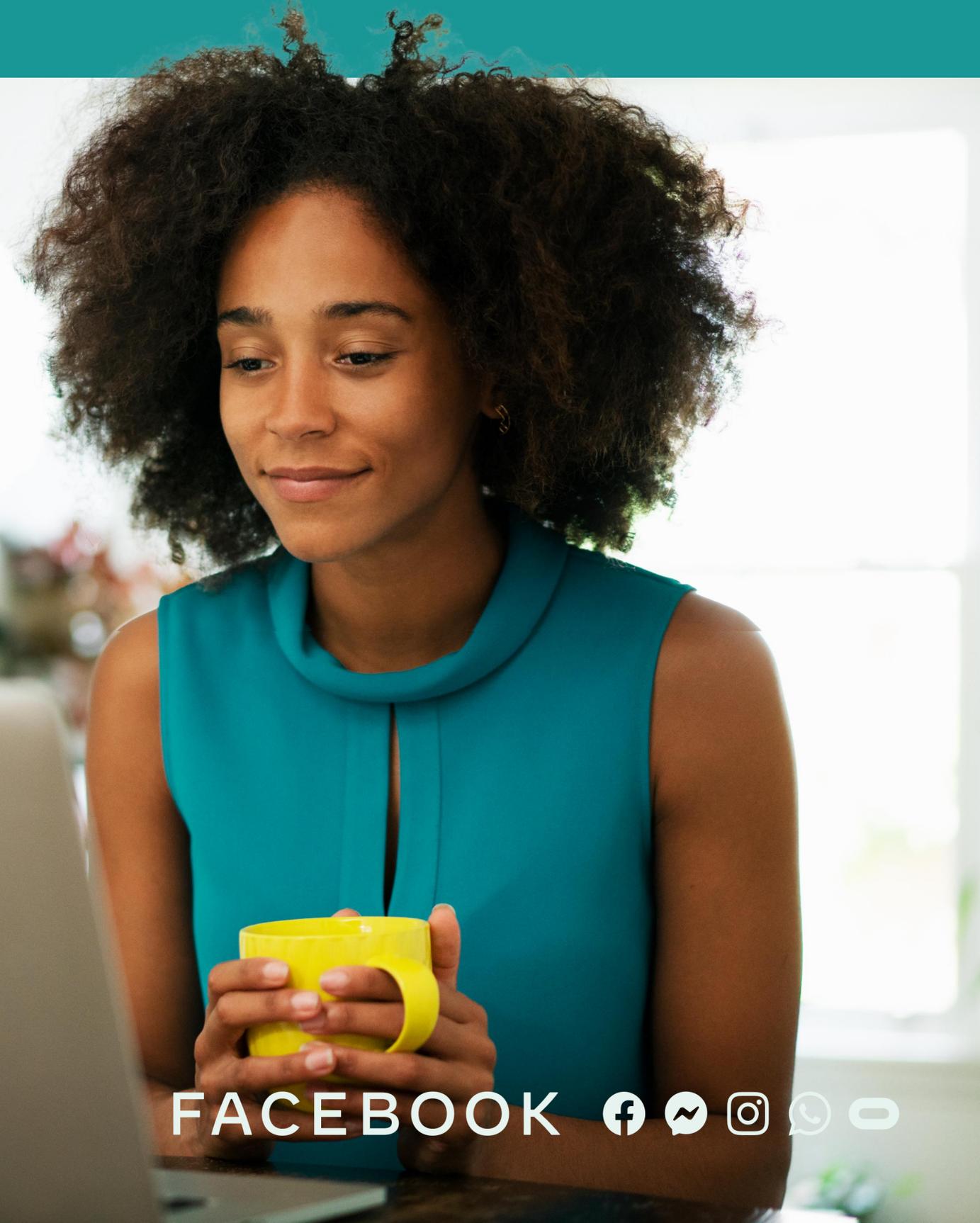


# Privacy First Advertising in a Cookieless World

IMAA ROUNDTABLE

MAY 2021

FACEBOOK     



# Agenda

## Cookieless Future: A FB Perspective

Switching threat to opportunity

## Measurement Impact

Measurement in the new cookieless world

## Privacy and Personalization

The Path to a Privacy-conscious Digital Ecosystem

## Guided Q & A + Closing

SWITCHING THREAT TO OPPORTUNITY

# Cookieless Future: A FB Perspective

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# The evolving ads ecosystem

PERSONALIZED ADVERTISING  
IN A PRIVACY-FIRST WORLD



# The advertising ecosystem is evolving

Leading businesses must innovate their data practices now to meet consumer expectations around personalized advertising and privacy



## 1<sup>st</sup> EVOLUTION

How data is managed

### BUSINESS ACTION 1

Give people transparency and control



## 2<sup>nd</sup> EVOLUTION

How data is surfaced

### BUSINESS ACTION 2

Use tools that reflect people's privacy choices



## 3<sup>rd</sup> EVOLUTION

How data is sourced

### BUSINESS ACTION 3

Create real value across the consumer journey

# Governments are passing data restrictions that put control of data into the hands of people

## GDPR

### General Data Protection Regulation

GDPR is a regulation in the EU granting data and privacy protections to individuals located in the European Economic Area (EEA).

## CCPA

### California Consumer Privacy Act

CCPA is a regulation in California, USA that requires businesses to provide information about how California consumers' personal information is collected, used, shared, and sold,. It also allows consumers to request their data be deleted.

## LGPD

### Lei Geral de Proteção de Dados

Lei Geral de Proteção de Dados (LGPD) is Brazil's data protection regulation that will govern how companies collect, use, disclose and process personal data, and applies to companies that process personal data for people in Brazil.

Technology companies are enacting new policies that impact long-standing ad mechanisms



### THIRD-PARTY COOKIES

Web browsers are enacting new policies that limit or block the use of cookies



### MOBILE DEVICE IDS

New policies from Apple could reduce the availability of mobile device data for advertisers



Without conversion data,  
advertisers see higher  
acquisition costs

>150%

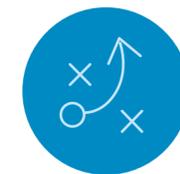
A large-scale ranking experiment with over 20K  
advertisers showed over 150% average increase  
in cost per action (CPA) when they moved from  
conversion optimisation to link click optimisation<sup>1</sup>

Source: 1 Internal FACEBOOK study, "Quantifying advertiser value of offsite  
conversion optimisation", June 2019.

