and enable transparent measurement of every impression purchased

Cookieless Browsers

In-App & ConnectedTV

Cookieable Browsers

DSP

Measurement Environment
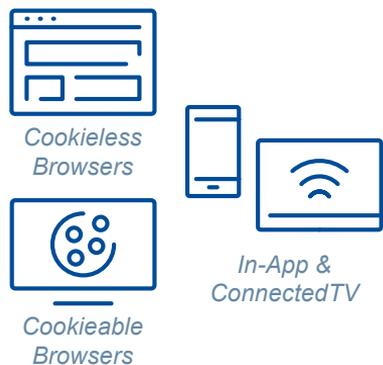
Identify Consumers Across All Devices & Channels

Pass Audience Data & Transact on ID

Enable Measurement on ID

LiveRamp®

Benefits of a Universal ID

Advertisers can reach more of their target audience and publishers can more effectively monetize their sites

Advertisers can more accurately attribute the effectiveness of their investment and shift more budget to programmatic

Consumers understand how their data is being used and both advertisers and publishers can deliver consumers a better experience

Publisher can maintain sustainable monetization tactics and continue to produce high quality content

MATHIEU ROCHE,
CEO, ID5

About ID5

Created in **2017**

Team of 9

Industry expertise from AppNexus, Rubicon, SpotX, etc.

Based in London **and Paris**

Shared identity solution for Ad Tech platforms and publishers improving user identification capabilities to power programmatic advertising
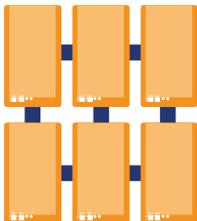
ID5

Reaching more than

2.5 billion

devices per month globally (1B in Europe only)

Synchronising and/or providing advertising IDs to more than

55 Ad Tech platforms

Member of IAB Europe & IAB TechLab participating in the design of the Transparency & Consent Framework (TCF)

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iab TECH LAB

ID5 Partners

ID5 works with some of the largest Ad Tech platforms & media owners globally

Shared ID initiatives available in Prebid

How ID5 Universal ID works
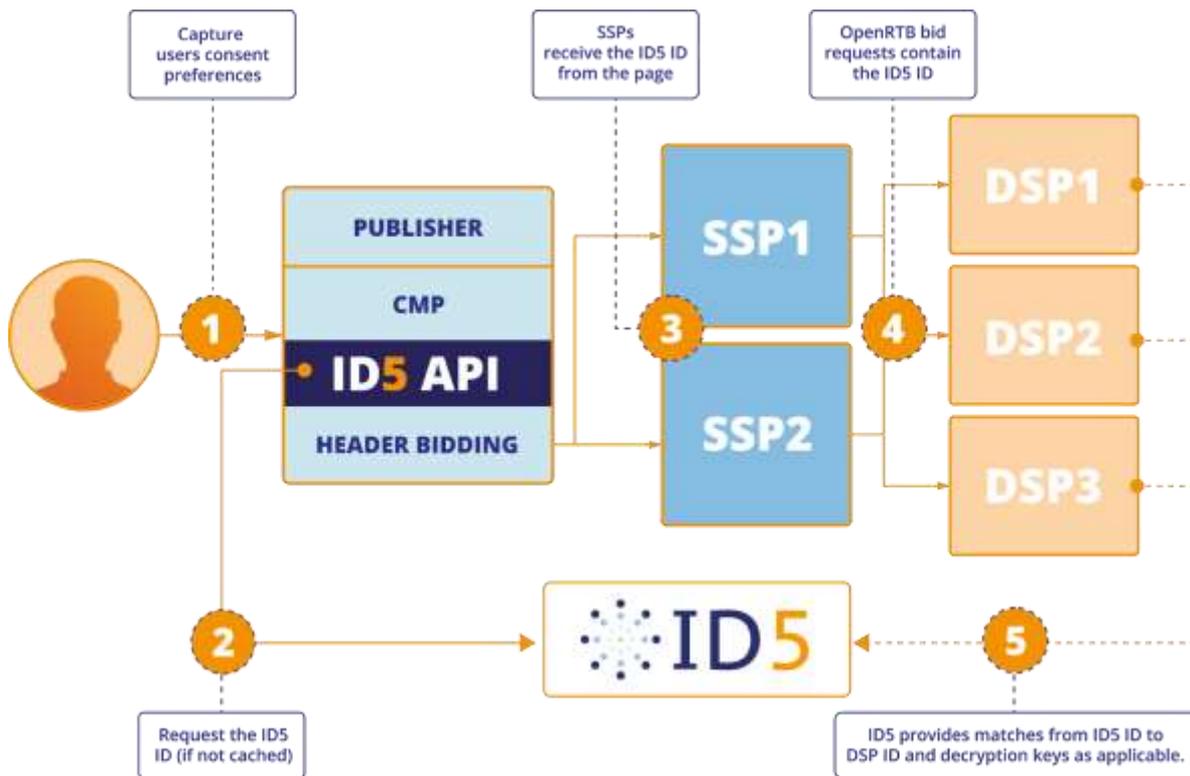
Understanding the value of Universal ID

