

MASB Board Meeting & 2021 Fall Summit

Digital Marketing Accountability: Targeting

Joe Plummer
Sunstar

Kelly Barret
Truthset

November 11, 2021



Marketing Accountability Standards Board
of the Marketing Accountability Foundation

PROJECT BACKGROUND

Identify the challenges to fully leveraging digital media assets & recommend practical planning / activation guidelines to better **plan**, **protect**, and **measure** digital marketing investments

Under the Planning Pillar, **Targeting** is a key track to explore because of the upcoming phase-out of 3rd party cookies from the martech ecosystem and the need to better understand the quality and integrity of targeting data, overall.

Plan <i>Drive for digital marketing effectiveness & efficiencies</i>	Protect <i>Protect brand and digital investment</i>	Measure & Optimize <i>Ensure proper digital valuation</i>
<ul style="list-style-type: none">• Targeting<ul style="list-style-type: none">- Contextual, keyword, location, retargeting- Targeting w/o cookies- First party data• Brand Experience<ul style="list-style-type: none">- Ad units- Digital storytelling best practices• Programmatic<ul style="list-style-type: none">- Set-up- Ongoing Management	<ul style="list-style-type: none">• Data Integrity & Data Governance<ul style="list-style-type: none">- Ad verification- Brand safety- Data privacy• Transparency<ul style="list-style-type: none">- Third party audits- Agency disclosures- Ad tech services fees• Digital Process Governance	<ul style="list-style-type: none">• Standardization of Digital KPIs<ul style="list-style-type: none">- Key metrics and norms• Marketing mix modeling<ul style="list-style-type: none">- Benefits and limitations- Include cross media/offline• Omnichannel data attribution<ul style="list-style-type: none">- Key considerations- Real-time optimization• Efficiencies in ROI• Data science expertise

As many of you are aware from our meetings back in Feb and April, we re-launched a digital marketing accountability initiative, building upon the initial work that was started in 2018. This project is tasked with identifying the challenges to fully leveraging digital channels/media and documenting planning and activation guidelines by engaging digital technology and market research industry experts.

As Karie and Purush shared earlier in the year, we broke this down into 3 categories – **plan protect and measure - as a way to** help us think about where to focus b/c it can get a little overwhelming when you think of all the areas within digital that we could delve into.

In today's session, our focus will be on Targeting as part of the Plan Pillar. At our next digital MASB meeting in early 2022, we will discuss other aspects of project. But for today, our focus is on Targeting in part b/c of the upcoming phase-out of third-party cookies from today's digital ecosystem and the need to understand the quality and integrity of targeting data, overall.

Joining us today are Joe Plummer, a MASB member who many of you know, and Kelly Barrett from TruthSet.

Before I turn it over to Joe to kick off the presentation, I wanted to let everyone know that in late Jan/early Feb, we will be holding a digital session where myself, Purush and Karie will lead breakout discussions around select topics in each of the pillars. Again while we are focusing here on Targeting, we want to acknowledge the other workstreams that are happening and thank all of those members who are participating in those project teams.

So, now let me turn it over to Joe ...

OUR TEAM



Kelly Barret

Truthset



Karie Ford

The LYCRA Company



Brian Hamilton

Double Check Advertising



Scott McKinley

Truthset



Joe Plummer

Sunstar



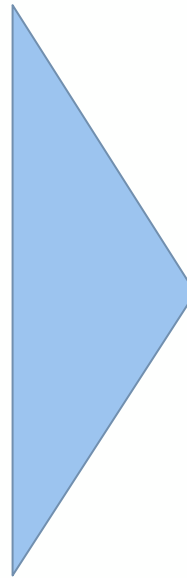
Kevin Richardson

In4mation Insights

Primary Ways in which to Capture

Data Identity

Today we use multiple ways to track someone's identity for targeting purposes. Some examples are:



Today we have multiple ways that we can use to track someone's identity for advertising purposes. Let's review some of these ways --

First party data, which is some of your most valuable data, allows you track visitors to your website and how long they stay on your site, what they do when they are there, how often they visit, etc.

Authenticated log-in data is a type of digital identification that asks the end-user to identify themselves via personal information, most commonly email address.

While authentication can provide very valuable user data for audience segmenting and targeting, it can be limited in scale for a single publisher to leverage and monetize on their own.

So much emphasis has been put on the third-party cookies b/c the text files used store data about a user's web experiences across different websites. While third party cookies can enhance a user experience, they have come under huge scrutiny b/c of privacy concerns.