## Use tools that reflect people's privacy choices



For web, adopt tools for sharing directly from your server

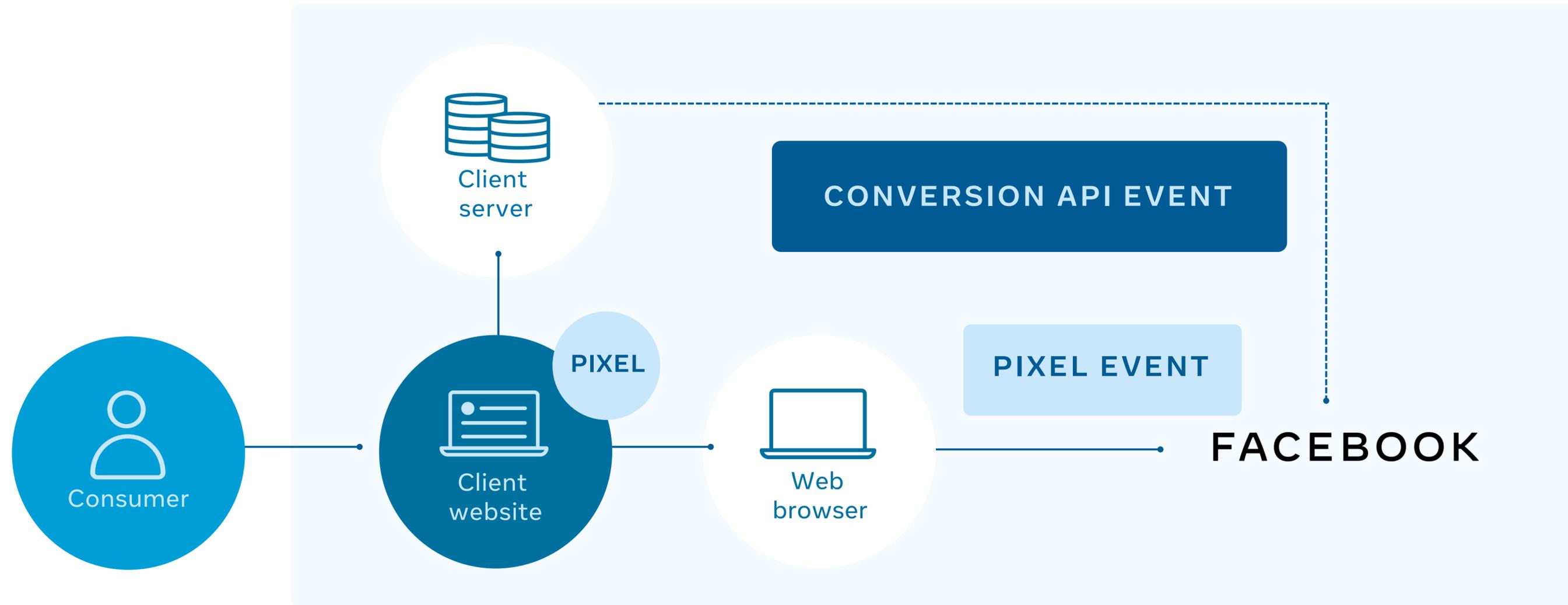


For app, use tools that strengthen data sharing



# For web, adopt tools for sharing directly from your server

Conversions API honours the choices your customers have made about data sharing on your platform



Conversions API creates a way to connect with Facebook directly from your server, reducing reliance on cookies

# For app, use tools that strengthen data sharing



## FACEBOOK SDK

Businesses can pass app event data to Facebook to track and measure the actions people take in their apps.



## APP EVENTS API

Businesses can track actions that occur in their apps, such as app installs and purchase events, for ad targeting.



## MOBILE MEASUREMENT PARTNERS

Businesses can send app events through a partner to gain insights into their campaigns and measure across networks.

# Businesses relying on cookies and device IDs will find it harder to drive performance

Information like email addresses and phone numbers will become more important to connect website and app activity to customer's profiles

ACTIONS	Page view	Button click	Add to cart
IDENTIFIERS	Device IDs and cookies	Hashed email address	Hashed phone number
MATCHED IDENTITY	 No match	 Match	 Match

PERSONALIZED ADVERTISING IN A  
PRIVACY-FIRST WORLD

As a result of these  
changes across web  
and app, businesses will  
find it harder to:



Reach people who have expressed  
interest in their business



Deliver ads that feel relevant  
or useful for their customers



Optimize ads toward conversions



Accurately measure and  
report on campaign results

# Businesses must balance privacy and personalization

## 1<sup>st</sup> EVOLUTION

### How data is managed

#### **BUSINESS ACTION 1**

Give people transparency and control

#### **Help people understand how data is used**

Make it easy for consumers to understand how their data is shared and used by your business

#### **Clearly ask your customers for consent when required**

Tie data use to real-world examples to help people understand why they would consent

## 2<sup>nd</sup> EVOLUTION

### How data is surfaced

#### **BUSINESS ACTION 2**

Use tools that reflect people's privacy choices

#### **Adopt tools that allow you to share directly from your server**

Implement products such as Conversions API to establish channels that are browser independent

#### **Use tools for apps that strengthen data sharing**

Facebook has tools like our SDK and App Events API to help use app data to inform personalized advertising and an ecosystem of mobile measurement partners.

## 3<sup>rd</sup> EVOLUTION

### How data is sourced

#### **BUSINESS ACTION 3**

Create real value across the customer journey

#### **Offer customers valuable experiences**

Explore data collection through valuable experiences: discounts, VIP programs, etc.

#### **Prioritize high-quality data that preserves performance**

Email addresses, phone numbers and other information will help connect website and app activity to users

#### **Ensure responsible data handling**

Understand how data is acquired, used and stored and ensure lawful permissions

MEASUREMENT IN THE NEW COOKIELESS WORLD

# Measurement Impact

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# Measurement in the new cookieless world

FACEBOOK     

## THE MEASUREMENT LANDSCAPE AS WE KNEW IT



### Marketing Mix Modelling

The traditional holistic analysis of on and offline sales through multiple independent variable regression interpreting budget optimisation guidance through modelling channel ROI performance



### Attribution

Attribution was for a time considered the silver bullet of digital marketing effectiveness. But there were frustrations around it's integration with cross-channel solutions and it will be impacted by browser blockages



### Experimentation

More of a way of working but adapted by digital platforms to build out conversion lift and brand lift solutions. Taking the purest gold standard of measurement; i.e. clinical trials through test and control groups, and applying to digital media activity

## THE MEASUREMENT LANDSCAPE AS WE ARE GETTING TO KNOW IT NOW



### Marketing Mix Modelling

- Unimpacted but modelled results
- Slower and more labour-intensive
- Vulnerable to Analyst subjectivity



### Attribution

- Impacted but still more data-led than modelled
- Digital-first and hard to align with offline channels

