IDENTITY:

Are we headed toward resolution, revolution or regression?

Advertiser Perceptions™

Have Confidence in Every Business Decision You Make

TODAY'S HOST

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VP Business Intelligence

Advertiser Perceptions is the global leader in research-based business intelligence for the advertising, marketing, and ad technology industries. Our expert staff delivers an unbiased, research-based view of the advertising market with analysis and solutions tailored to your specific KPIs and business objectives. These insights provide you with the confidence to make the very best organizational, sales, and/or marketing decisions, driving greater revenue and increased client satisfaction.
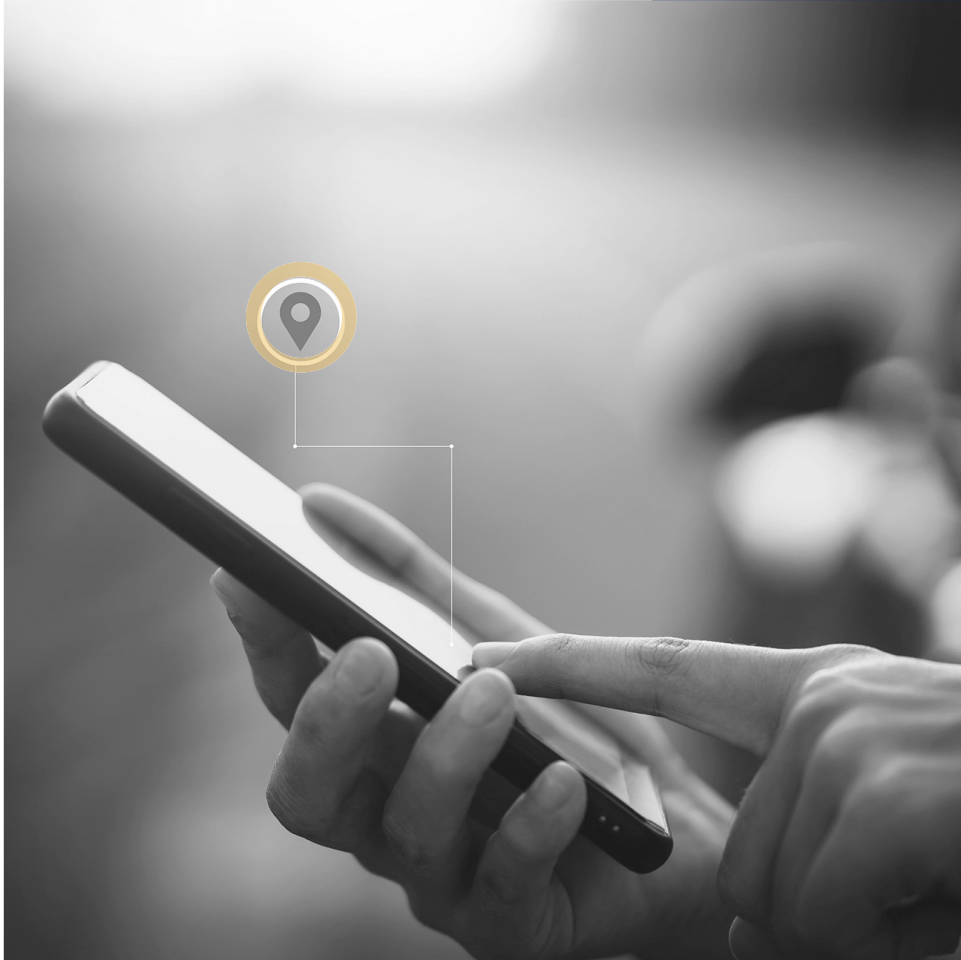
WHAT WE'LL COVER:

1. Where we are with identity resolution today

2. Which companies advertisers are looking to for identity resolution services and solutions

3. Where identity resolution is headed

IDENTITY TODAY

Identity Resolution Report

AD PROS™
ADVERTISER PERCEPTIONS

Our Ad Pros Community represents the brands and agencies that are spending the most on advertising and marketing in the U.S. We continuously update, supplement, and refine the community based on movement in the market.

Full Report Available!
please contact us for details.