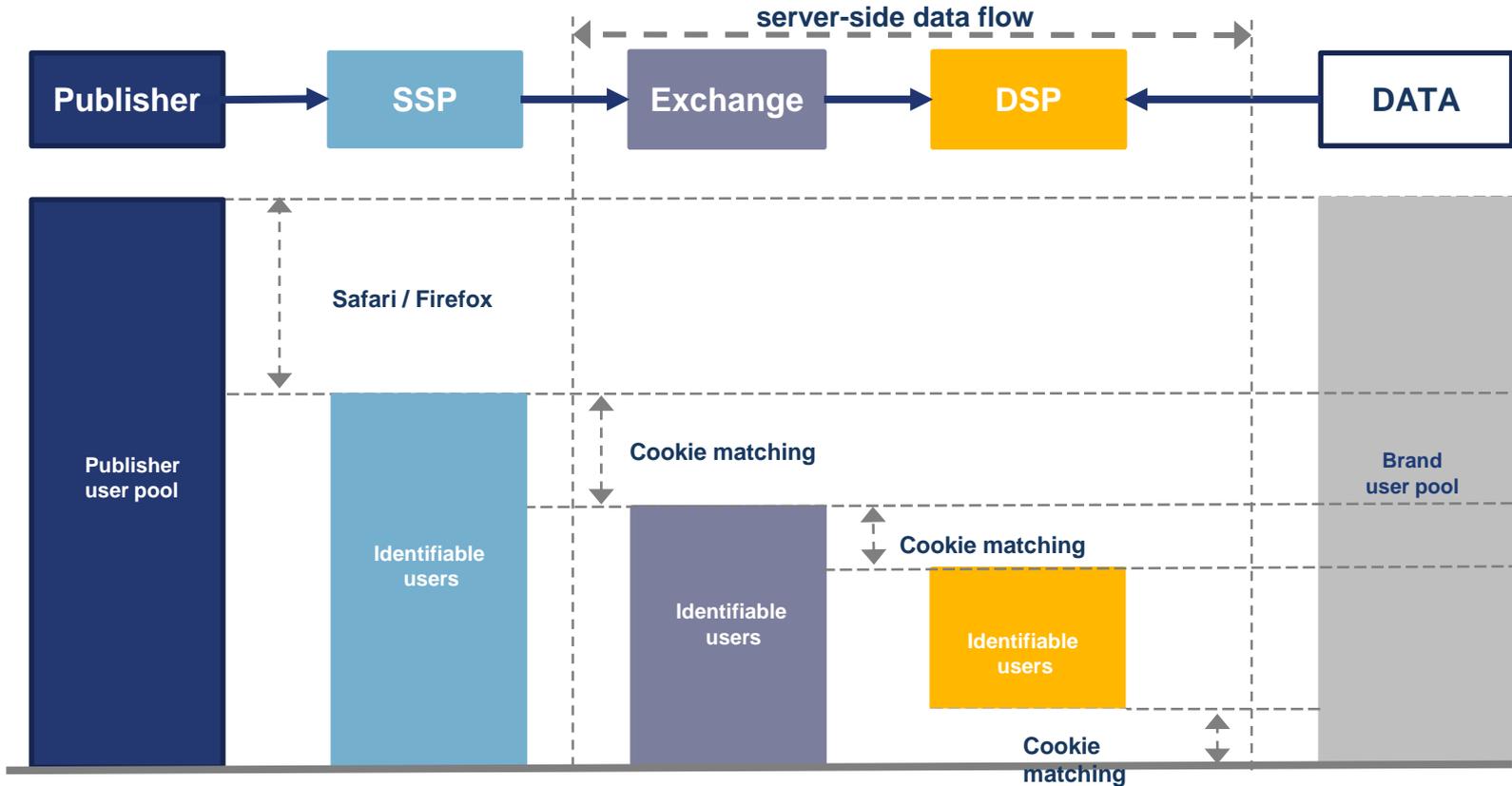Improving page load time by removing user sync pixel from pages