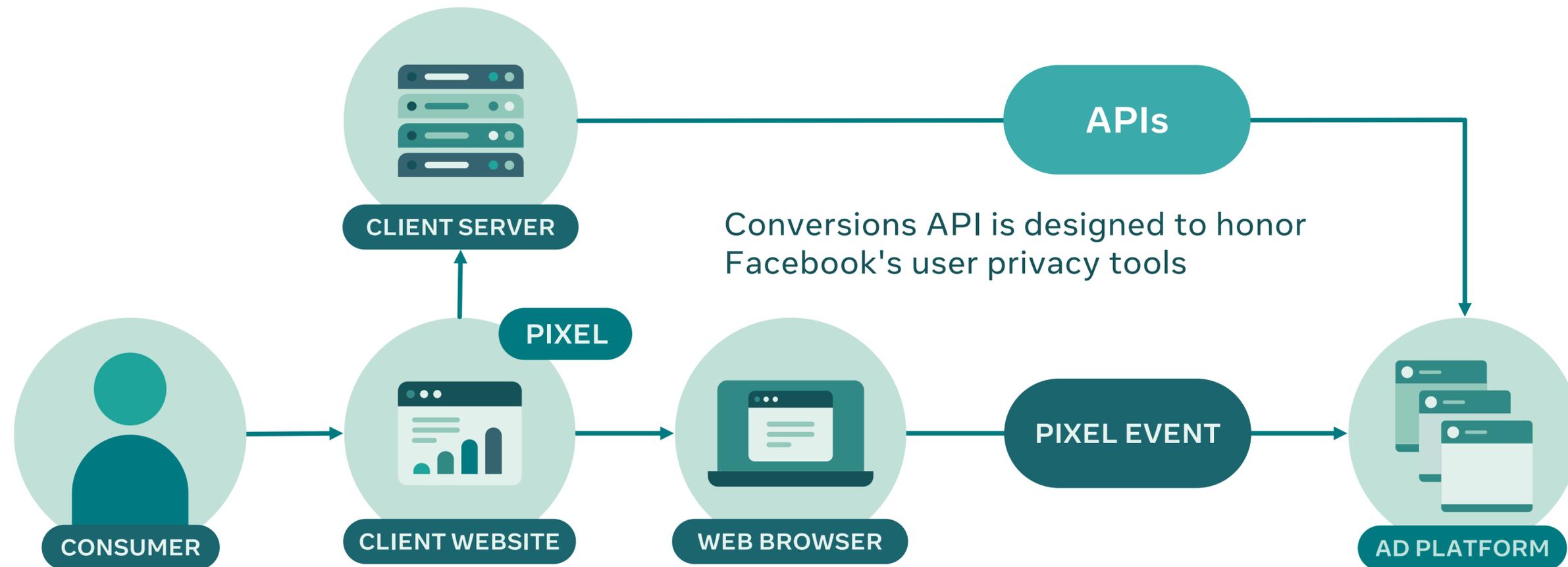


### Experimentation

- Unimpacted as an approach, but digital test and learn methods will be impacted
- The culture must live on and will provide the ultimate validation

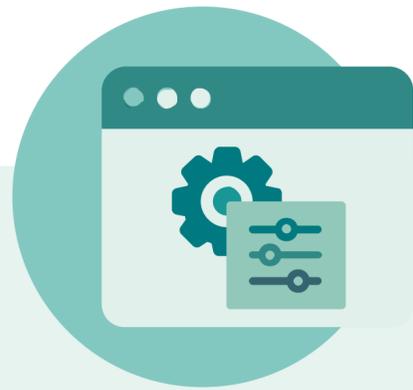
UNDERNEATH ANY GOOD APPROACH TO MEASUREMENT IS THE DATA IT RUNS ON

# Businesses must find more reliable ways to surface data that respects people's privacy choices



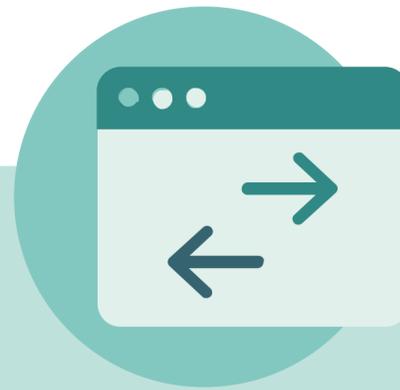
UNDERNEATH ANY GOOD APPROACH TO MEASUREMENT IS THE DATA IT RUNS ON

# The advantages of adopting Conversions API



## Discrete data control

Control the data you share and when you share it



## Reliable data sharing

Strengthen how you share data with Facebook



## Full-funnel visibility

Gain more insights into the people who matter to your business

GETTING THE BEST SKILLS WHICH WILL MEAN KNOWING YOUR PARTNERS

# What options do you have?

## MEDIA AGENCY

### Advisor

You raise awareness about signals challenges and offer high level response strategies to clients.

That role can be remunerated or not (i.e. Advisory fees, project management fees etc.)

### Facilitator

You are in the driving seat. You assess and actively recommend a tech partner/solution best suited for your client(s).

That role can be remunerated or not (i.e. finder's advisory fees, daily rate and/or white labelled solution(s), advisory fees, etc.)

### Integrator

You implement the Conversion API, mobilising Engineering and/or technical resources.

This service might be or not, directly or indirectly remunerated (i.e. implementation fees, part or a retainer package, etc.)

GETTING THE BEST SKILLS WHICH WILL MEAN KNOWING YOUR PARTNERS

# Map your clients' technical ecosystem

## CUSTOMER DATA PLATFORMS

Collect and distribute client data to various platforms, including Facebook



## COMMERCE PLATFORMS

Enable end-to-end creation and management of online stores



## SYSTEM INTEGRATORS

Provide technical integrations for platforms



## MARKETING TECHNOLOGY

Point solutions (e.g., CRM) that are used to power marketing campaigns



## What can you do?

01

Assess the resiliency of your current measurement approaches and solutions

02

Sew the seeds of a culture of experimentation (if you haven't already!)

03

Let tech do the heavy lifting to stabilise and standardise data access for measurement