METHODOLOGY
& RESPONDENT PROFILE

INTERVIEWS CONDUCTED: 302

SURVEY FIELDED: Aug 14th to Sept 9th, 2020

QUALIFICATION: 100% involved in advertising/marketing, IT/Tech or Business Intelligence/Data Science, company currently using Identity Resolution solution, involved in developing/approving IR solution budgets, determining IR strategy, approving IR vendors or using IR solutions

SAMPLE: Marketer and agency contacts from The Advertiser Perceptions Ad Pros proprietary community and trusted third-party partners as needed

Incentives include cash and information

WHAT IS AN IDENTITY RESOLUTION SOLUTION?

A software or technology that combines consumer identifiers into **a single, persistent identity graph** that can then be used to holistically identify consumers **across various channels, devices and online-to-offline domains**.

Identity resolution services can either be standalone services (e.g., data on-boarders), or may be offered as part of an integrated ad/marketing offering.

IDENTITY RESOLUTION SERVICES ARE WIDELY USED

79%

The portion of US advertisers and agencies using identity resolution services today

4.1

The average number of identity resolution services used

Q. How are you involved in your [company's/main client's] use of identity resolution solutions?
Q. How many identity resolution service providers or identity graphs does your [company/main client] currently use?

TOP-5 REASONS TO USE
MULTIPLE PARTNERS

1 To take advantage of unique data sets and identity graphs across specific partners and platforms

2 To enable integrations with specific adtech partners
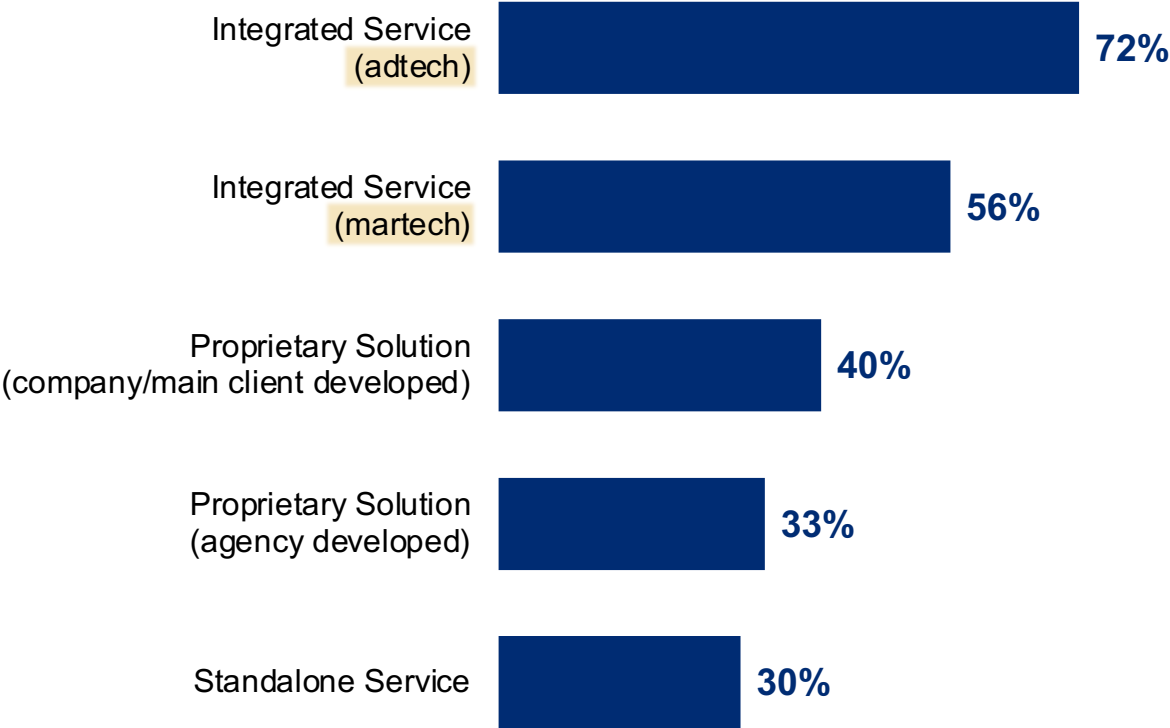
3 To meet channel- or format-specific needs

4 To carry out specific functions

5 To build a more holistic customer view

Q. For which of the following reasons does your [company/main client] use more than one identity resolution service provider? Base: Uses More than 1 Identity Resolution Provider