Protecting access to publisher data by encrypting user IDs in bid requests
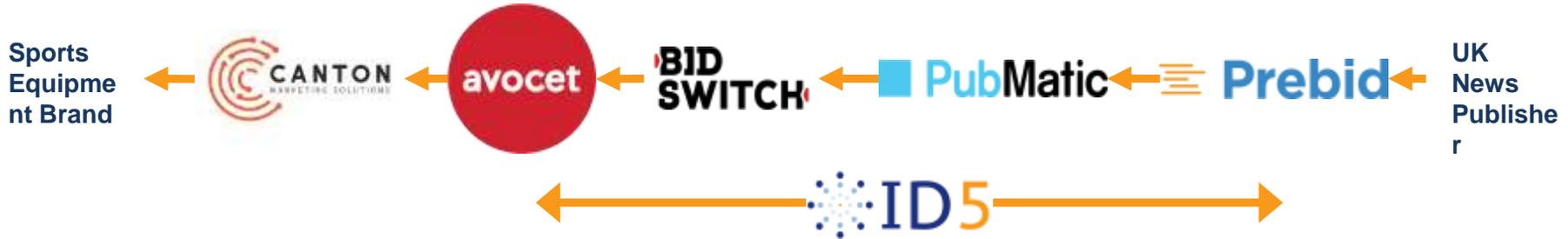
Rebuilding trust with users by enforcing respect of their privacy choices

Understanding the value of Universal ID

Universal ID pilot: Test Campaign

Goals:

- **Validate technical integration principles and workflow**
- **Measure impact on supply availability and reach when a Universal ID is available**
- **Understand potential to target and frequency cap users of browsers restricting access to 3rd party cookies (i.e. Safari & Firefox)**