04

Get to know your measurement and tech partners

05

Validate across methodologies

THE PATH TO A PRIVACY-CONSCIOUS DIGITAL ECOSYSTEM

# Privacy and Personalization

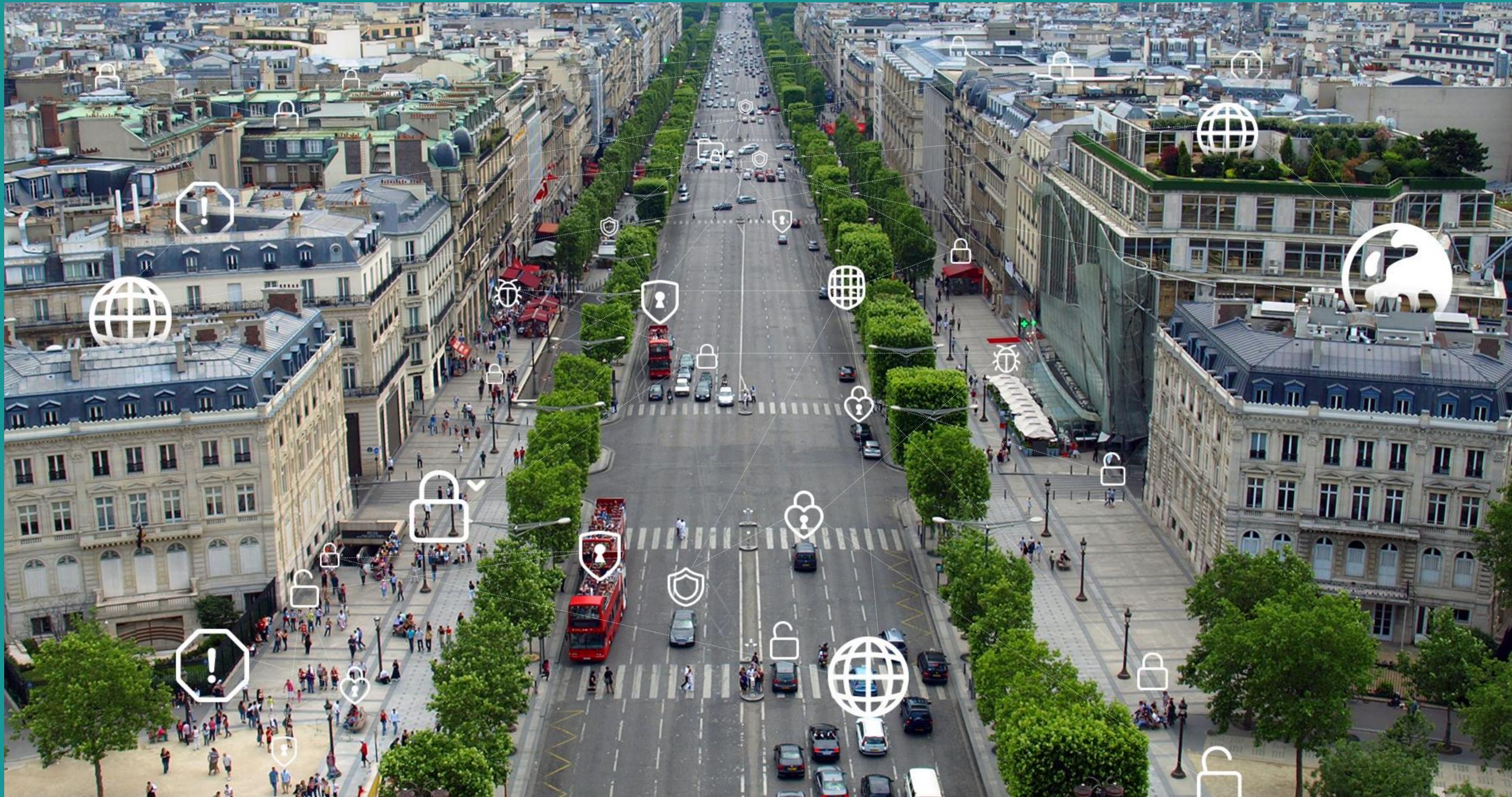
\*\*\*Speaker Name, Job Title\*\*\*

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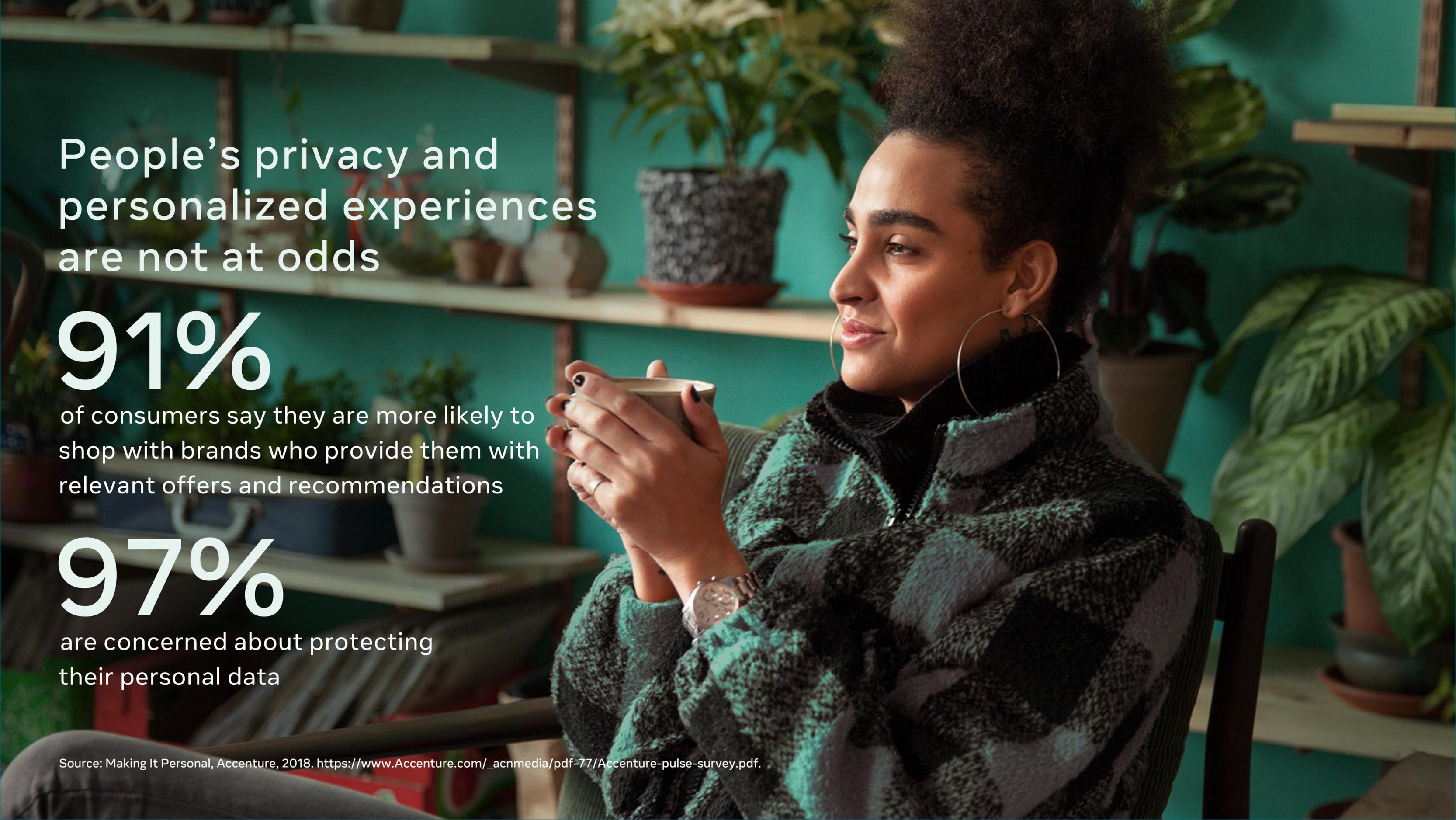
# The Path to a Privacy-conscious Digital Ecosystem