Browsing history can be used to identify users, which can then be used to place contextual ads

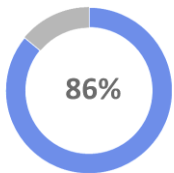
Browser fingerprinting happens when websites use special scripts to collect enough information about you — such as your browser, timezone, default language, and more — that they can uniquely identify you. Websites bulk-collect a large set of data of visitors in order to later use it to match against browser fingerprints of known users. All of this information does not necessarily reveal exactly who you are, your name, and/or your home address, but it's incredibly valuable for advertising purposes, as companies can use it to target certain groups. These groups have been formed by matching people based on browser fingerprinting.

Just some of the ways we can use data / data sets to address targeting.

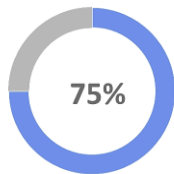
CONSUMER SENTIMENT

Balancing Data Privacy Concerns with Desire for Relevancy

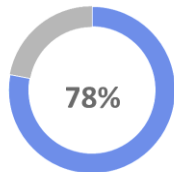
PRIVACY CONCERNS



feel a growing concern about data privacy



expressed fears about the amount of data being collected



want greater transparency about how their data is used

Source: KMPG, Corporate Data Responsibility: Bridging the Trust Chasm, April-May 2021

OPPORTUNITY

75% want to buy from brands that offer personalized experiences (Yieldify)

72% claim that they respond to marketing messages that are exclusively crafted to their choices (SmartHQ)

60% will share personal information for offers and messages that suit their personal interests (Deloitte)

While there has no doubt been many advancements in the area of data tracking and targeting, data privacy concerns and data regulation are the driving forces behind the demise or deprecation of the third-party cookie.

It is a bit of dilemma here though --- Consumers no doubt have a high level of concern when it comes to privacy. In fact, 86% feel a growing concern; 75% express fears about the amount of data being collected; and 78% want greater transparency about how their data is used.

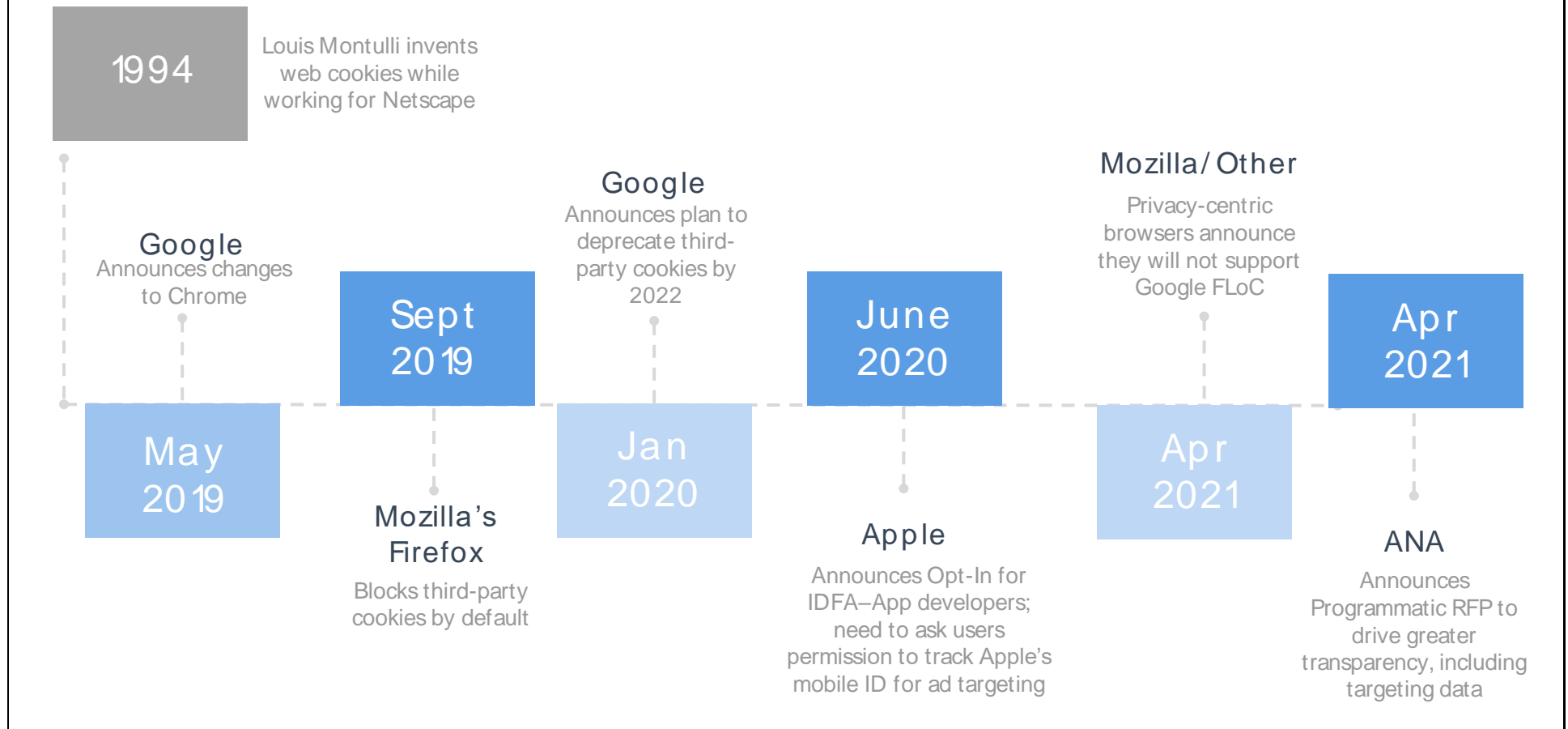
But on the flipside, consumers today want and expect more personalization and customization –