Universal ID pilot: findings so far

➢ **Implementation by Avocet was relatively easy!**

➢ **Nearly 100% of traffic has an ID5 ID**

➢ **(but…) It's been difficult to open up access to unmatched traffic**

➢ **Driving adoption requires the whole supply chain**

Challenges and limitations

SALVATORE COSPITO,
CTO and Co-Founder,
DATMEAN

JORDAN MITCHELL,
Senior Vice President – Identity, Data and
Privacy Initiatives, IAB Tech Lab
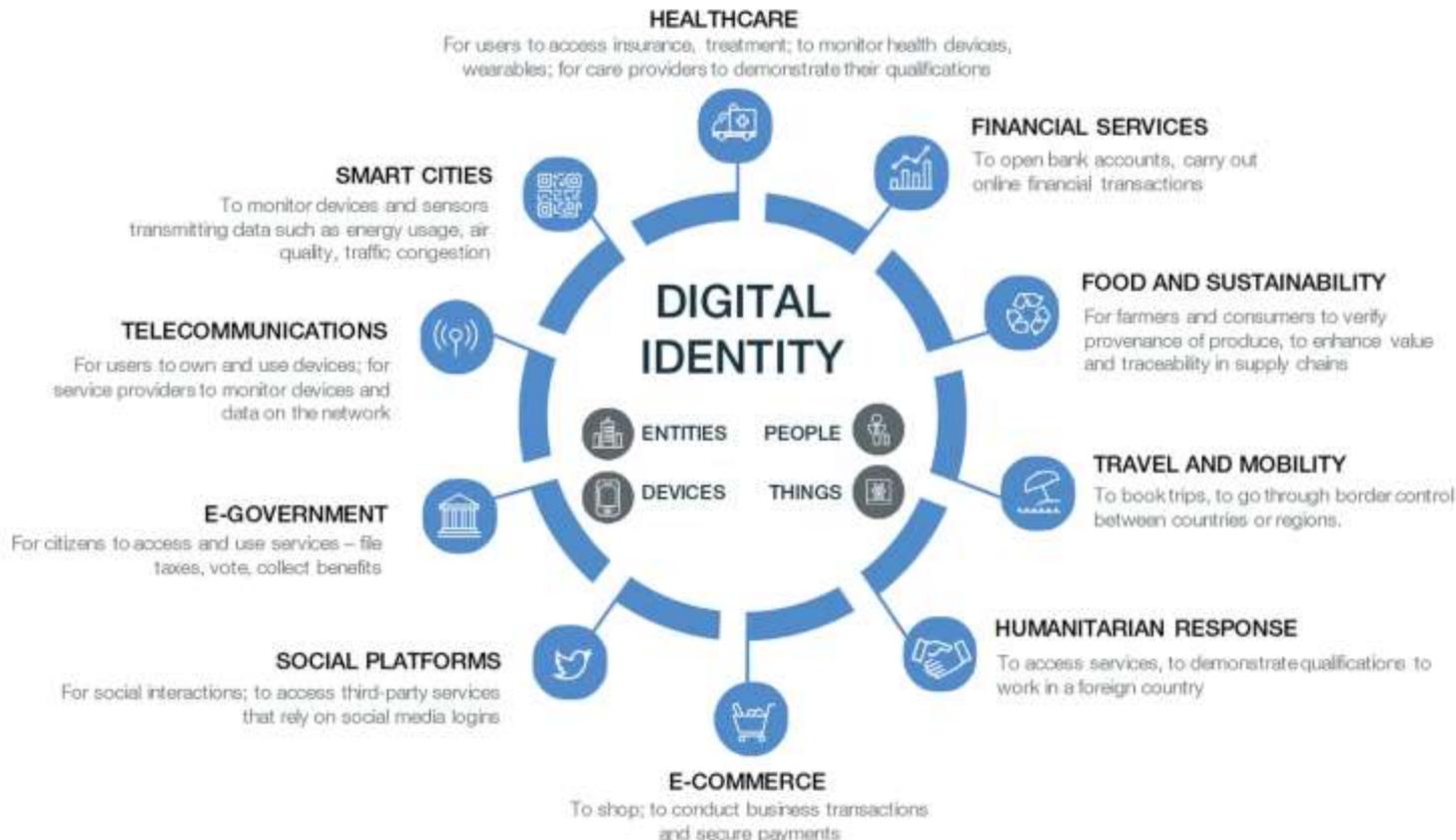
SALVATORE COSPITO,
CTO and Co-Founder,
DATMEAN

Universal ID in which universe?

How many universes seems to need the same?

HEALTHCARE
For users to access insurance, treatment; to monitor health devices, wearables; for care providers to demonstrate their qualifications

FINANCIAL SERVICES
To open bank accounts, carry out online financial transactions

SMART CITIES
To monitor devices and sensors transmitting data such as energy usage, air quality, traffic congestion

FOOD AND SUSTAINABILITY
For farmers and consumers to verify provenance of produce, to enhance value and traceability in supply chains

TELECOMMUNICATIONS
For users to own and use devices; for service providers to monitor devices and data on the network

DIGITAL IDENTITY

ENTITIES PEOPLE
DEVICES THINGS

TRAVEL AND MOBILITY
To book trips, to go through border control between countries or regions.