\*\*\*Speaker Name, Job Title\*\*\*

FACEBOOK     



Privacy



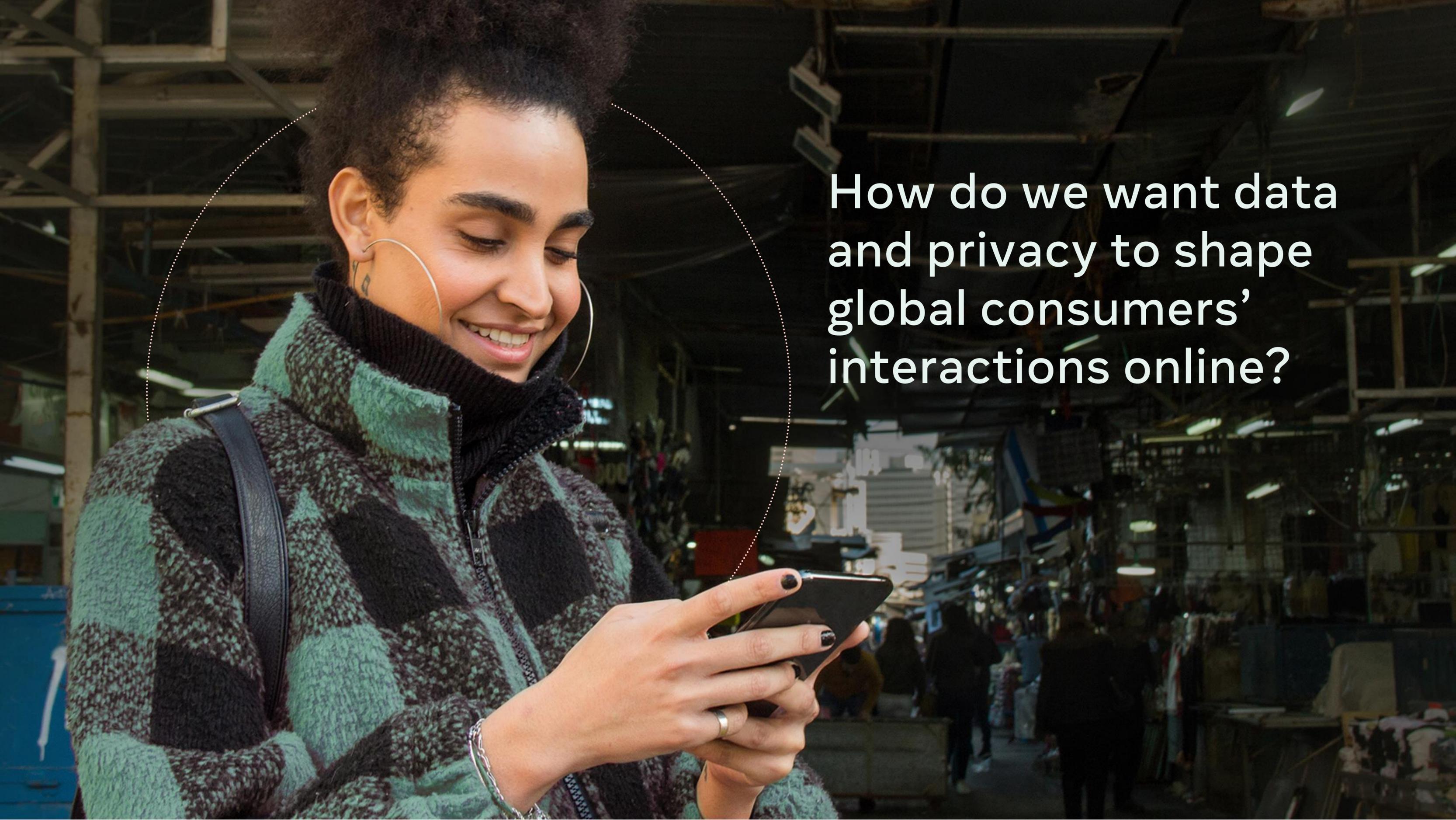
People's privacy and  
personalized experiences  
are not at odds

91%

of consumers say they are more likely to  
shop with brands who provide them with  
relevant offers and recommendations

97%

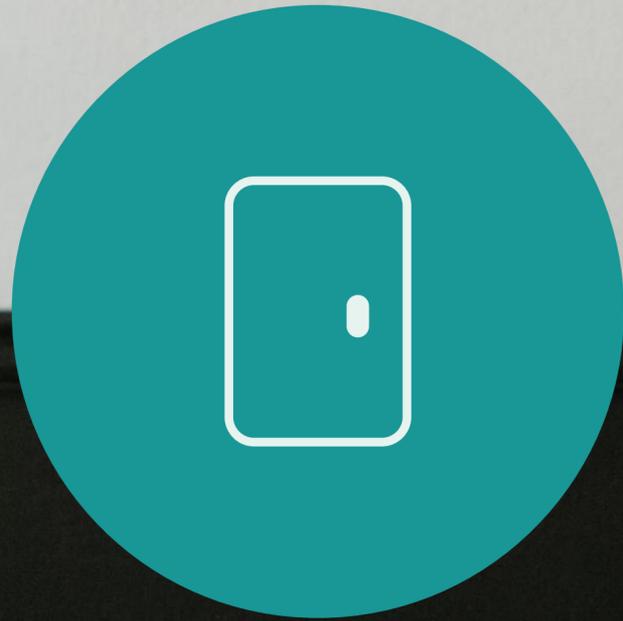
are concerned about protecting  
their personal data



How do we want data and privacy to shape global consumers' interactions online?



**Regulation**  
governing how  
people's data  
is used by  
businesses





Giving people transparency  
and control into how their data  
is being used by businesses

Improve transparency around  
our platforms' data use to help  
drive regulatory compliance





A man with dark hair, wearing a blue long-sleeved shirt and a dark, patterned apron, is focused on his work. He is leaning over a large, light-colored piece of fabric, possibly a garment or a piece of art, which is laid out on a surface. His hands are visible, one near the edge of the fabric. The background is filled with rows of wooden chairs, suggesting a workshop or a factory setting. The lighting is warm and natural, highlighting the textures of the fabric and the man's concentration.