75% want to buy from brands that offer personalized experiences and 72% claim they will be more responsive to marketing messages that speak to them; and 60% will go so far as to share personal information in exchange for offers or messages that appeal to them.

So, it is a balancing act ---- we need to respect the need for privacy and follow the industry regulations and best practices while at the same time look to advance our efforts in driving customization and personalization so that we attract and retain our customer base who expects that from brands today.

KEY FACTORS IMPACTING THE FUTURE OF TARGETING

Driven by Regulation and Privacy Concerns

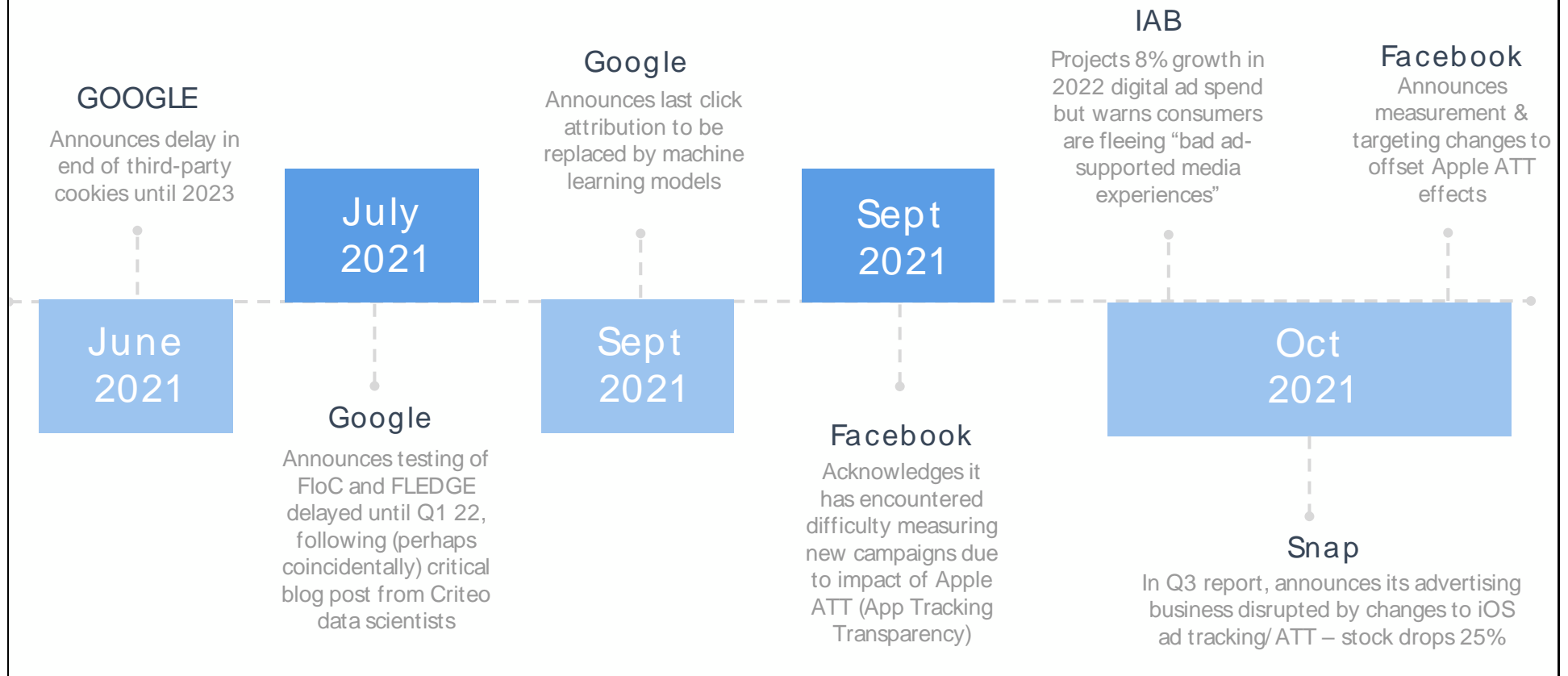


Just wanted to provide a quick overview of all the key milestones that have impacted targeting over the years.

Started with the origination of the cookie back in 1994. Take us to present day, there have been many key decisions taken by the key players in the ecosystem that have impacted targeting.

KEY FACTORS IMPACTING THE FUTURE OF TARGETING

Driven by Regulation and Privacy Concerns



While Google will not invest in tech that tracks people at an individual level, it will still be investing in alternatives. Along with Google's Privacy Sandbox development, the company has already seen successful advertising results from FloC, a technology that tracks groups of people rather than individuals.

PROLIFERATION OF IDENTITY SOLUTIONS