E-GOVERNMENT
For citizens to access and use services – file taxes, vote, collect benefits

HUMANITARIAN RESPONSE
To access services, to demonstrate qualifications to work in a foreign country

SOCIAL PLATFORMS
For social interactions; to access third-party services that rely on social media logins

E-COMMERCE
To shop; to conduct business transactions and secure payments

we've built a digital society and we can show you how

e-estonia

Named 'the most advanced digital society in the world' by Wired, ingenious Estonians are pathfinders, who have built an efficient, secure and transparent ecosystem that saves time and money. e-Estonia invites you to follow the digital journey.

LEARN HOW

46.7%
Estonians use internet voting

98%
Estonians have ID-card

99%
services are online

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byDatMean

DatMean
Meaningful Data

success stories

When Estonia started building our information society about two decades ago, there was no digital data being collected about our citizens. The general population did not have the internet or even devices with which to use it. It took great courage to invest in IT solutions and take the information technology route.

Here are some of our best e-solutions that have led to Estonia becoming one of the world's most developed digital societies.

1997	e-Governance
2000	e-Tax
2001	X-Road
2002	Digital ID
2005	i-Voting
2007	Public safety
2008	Blockchain
2008	e-Health
2014	e-Residency

e-estonia

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Sky's the limit

All in all you are just a another brick in the wall

Lack of automation

difficulties to start working with the ecosystem

Lack of data-governace

Inefficient sync affecting programmatic buying

Several universes inside the same world

full stack approach

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Meaningful Data

Many different Data-Sets has to be standardized and integrated

Challenges

Vendors Lock-in

Browsers

Governments

Big Technology companies

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The correct aproach of Universal ID?

Internet standard communication protocol

TCP/IP	OSI
Application Layer	Application Layer
	Presentation Layer
	Session Layer
Transport Layer	Transport Layer
Network Layer	Network Layer
Data Link	Data Link
	Phisical Layer
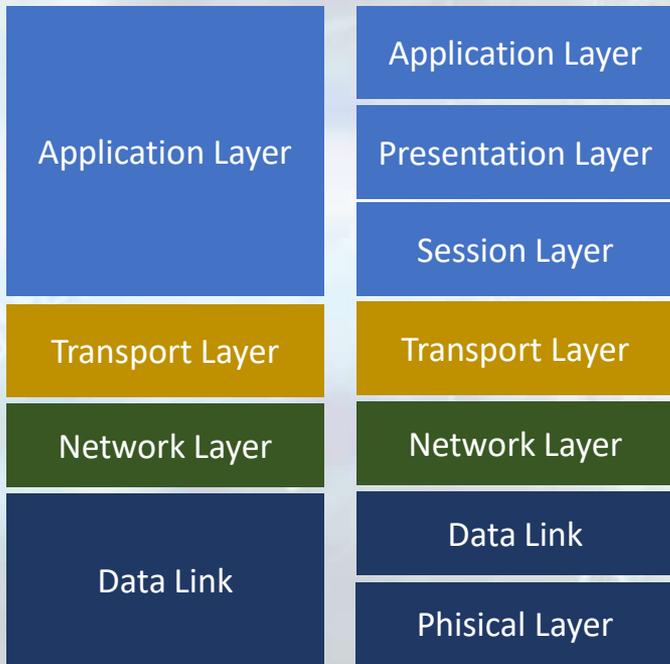
Universal ID →

User Identification at the Application layer caused a fight between private Company trying to give the information as a service