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Most advertisers and agencies access IR solutions via existing adtech and martech relationships

Methods of Working with IR Solution Providers

Method	Percentage
Integrated Service (adtech)	72%
Integrated Service (martech)	56%
Proprietary Solution (company/main client developed)	40%
Proprietary Solution (agency developed)	33%
Standalone Service	30%

Two-thirds of agencies, marketers and IT/tech professionals consider IR very important for onboarding data, enhancing measurement and activating data across other platforms

Importance of Identity Resolution Capabilities, "Very Important" reported		Do not use IR for this purpose
Onboarding data	70%	1%
Enhancing measurement	67%	4%
Activating data across other platforms, systems	66%	6%
Cross-Device Targeting	63%	5%
Personalization	61%	7%
Enriching data sets	55%	4%
Frequency capping	46%	8%

Q40. How important are the following identity resolution capabilities to your [company/main client]?
Base: Total Respondents

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LEADING
IDENTITY RESOLUTION SERVICES PROVIDERS

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WHAT MATTERS MOST WHEN CONSIDERING AN IDENTITY RESOLUTION SERVICE PARTNER?

PERFORMANCE/TECH:

1. Cross-organization ID management

2. ROI/ROAS

3. Data rights management and privacy compliance
   (compliance with CCPA, GDPR)

4. Compatibility of ID graph with other platforms/systems

AUDIENCE:

1. Audience reach/scale

2. Discovery of addressable audiences

3. Custom audience building

4. Strength of ID graph

5. Frequency capping

RESEARCH & INSIGHTS:

1. Customer journey insights and engagement

2. Thought leadership

3. Future of identity/data privacy

4. Post ad campaign insights and recommendations

5. Reporting and analytics

ACCOUNT MANAGEMENT & CLIENT RELATIONSHIP:

1. Technology vision & roadmap

2. Partnership solves business needs

3. Service and support

4. Quality of training

5. Troubleshooting capabilities

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Identity Resolution Companies Measured

Acxiom

Facebook Company

Merkle (M1)

The Trade Desk

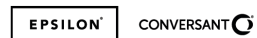Adobe

Google

Neustar

Throtle

Amazon

Infutor

Oracle

Verizon Media

Epsilon/Conversant

LiveRamp

Salesforce

Viant

Experian

Lotame

Signal

THE TRIOPOLY & MARKETING CLOUDS ACCOUNT FOR THE TOP 6 MOST-USED IDENTITY RESOLUTION SERVICES

1	Google
2	FACEBOOK
3	amazon
4	salesforce
5	Adobe
6	ORACLE®
7	LiveRamp®
8	theTradeDesk®
9	experian.
10	verizon media

Q. Which of the following companies has your [company/main client] used for identity resolution solutions/services in the past 12 months? Base: Total Respondents

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LIVERAMP
IS A PRIMARY PLAYER

Top-5 Primary Identity Resolution Services Providers

1	Google
2	LiveRamp
2	salesforce
4	amazon
5	FACEBOOK

Reasons a Company is a Primary Identity Resolution Services Provider:

They were one of the first to offer this service to the market. I think their cloud-based platform is the easiest to use and integrate into our DSPs.

- Marketer, Director

They assign specialists who are very well versed in our industry to guide usage and strategy.

- Marketer, Director

We are pleased with their data sets; they match well with our clients' needs.

- Agency, C-Level

Easiest to upload PII and match up with large percent of users.

- Agency, C-Level

Q95b. What does Google do or offer that makes them your primary choice for identity resolution solutions?
Base: Use "IR Brand" (Variable Base)

Non-primary partners must demonstrate value fast
Three-quarters give IR providers less than 6 months to prove their worth