- Will evolve as cookies phase out
- Brands will use one or more options
- Complexities sure to arrive with lack of standardization between solutions
- Industry ripe for consolidation



As third-party cookies go away, we are seeing a proliferation of identity solutions in the marketplace.

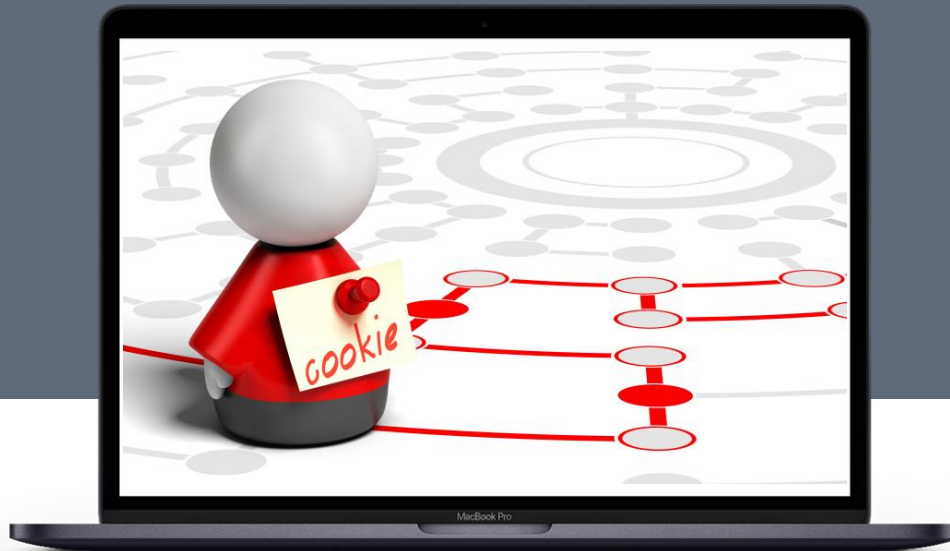
We really like this chart and we want to give credit to Prohaska Consulting and MMA for this very detailed look at the players today and we know there are even more out there but gives you a sense of the fragmentation that exists.

Brands will look to use one or more options to meet all their targeting needs. This brings complexities as there is no standardization so that is likely to cause many challenges on the back-end for brands to reconcile their marketing efforts.

*Should we be that worried about
cookies going away?*

While you hear some much doom and gloom about third party cookies going away, it will not be the end of marketing.

SYNCHRONIZATION OF COOKIE DATA IS FAR FROM PERFECT



- Limited to browser-based environments
- Unmatched / mismatched records are an issue
- Walled gardens not willing to share cookie matching and other data
- Apple's IDFA or ATT (App Tracking Transparency) already causing issues maintaining browsing behavior histories, even as 3rd party cookies remain in use

There were limitations to third party data and it has been far from perfect.