https://techdifferences.com/difference-between-tcp-ip-and-osi-model.html

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Meaningful Data

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Universal ID →

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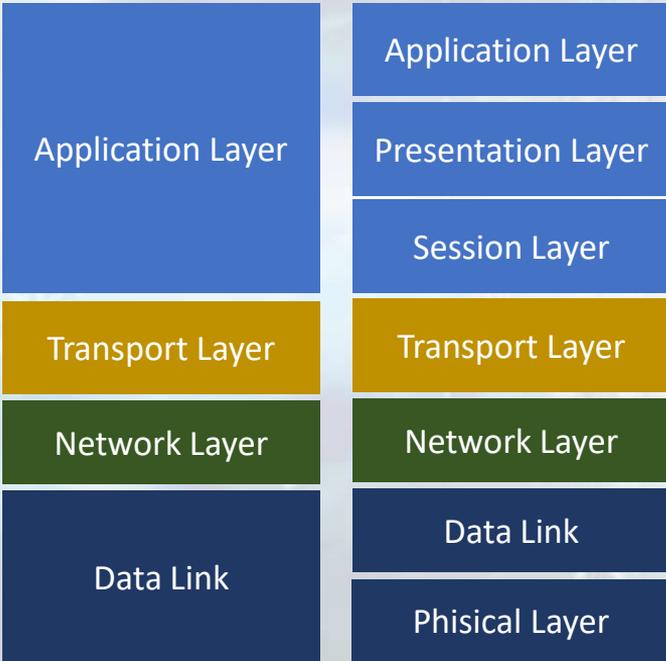
<u>Could be</u> Universal ID as a commodity and not as a service?

User Identification at the Application layer caused a fight between private company trying to give the information as a service

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Meaningful Data

Quantum computation and 5G will be the next challenge for the industry... Nowadays systems are ready?

10 GBs
Fastest

5ms
Latency

2^n
Computation

Digital Cluture needs to change

Is not something about only the technology

We need to consider digital/internet as an industry and behave accordingly

Go outside the *"digital hacking"*

LOADING . . . .
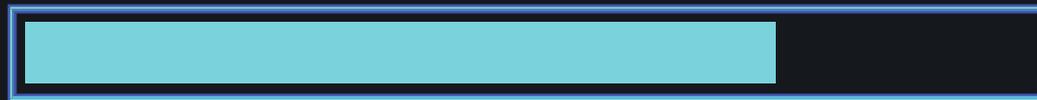
JORDAN MITCHELL,
Senior Vice President – Identity, Data and
Privacy Initiatives, IAB Tech Lab

The changing browser and regulatory environment makes consumer privacy, data and identifier standards more important than ever.

Jordan Mitchell
SVP, Identity, Data and Privacy
jordan@iabtechlab.com

Benjamin Dick
Product Director, Identity and Data
ben@iabtechlab.com

IAB Tech Lab and Local/Regional IABs …

Market Development
(supporting sales/marketing)

- Education & certification
- Research
- Best practices & guidelines
- Public Policy
- Events & networking

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Proprietary
Innovation

- Product/service development
- Packaging & pricing
- Sales & operational excellence
- Competition

Member Companies

"Ingredients"
(supporting product development)

- Standardized protocols & specifications
- Software & tools
- Compliance programs
- Supporting education & events

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The IAB Tech Lab Mission

Sharing the cost, sharing the benefits

Member-driven, member-developed

Engage a member community globally to develop foundational technology and standards that enable growth and trust in the digital media ecosystem.

Broad availability and utility, by design

We live this – as a neutral, transparent, open-source, non-profit organization

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We All Rely on Standards Every Day

Tech Lab standards are similar…but for digital media.

Standards & compliance help our industry:
- Reduce engineering/product effort & costs
- Improve interoperability & quality
- Increase speed to market
- Fuel market innovation
- …and **grow!**

IAB Tech Lab's Relevant Portfolio

MISSION		
Engage a **member community globally** to develop foundational **technology and standards** that enable **growth and trust** in the digital media ecosystem.		
THEMES	**PORTFOLIO**	
Brand Safety & Ad Fraud	• ads.txt / app-ads.txt • sellers.json • SupplyChain object	• ads.cert • Content Taxonomy • Ad Product Taxonomy
Identity, Data, & Consumer Privacy	• **DigiTrust ID** • **Data Label** • **Audience Taxonomy**	• **Transparency & Consent Framework (IAB Europe)** • **CCPA Framework (IAB US)** • **PrivacyChain**
Ad Experiences & Measurement	• New Ad Portfolio • VAST & SIMID • MRAID	• Open Measurement • OTT IFA Guidelines • Podcast Measurement Guidelines
Programmatic Effectiveness	• **OpenRTB (3.0)** • OpenDirect	• Ad Management API