Timeframe Given to Identity Resolution Provider to Prove Their Value

| 5% | 37% | 38% | 19% |

1 Month

2-3 Months

4-6 Months

6+ Months

Average Time:
4.4 months
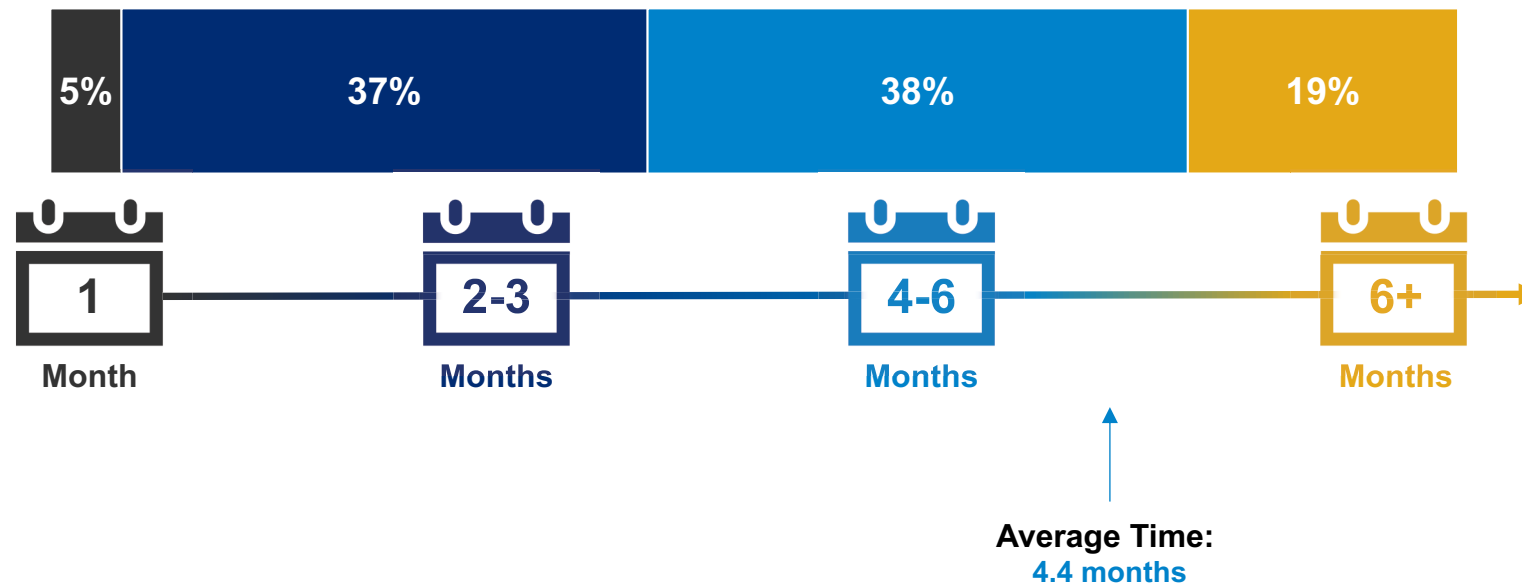
THE FUTURE
OF IDENTITY

HALF
OF ADVERTISERS AND AGENCIES PLAN TO
SPEND MORE
ON IDENTITY RESOLUTION SERVICES IN THE COMING YEAR
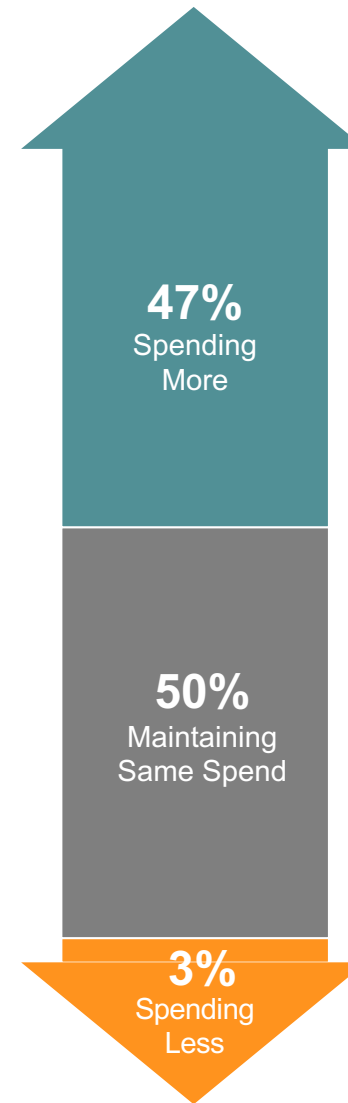
47%
Spending More

2021 compared with 2020

50%
Maintaining Same Spend

3%
Spending Less

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Main Reason for Increasing Spend in 2021 on Identity Resolution Solutions:

After we get through 2020, we will resume spend to increase our proficiency in this area.

