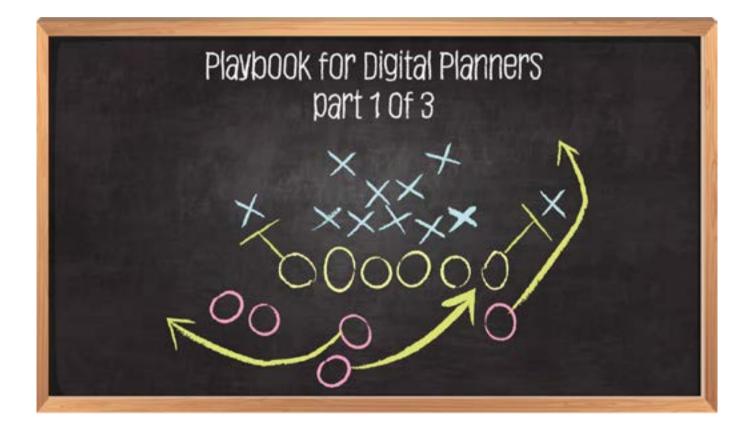
Campaign Planning in a Cookie-Free, Post-Corona World



Introduction: Digital Planners

Live in a Stressful World

Since 2000, the digital ad-tech industry has been defined by third-party data. Companies from Google to financial institutions captured, aggregated, and sold the data generated by citizens as they went about their digital lives.

As a digital planner, you relied on these third-party datasets to plan, traffic and optimize successful, omnichannel campaigns for your clients. Cookies allowed you to track consumers who saw your placements, and lead them through journeys that spanned channels and devices. But over the past five years things started changing, upending the way you do business.

Adding to those complications, the coronavirus pandemic has wreaked havoc on the advertising industry in general. Major advertisers -- iconic retailers, airlines, travel companies, hospitality, automotive, sports franchises -- have slashed their media spending in response to global lockdown orders.



In this 3-Part blog series, we will explore the new challenges faced by digital planners as well as present a playbook for surviving and thriving in a cookie-free, post coronavirus world.

This post (Part 1) covers the changing dynamics digital planners face today. Part 2 explores the three major cookie-free technologies available to digital planners: location data, contextual targeting and targeting by household characteristics. Part 3 is playbook to help digital planners plan, target, optimize and analyze their cookie-free campaigns.











Privacy Trumps All

Pioneered by Google, behavioral tracking has been the digital planner's go-to strategy since 2000. It began by Google tracking user behavior in order to improve its search engine results. Soon enough the company realized that with enough tracking, it could predict which users would respond to which ads, and an entire industry was born. Within a few years, hundreds of companies across the globe began capturing and packaging consumer data and selling it to digital planners, demand side platforms, and a host of other buyers.

While the industry marveled at the data options now available to them, consumers began to object to what they saw as a brazen invasion of their privacy. In 2010, for instance, a man sued Facebook when its Facebook Beacon announced on his Facebook feed that he had purchased an engagement ring from Overstock.com, ruining the surprise he had planned for her girlfriend (now wife).

As consumers revolted regulators responded, passing sweeping reforms including GDPR and the California Consumer Privacy Act (CCPA).

Those regulators were joined by tech entrepreneurs who saw an opportunity to distinguish their product line. For instance, Apple now prioritizes user privacy in its browsers and iPhones, and its ITP 2.3 curtails your ability to monitor browsing behavior and that raises new challenges for digital planners. It's difficult to tell a brand story and lead prospects through a consumer journey if you can't recognize who has already seen your ads, which ads they've seen, and whether or not they've responded to them.

Meanwhile, Google plans to phase out third-party cookies though the company will happily sell you their own user data, which it collects from its gmail, Chrome, Android and YouTube users. But as it is Google's data, it, not you, sets the rules that affect the profitability of your campaigns.

Although GDPR and CCPA technically require advertisers to get consent to collect and use cookie data, the reality is that consumers don't always have a choice in the matter.

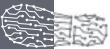
Many website owners demand that consumers consent in order to access that content, which violates the spirit, if not the letter, of the privacy regulations. We can expect the regulators to strengthen these rules, and potentially ban third-party cookies going forward.

It's clear that the pendulum is swinging in favor of consumer privacy, and digital planners all over the world would be wise to begin developing new strategies for reaching and engaging their clients' audiences in privacy-compliant ways.