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DigiTrust ID and Shared Namespace

3rd party

3rd party

3rd party

3rd party

3rd party

3rd party

Website.com
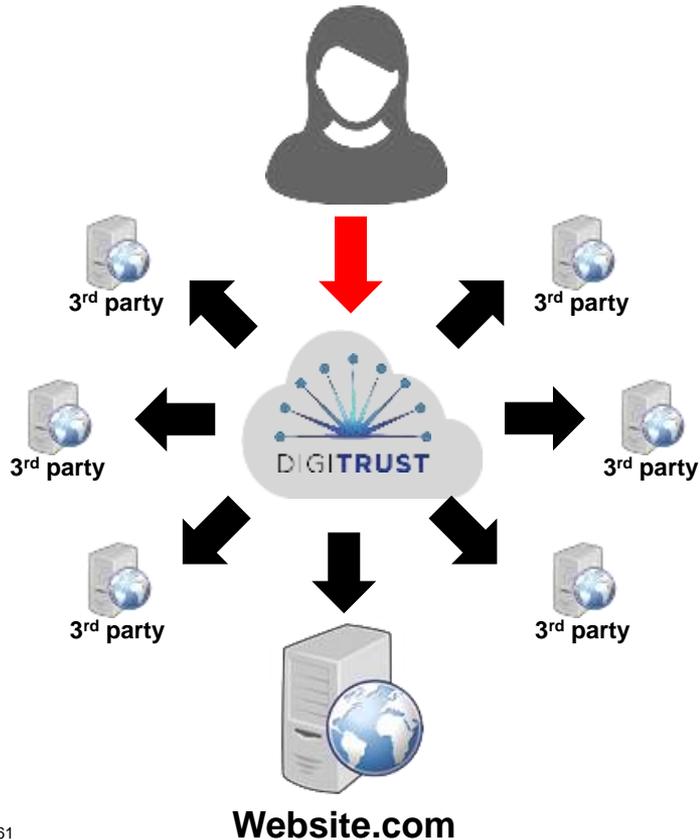
Cloud service:
- Standardized, encrypted ID
- Stored consent preferences
- No data collection
- Neutral, no profit motivation
- JavaScript or CNAME
- No network requests
- Shared cost, shared benefit
- Bridge from 1st to 3rd parties

Of note:
- NOT cross-device
- NOT a magical solution to Apple ITP, Firefox ETP, etc.
- NOT "cookieless"

The browser/OS platforms intend to burn down the entire "identity/tracker" landscape, and start anew …

The bridges between 1ˢᵗ parties and their 3ʳᵈ party platforms are also being targeted …

We are all in the same boat!

Proprietary self-interests and fragmentation/competition around "identifiers" plays right into their hand. We must work together to optimize the "current state", and smoothest transition to future state.

The arms race (ad tech vs. browser tech) must end …
It's not helping our industry, or consumers.

Consumer privacy and trust must come FIRST:

- Simple, understandable and durable **privacy choices, controls and transparency**, tied to standardized identifier(s).

- **Clear options for consumers** that support the "double bottom line" of publishers and brands (economic vitality and social responsibility).

- Rigorous **accountability / compliance** for our industry.

- More trusted, secure and faster experiences.

Across TWO Distinct Consumer Audiences

It's all about consumer <u>privacy choices</u> now, earned by brands and publishers.

The Consented Consumer
- Durable (global?) privacy choices, with various privacy settings, earned by brands / publishers
- Industry accountability
- There IS still hope here!

The Anonymous Consumer
- No durable privacy choices
- No 3P tracking, identifiers, data collection, breadcrumbs of any sort
- Looks like "new user" every time …

Multiple Tech Lab Activities Supporting "Identity"

Track	Status	Current Goal
Top-down engagement with browsers	🟡	**Pursue long-term peace with browsers**
DigiTrust ID and shared namespace	🟢	**Strengthen its value to industry**
Bottom-up engagement with browsers (W3C)	🟡	Listen, educate, inform
Enhanced Accountability (Compliance)	🟡	Demonstrate good stewardship of consumer privacy choices, IDs, data, etc.
Global framework for privacy settings	🟢	Decrease costs of compliance, and risks of non-compliance.
Documentation and comms reviews	🟡	Infuse privacy by design principles
Privacy-friendly targeting (w/out "tracking")	🟡	Guidance/standards on how to appropriately target the Anonymous Consumer.