*Explore the Quality of Targeting
Data with the help of Truthset*



Truthset measures the accuracy of record-level consumer data
so that companies can make more informed decisions
to produce better business outcomes.

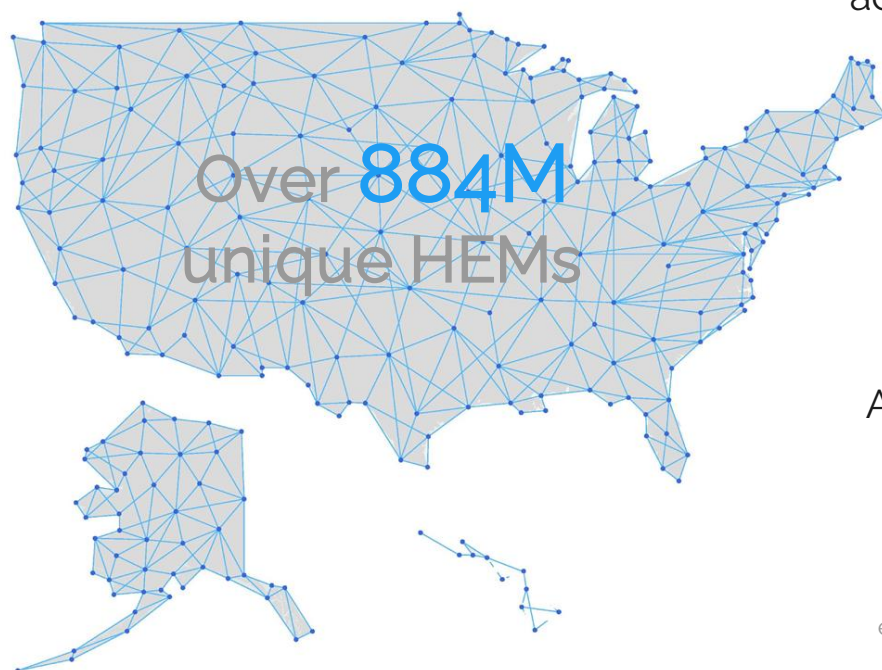
We are:

- **Independent**, unbiased and unconflicted
- **100% transparent** with our methodology
- **Agnostic** to ID spaces, attributes, and marketing channels
- **NOT pay-to-play**, all providers can be scored without cost
- Able to support myriad use cases **beyond marketing and advertising**



Massive scale, granular attributes

We score data sets based on their level of accuracy of the following attributes:



Gender



Age



Household
Income



Ethnicity



Home
Owner



Marital
Status



Presence of
Children



Pet
Owner

As well as combinations of attributes such as:



Age + Gender
eg: "Young Men"
(M, 25-34)



Gender + HHI
eg: "Affluent Women"
(F, HHI > \$100k)



Ethnicity + HHI
eg: "Affluent Hispanic"
(Hispanic, HHI > \$100k)

How Does It Work?



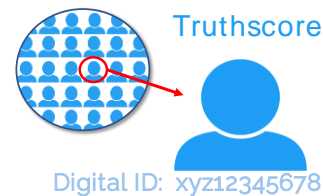
Data Providers Share Data



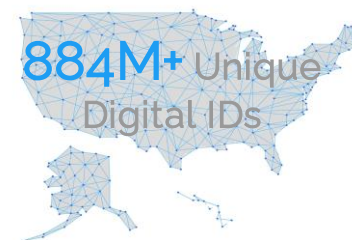
Deterministic
Declared
Validation Sets



Overlay All
Data Providers



Age	Gender
Hispanic	HH Income
African-	Children in HH
American	State/Region
Marital Status	Owner/Renter
etc.....	



Coverage (90%+US A18+Pop)

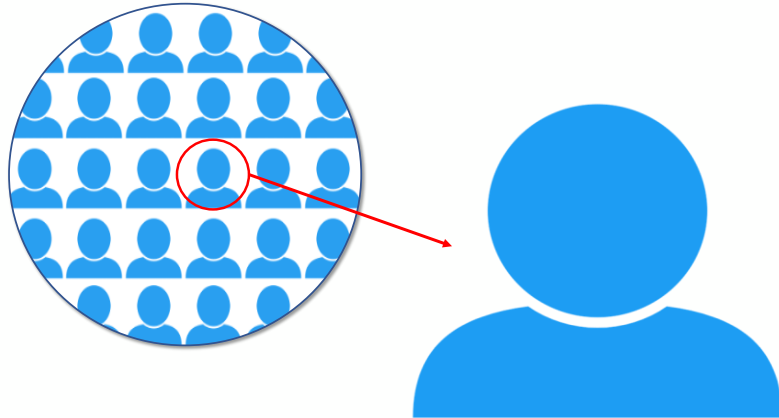
Introducing Truthscores™

truth{set}

A **Truthscore** is a numerical value between 0.00 and 1.00, that simply quantifies the probability that record-level consumer data is accurate.