-Marketing, Director

Third-party data increasingly less desirable and based on inferences we no longer value or can't validate.

- Agency, President

GDPR, CCPA and other 'cookie killers' on the horizon.

-Marketer, CEO

A collectively agreed upon decision from the top down.

-Agency, Director

Q. What's the main reason why your [company/main client] will be increasing spending in 2021 on identity resolution solutions?
Base: Planning to Increase Spend

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Use of ID Consortia or Other Industry-Backed ID Graphs

YES
37%

Not currently but planning to
39%

No, and no plans to
14%

Don't know
10%
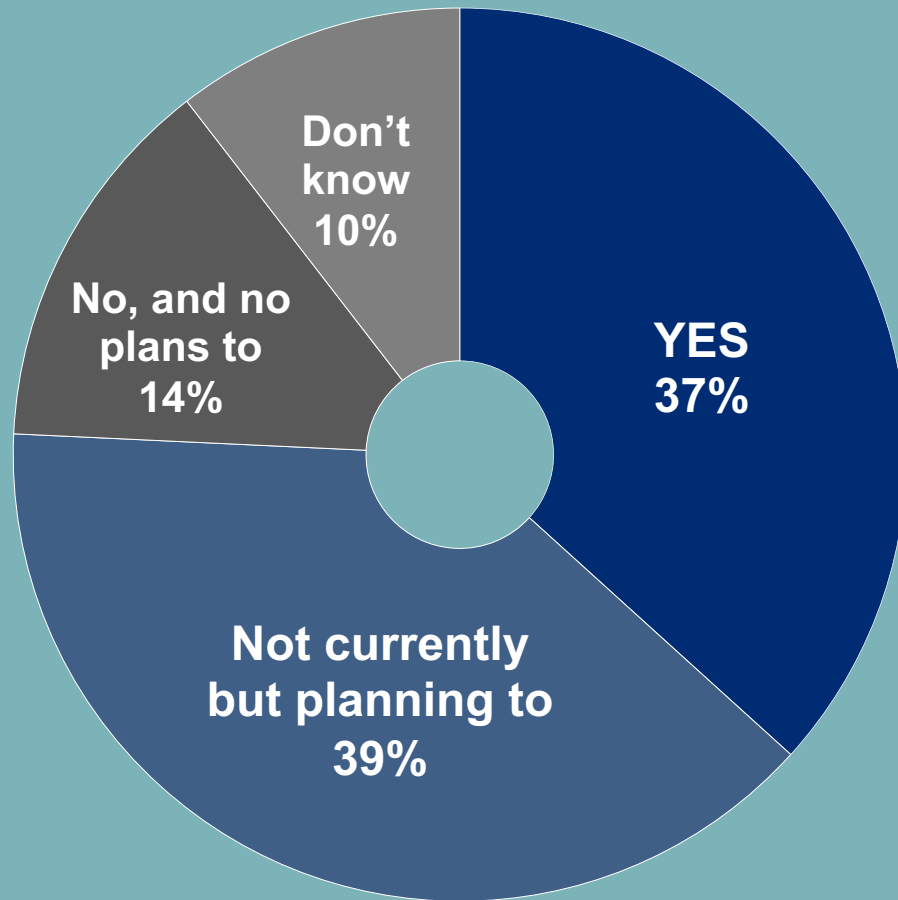
TWO-IN-FIVE
PLAN TO TAKE ADVANTAGE OF ID CONSORTIA OR OTHER INDUSTRY-BACKED ID GRAPHS

Q. Does your [company/main client] currently take advantage of ID consortia or other industry-backed ID graphs (e.g., IAB's DigiTrust or LiveRamp's IdentityLink)? Base: Total Respondents

OPTIMISM TO CRACK THE COOKIE PROBLEM IS HIGH

Somewhat/
Completely
disagree
10%

Completely agree
19%

Neither agree
nor disagree
22%

"The industry will work together to create a universal identifier that can replace third-party cookies"