Coronavirus Layoffs

To complicate matters further, the coronavirus is wreaking havoc within media agencies. As stated earlier the <u>biggest advertising spenders</u> <u>have slashed their budgets</u> in response to the pandemic, <u>resulting in layoffs in nearly</u> <u>every media company</u>, and lowered earnings projections. As a result of these layoffs, digital planners need to do more with fewer people.

On top of the added work, the loss of major clients comes with additional risk. For instance, media agencies may see competitive agencies attempt to lure clients away. Those clients, seeing an opportunity to cut their own costs, may demand deeper discounts in order to stay.

All of these developments will take a toll on agency profitability.

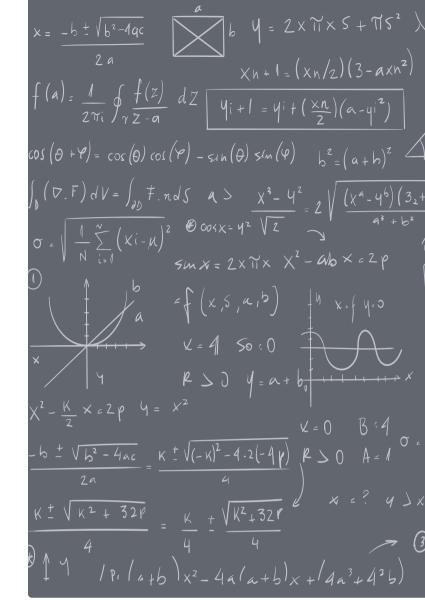
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Ever-Increasing Complexity

Against this backdrop, media planning continues to grow in complexity. As a digital planner, you have more channels and thousands of line items to manage. To your clients, a campaign is a campaign. In reality, display, mobile, video, ConnectedTV and out-of-home are separate campaigns that must be planned, trafficked, managed, optimized and analyzed.

Analytics is critical for optimizing campaigns and assessing its results, but it is an extraordinarily complex endeavor when campaigns span multiple channels. Each channel requires the use of different audience data sets, which means you're not comparing apples to apples, and considerable manual effort is required to understand which audiences respond to which message and why. This effort has a direct impact on profitability, and planners all over the world are asking: How can we plan, manage, and report on a campaign and maintain profitability?



It's an urgent question. Success in the immediate future hinges on your ability to plan, traffic, optimize and report on your clients' omni-channel campaigns in a cookie free world while ensuring your agency's profitability.

There are three major cookie-free technologies available for digital planners to leverage in their campaigns: location data, contextual targeting, and targeting by household/neighborhood characteristics. Part 2 of this series will explore the pros and cons of each, there is a sneak preview on next page:

	What it is	Pros	Cons
Location Data	Geo-location data retrived from cell tower.	Plentiful	Consumers don't like being tracked.
		Consumers always have their devices with them.	No insight into the user.
Contextual targeting	Targets users based on content of the page.	Solid proxy for interests	Interest doesn't equate to need or intent.
		A lot of technology advancement (Al, Computer vision)	Reach is a challenge.
Target by household and neighborhood characteristics	Target based on household characteris- tics of a neighborhood (presence of children, own vs. rent, ect.)	Needs are validated, making intent and behavior easier to predict.	Static data, such as household characteris- tics, don't change very often.
		One set of audience data for all channels; digital, video, mobile, connected TV.	Can't identify immediate need, only identifies dormant needs. As a result, lower funnel conversions take longer.
		Reaches 100% of a market, regardless of channel.	
		Exceeds industry average CTR.	
		Extremely effective at building an upper funnel.	

Next up: <u>Part 2: Overview of Cookie-Free Technology</u>



About Digiseg

Founded in 2015, Digiseg is the world's only provider of audience data that is inherently GDPR-compliant and 100% cookie free. Our audience segments and custom audiences leverage public, GDPR-compliant data available from national statistics offices and databases to segment the Internet into 39 audiences for use in online advertisement, such as household income, savings, and education levels, number of children or cars in the household, and other insights. Digiseg audience segments are the most comprehensive in the industry, covering 80% of the Internet. With clever traffic profiling and state-of-the-art machine learning algorithms we deliver outstanding results for advertisers and media agencies across Europe and the US.



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