Personalized advertising  
is giving everyone the  
opportunity to thrive

Experiences  
tailored directly  
to you

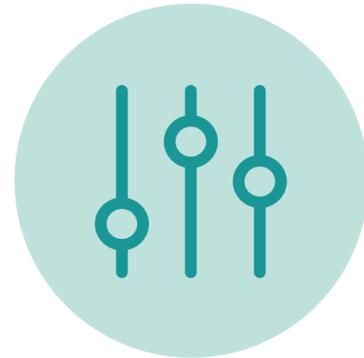


# The Future of Digital Advertising

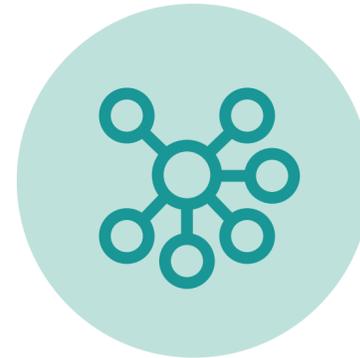
# Privacy-Enhancing Technology



**SECURE HARDWARE  
AND SOFTWARE  
COMPUTATION**



**REDUCED DATA  
FIDELITY**



**DISTRIBUTED  
MACHINE  
LEARNING**



**DIFFERENTIAL  
PRIVACY**

# The Future of Digital Advertising



**PRIORITIZING  
EDUCATION FOR  
PEOPLE**



**GIVING  
AND HONORING  
PEOPLE'S CHOICES**