Somewhat agree
49%
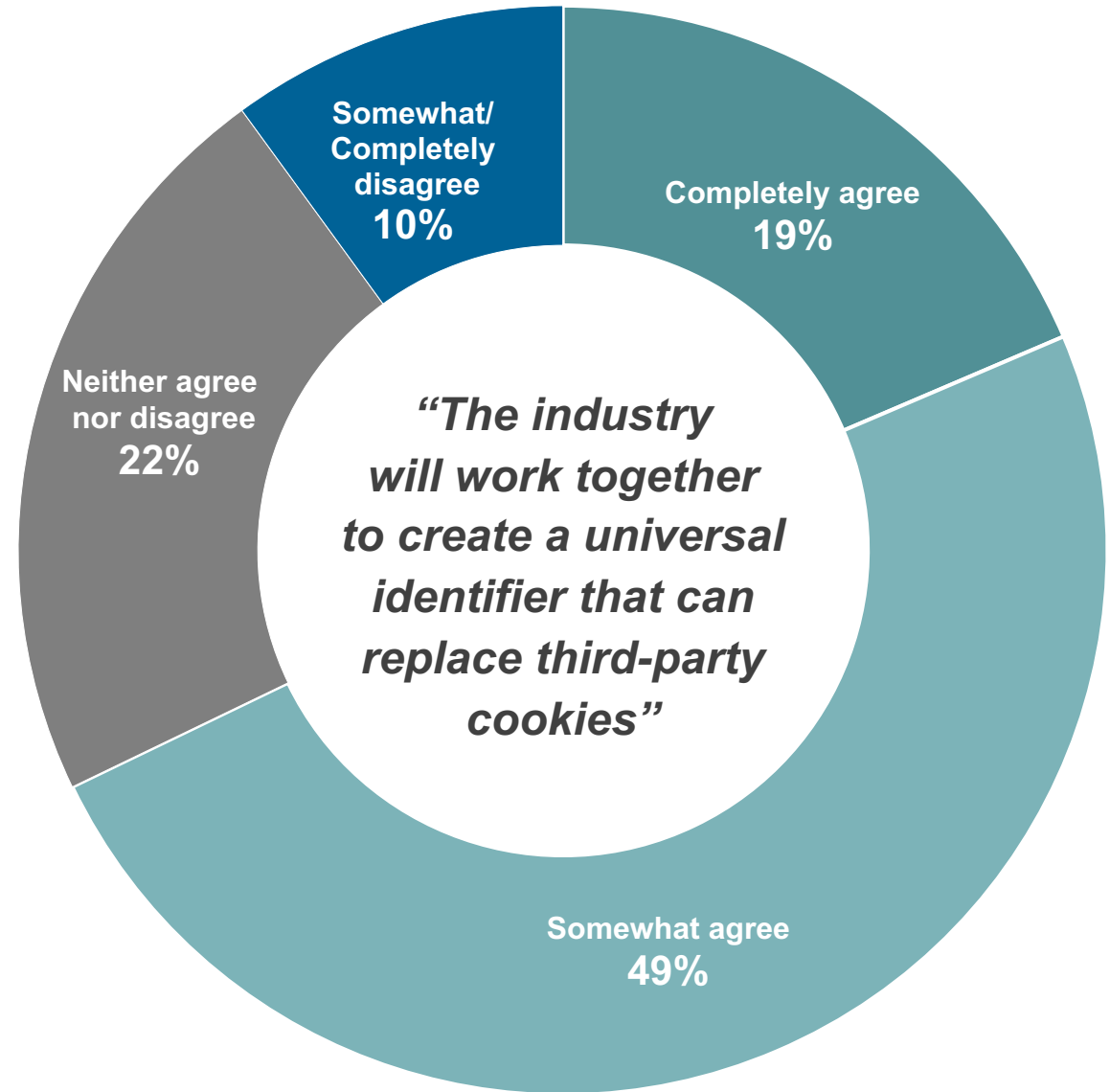
Q84. How much do you agree with the following statement: The industry will work together to create a universal identifier that can replace third-party cookies. Base: Total Respondents

In the interim, many will lean in to first- and second-party data

**Tactics for addressing identity resolution in the future:**

65% Relying more heavily on ID graphs built on first-party data

51% Relying more heavily on second-party data built via data co-ops with other agencies and brands

48% Relying more heavily on second-party data from publishing partners

31% Still relying on 3rd-party-based identity resolution solutions, but ensuring they are built to last