TRACK 1

TRACK 2

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We need YOU!

To work in cooperation towards improved consumer privacy and trust, via open standards

Collaborate on the Solution (Not the Problem)

The appetite of browsers to work in cooperation with our industry is dependent on our ability to work in cooperation with each other.

- **Join IAB Tech Lab and support neutral industry standards, adoption, etc. in cooperation with your local/regional IABs.**

- **Optimize current state, and smoothest transition to future state.**

  - Support consolidation of cookie-based identifiers ("universal ID")

  - Lean hard into consumer privacy and re-building trust. Embrace the following in 2020:

    - Privacy-forward, instead of "minimum requirements" interpretations of law

    - No opaque identifiers or data collection

    - System-level accountability / compliance

    - Global framework for communicating consumer preferences, tied to standardized identifiers(s)

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Thank you!

membership@iabtechlab.com
digitrust@iabtechlab.com

Our Proposal for Enhanced Accountability

IAB Tech Lab proposes cross-industry collaboration on a technology solution and standards (*replacing the third-party cookie*), binding:

- Consumer privacy controls,

- Regulatory settings,

- Identifier(s).

Details of the **Proposal for Enhanced Accountability (PFEA)** can be found on http://www.iabtechlab.com

Proposed Technical Mechanisms

We propose several technical mechanisms for building enhanced accountability to consumer privacy:

- An encrypted, revocable token, tied to a

- Joint accountability system, with a

- Controlled container for ad delivery.

A Proposal for Enhanced Accountability to Consumer Privacy within the Digital Marketing Industry

Request for Collaboration to Improve Consumer Trust and Experience with Technology Standards for Consumer Privacy

Draft dated August 6, 2019 – for private consumption among participants

Executive Summary

The Digital Marketing Industry recognizes that improved consumer experience and trust is essential to the growth of our industry, growth of the Web as a public benefit, and to assuring a vibrant, inclusive, open, global and healthy Internet. We recognize our responsibility to contribute towards a more secure, trusted user experience that respects consumer privacy (as a fundamental consumer right). We also recognize the challenge of doing so while supporting the economic viability of a diverse publisher landscape, with consumption models that support quality content and open access for consumers.

The current operational and political environments, combined with the constraints inherent within established Internet protocols, implies that the digital marketing industry and browser community must collaborate if we are to meaningfully improve the consumer experience and consistently honor consumer privacy rights and preferences. Our industry's trade associations, which lead standards and best practices for our industry, have discussed programs and support for solving these issues responsibly that we would like to present for discussion, collaboration and joint problem-solving.

With a better consumer experience and the preservation of the global open internet as our joint objective and common ground, we ask for browsers' cooperation in establishing and facilitating the use of a common, standardized mechanism for shared storage and access to:

- a standardized, restricted user token ,
- regulatory settings (consent strings, timestamps, permissions flags, etc.), and
- consumer privacy preferences.

We understand that participants within the browser and privacy community may not trust our industry to consistently respect consumers' privacy rights and preferences. However, we cannot do so if there is no persistent mechanism to attach those preferences to, and we understand

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Request: Get Involved to Solve the "Identity Challenge"

- **Deploy the DigiTrust standardized ID:**
  the more who join, the greater the benefit for all.
    - Our engineering team will walk you through a few simple steps
    - Free for publishers and brands; small monthly contribution for platforms

> The appetite of browsers to work in cooperation with our industry is dependent on our ability to work in cooperation with each other.

- **Get involved in DigiTrust product governance. It's your ID, after all.**
    - Community developed, maintained, and funded industry resource for everyone's benefit

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Get in touch

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/iab-europe

www.iabeurope.eu