**LEVERAGE A  
DATA HANDLING  
STRATEGY**



**PRIORITIZING  
EDUCATION FOR  
PEOPLE**

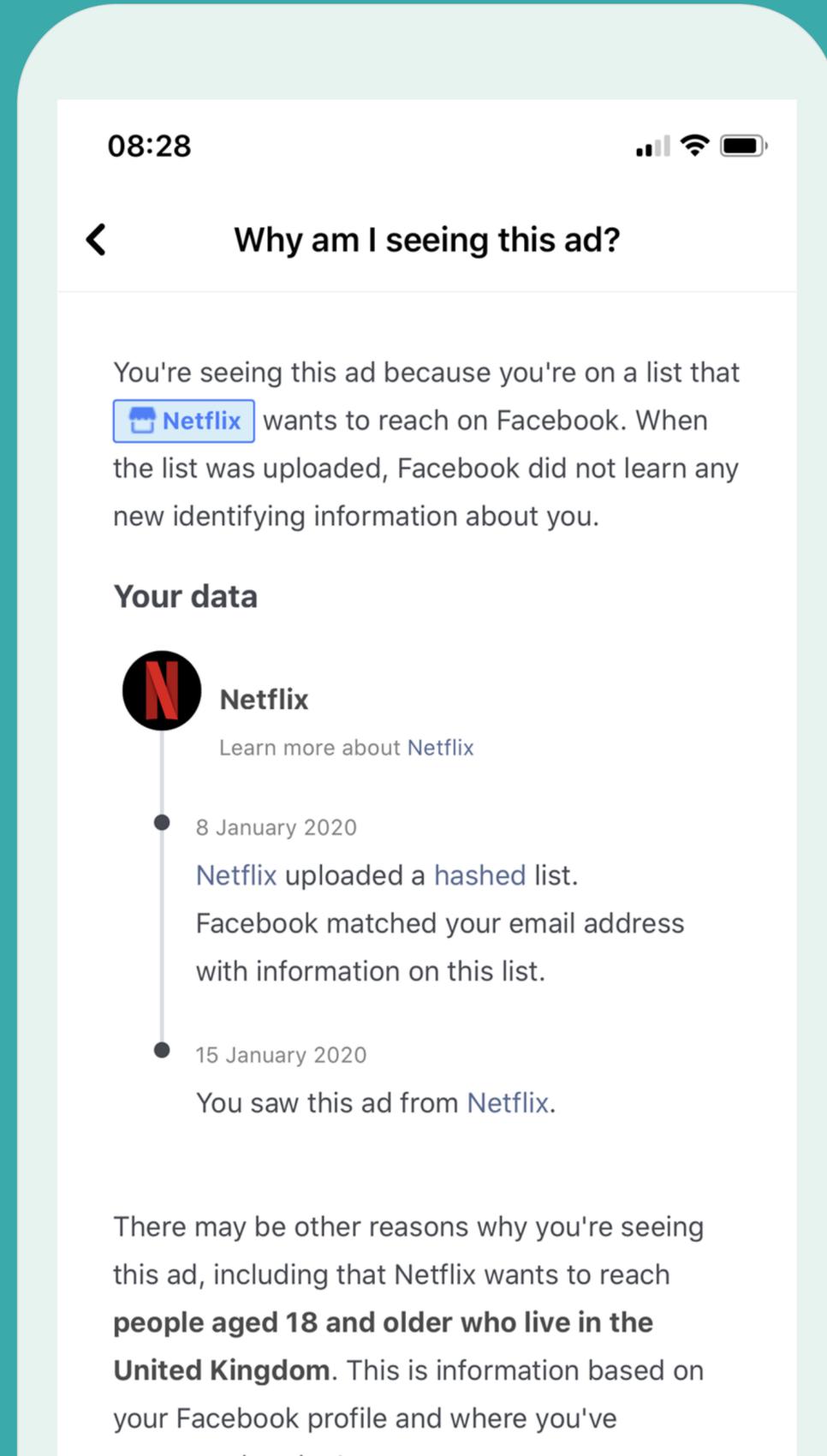


**GIVING  
AND HONORING  
PEOPLE'S CHOICES**



**LEVERAGE A  
DATA HANDLING  
STRATEGY**

# Why am I seeing this ad?





PRIORITIZING  
EDUCATION FOR  
PEOPLE

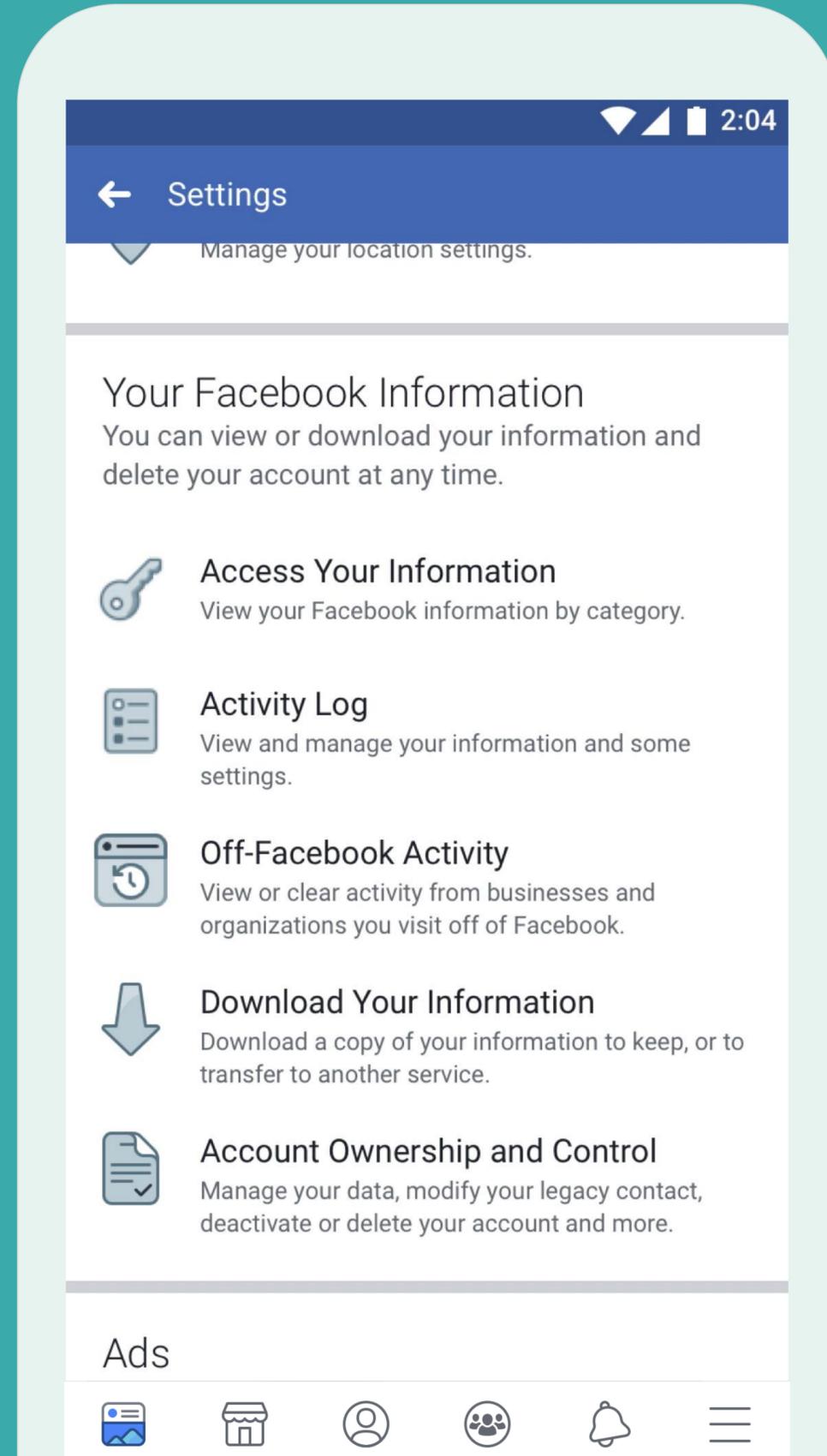


GIVING  
AND HONORING  
PEOPLE'S CHOICES



LEVERAGE A  
DATA HANDLING  
STRATEGY

# Off-Facebook Activity





PRIORITIZING  
EDUCATION FOR  
PEOPLE



GIVING  
AND HONORING  
PEOPLE'S CHOICES

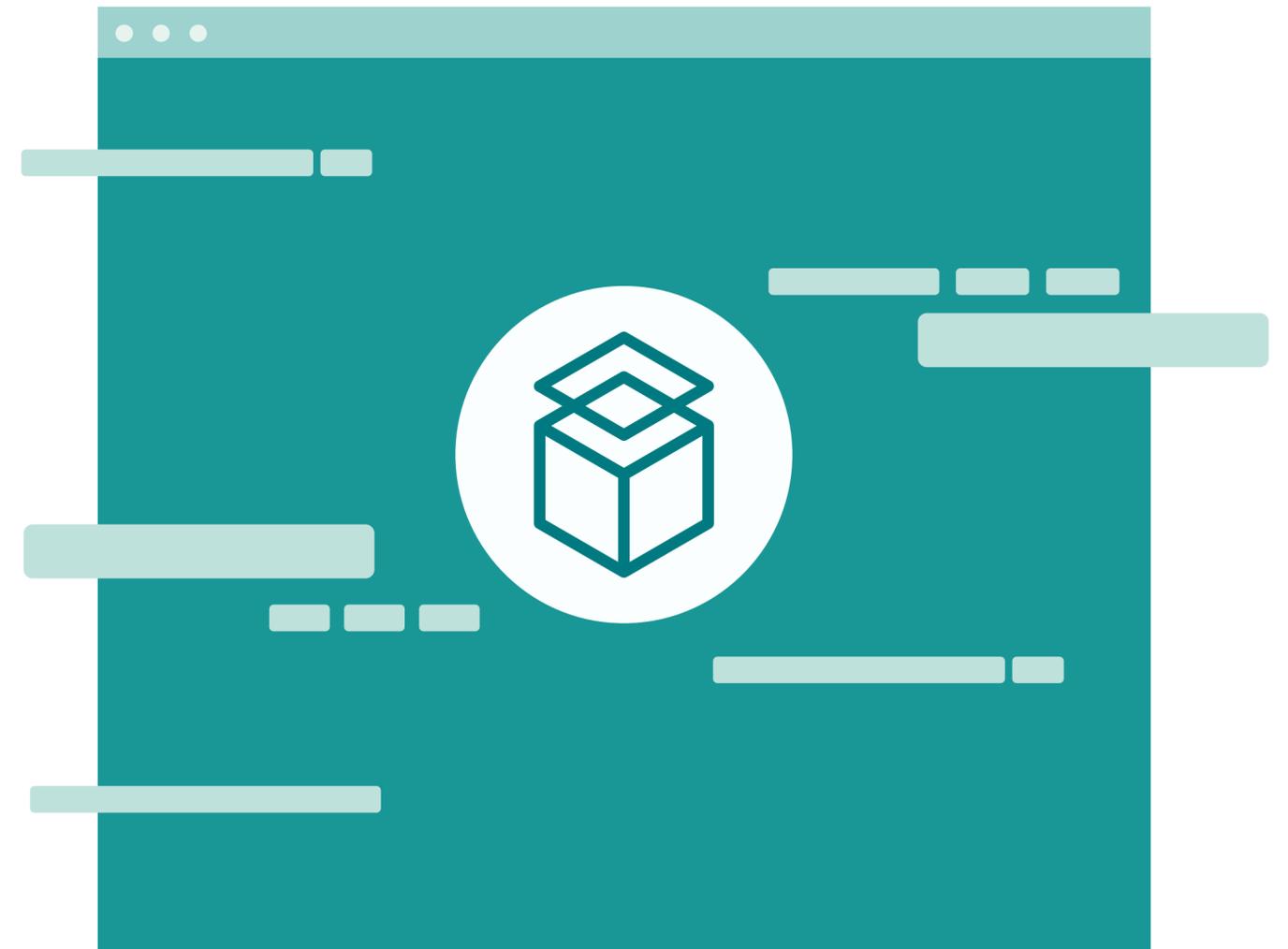