Q. As third-party cookies are being phased out, what are your [company's/main client's] tactics for addressing identity resolution in the future?   Base: Total Respondents
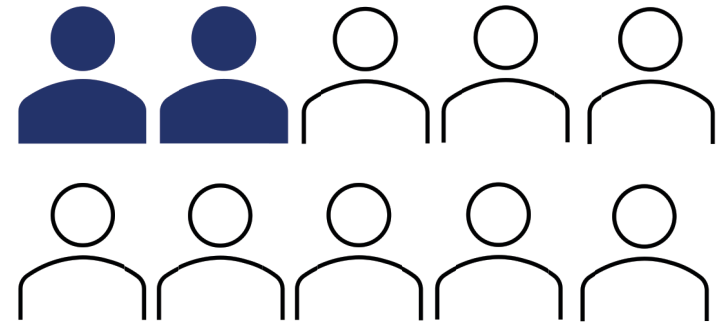
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3-in-10 planning to build their own identity resolution solution
Agencies significantly more likely to consider going this route

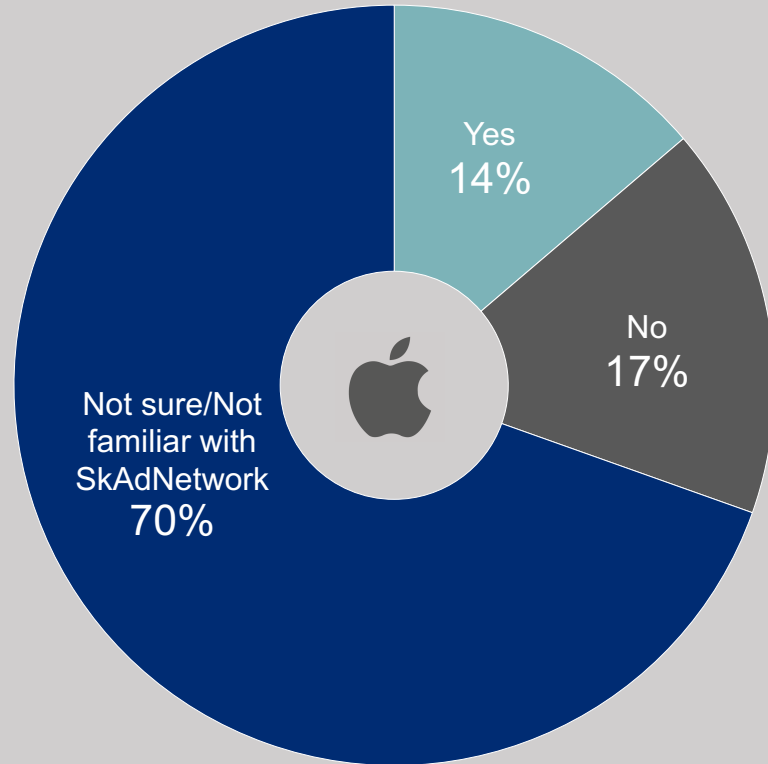### Plans to Build Proprietary Identity Resolution Solution

Agencies

Marketers
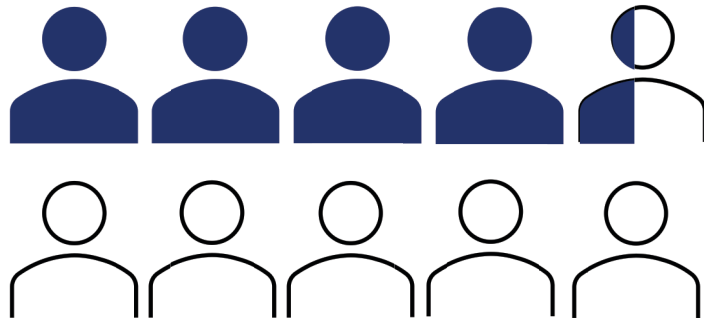
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Q: Do you plan to adopt Apple's SkAdNetxwork App with iOS14 Update?

Yes
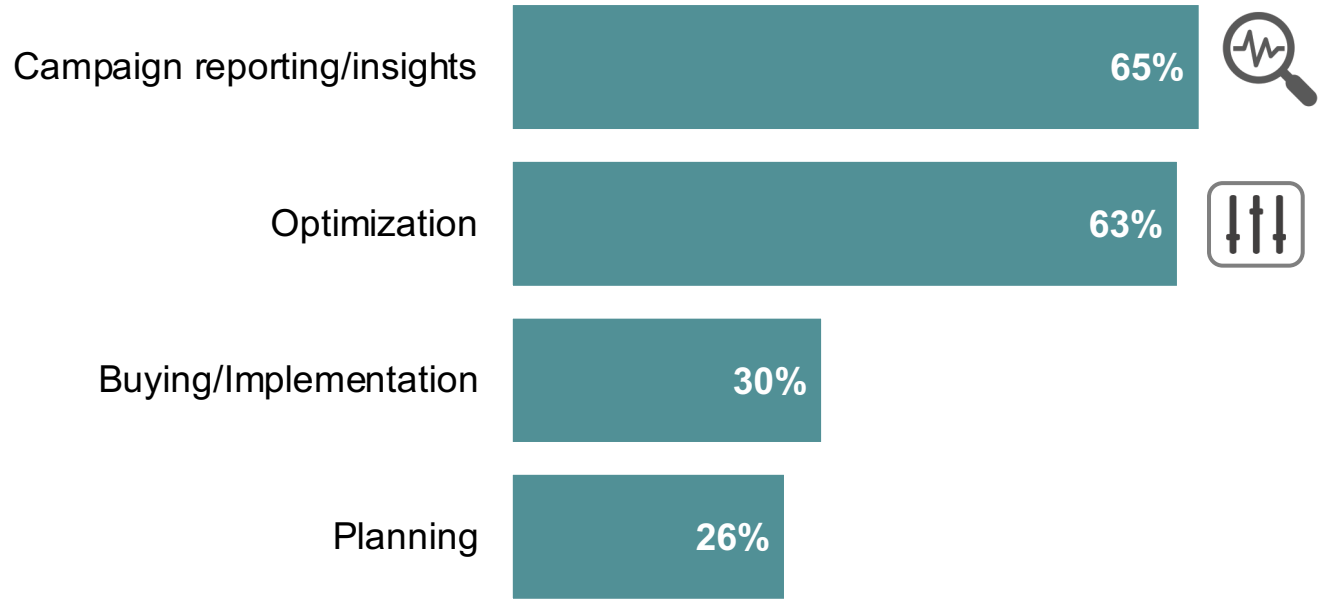14%

No
17%

Not sure/Not familiar with SkAdNetwork
70%

IT'S STILL EARLY FOR THOSE ADDRESSING THE CHALLENGES POSED BY APPLE'S IOS 14 UPDATE

Q. Do you plan to adopt Apple's SkAdNetwork (Apple's new app install attribution solution that will be available with the iOS14 update)? Base: Total Respondent

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In the absence of cookies, measurement and optimization becomes significantly more challenging

Campaign Phases That Will Become More Challenging With "Cookieless" Advertising

Rank 1-2 Reported

Phase	Percentage
Campaign reporting/insights	65%
Optimization	63%
Buying/Implementation	30%
Planning	26%

Source: Measurement Report 2020. Q. Please select up to 2 advertising campaign phases that you believe will become most challenging with the advent of "cookieless" advertising.   Base: Total Respondents

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Are we headed toward a measurement revolution or a regression?

Measurement Tools That Will Become More Important in "Cookieless" World

Tool	Percentage
Sales-Lift Research	**44%**
Ad Effectiveness Research	39%
Media Mix Modeling	38%
Cross-Platform Multi-Touch Attribution	36%
Internal analytics	35%
Verification Analytics	34%
Last-Click Attribution	33%
External analytics	31%
Location/Geo-Based Attribution	31%

KEY TAKEAWAYS

TO KEEP IN MIND AS YOU NAVIGATE THE IDENTITY REVOLUTION AHEAD

Investment in identity is on the rise. Advertisers are planning to spend more money—and use more services—as the future of third-party cookies and identity becomes more uncertain.

Adtech and martech-provided IR solutions are the most common, but advertisers will rely on an **average of four or more** to accomplish specific functions or obtain a holistic customer view.

As identity evolves, **the industry has the opportunity to evolve its metrics and measures of success away** from channel-specific KPIs to **more meaningful company measures of success**.

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For more information about Advertiser Perceptions, this study, and their full range of products and services please contact: info@advertiserperceptions.com

THANK YOU

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