LEVERAGE A  
DATA HANDLING  
STRATEGY

# Secure Multi-Party Computation

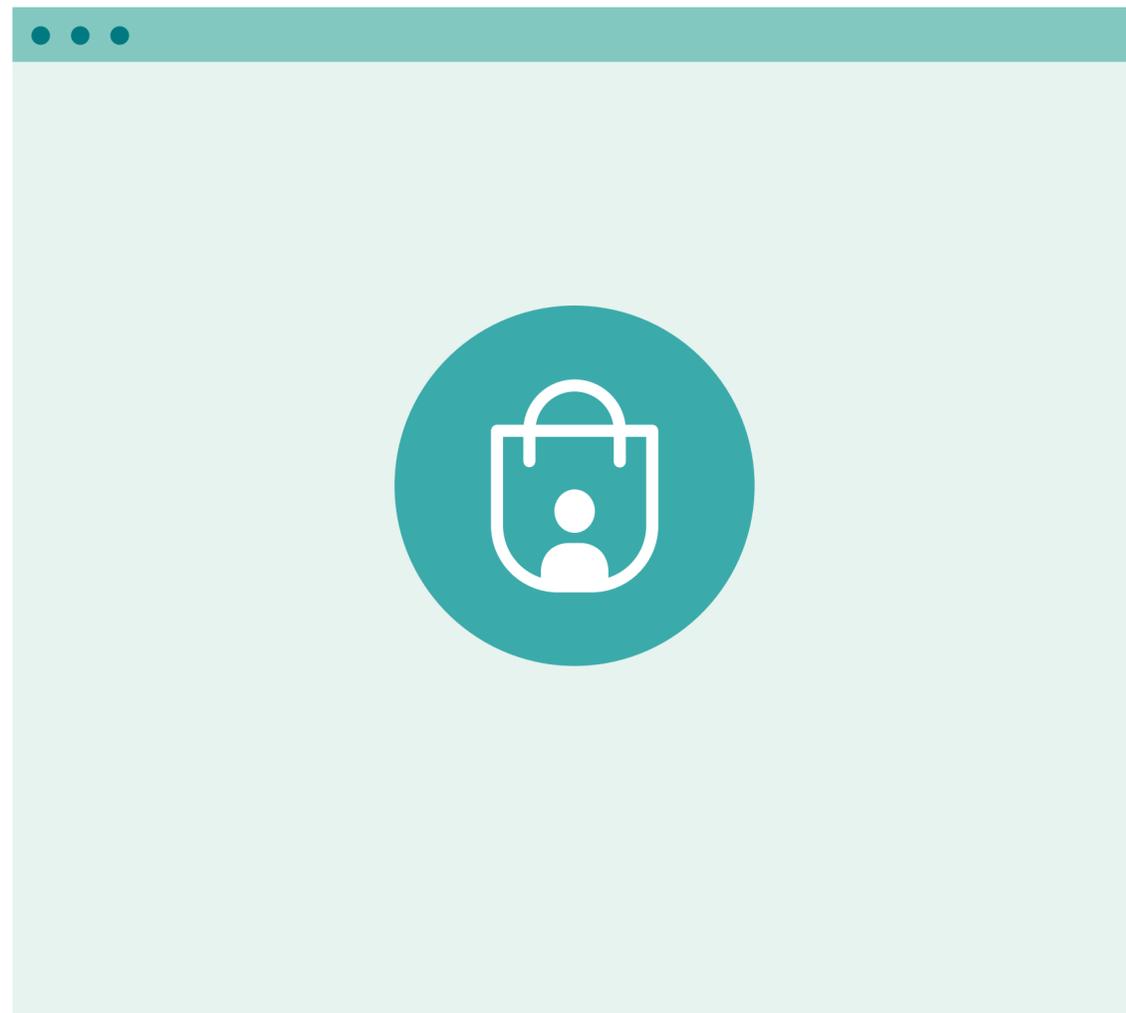


ADVERTISER  
WEBSITE



DIGITAL  
PLATFORM

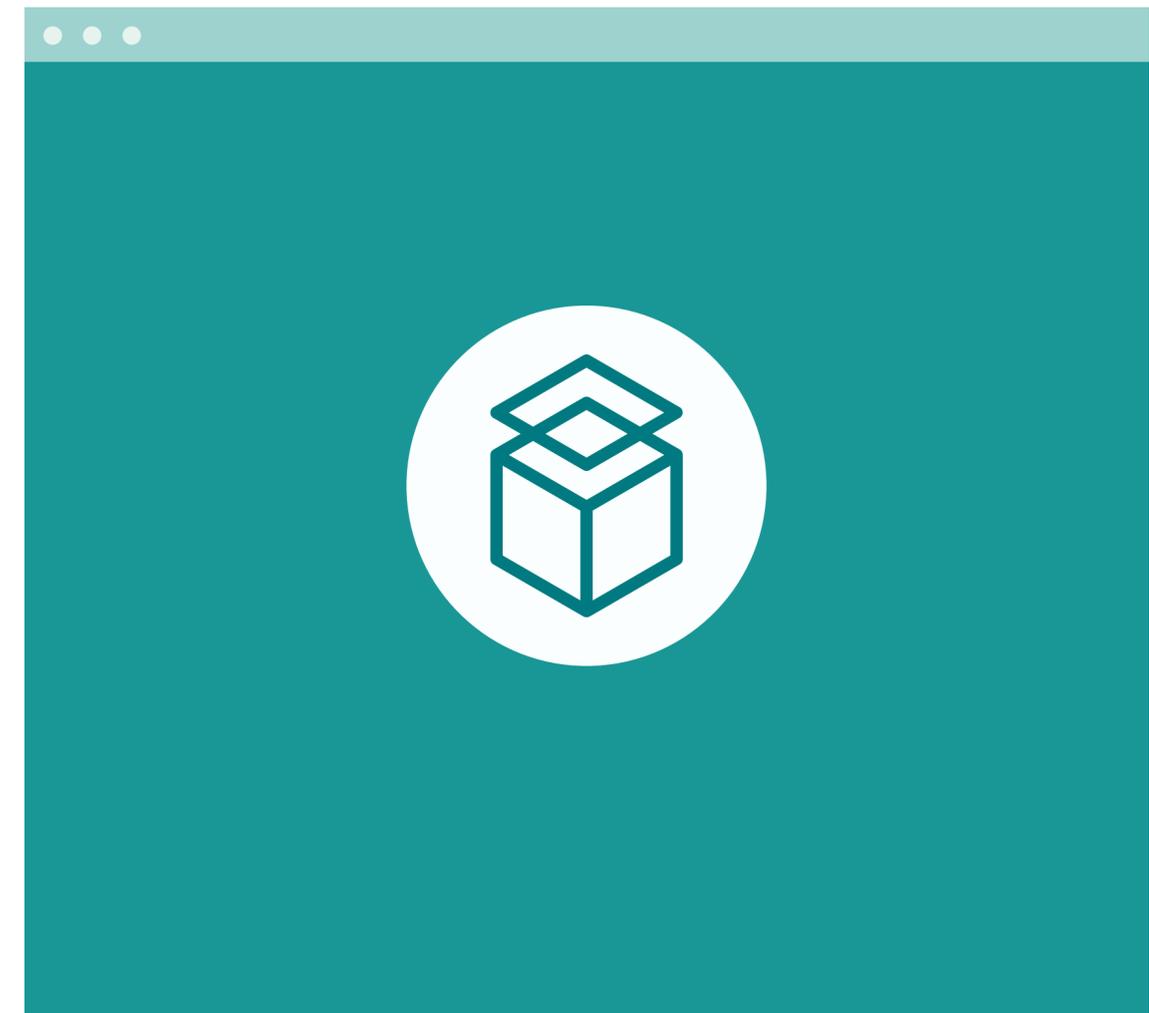
# Secure Multi-Party Computation



ADVERTISER  
WEBSITE



NETWORK



DIGITAL  
PLATFORM



Let's move  
forward together

## SWITCHING THREAT TO OPPORTUNITY

# Q & A

Moderator: \*\*\*Speaker Name, Job Title\*\*\*

FACEBOOK     

Thank you

FACEBOOK     

Thank you



FACEBOOK     

Thank you



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