Truthset sources record-level consumer data from leading, large scale providers.

Hashed emails (**HEMs**) and **attributes** are then used to validate each record against independent, directly sourced validation sets.



Digital ID: xyz12345678					
Attribute	Age 18-24	Gender - Male	HHI - \$50k-\$100k	Presence of Children - No	Hispanic - Yes
Truthscore	0.64	0.93	0.64	0.82	0.56

Project 1: The Accurate Truth about Data Inaccuracy

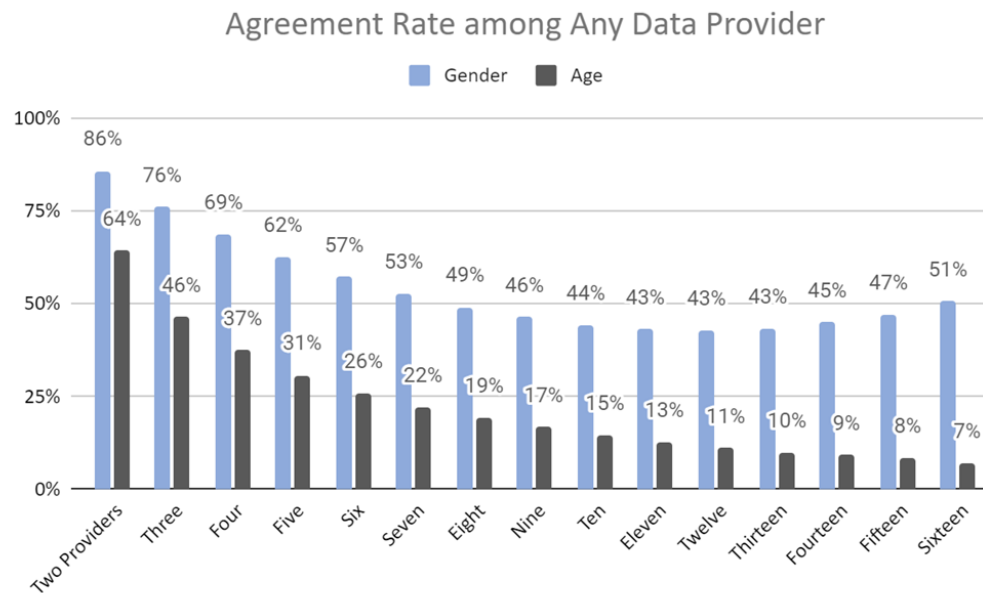
Over a 4-part series, together, we can explore and share to the industry:

1. Dispel the rumor that “all the data is the same” in the ecosystem
1. Share Truthset Benchmarks on Accuracy (Average Truthscores) and the impact on spend/costs
1. Quantify the change in accuracy due to onboarding
 - a. Looking at Truthscores on raw segments, comparing them to onboarded segments and the levers that an onboarder can pull, we can discover and report on the error introduced by onboarding
1. Quantify the change in accuracy due to activation
 - a. Once data/a segment is onboarded, the next logical step to measure is activation into a campaign. Truthset can measure the accuracy consistency between identity players and then also post-exposure impression using our measurement tool

MASB and Truthset are partnering together to dispel Data used for targeting and measurement rumors. It will be a four part series, the first of which we are able to share results on today, in a moment.

In Q2 2021, Truthset scored consumer demographic attributes from 16 large scale data providers. Before looking at the accuracy of the attribute assertions, Truthset took a look at agreement rate AMONG the data providers to determine if the industry rumor/understanding that “the data is all the same” is true.

The data is NOT all the same:



Source: Truthset Q2 2021 Quarterly Truthscore Index Report

For Gender (male/female), among *any* two data providers in the group, the data only agrees 86% of the time.

Across any 3 data providers, the rate of agreement drops to 76%, all the way down to agreement of 43% across 12 providers.

One would have to pull in 13+ providers to start seeing the agreement rate increase again.

For Age, where more ranges are available, we start at *any* 2 data providers only agreeing 64%.

Even with all of our 16 providers stating age, the agreement never rebounds.

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truth{set}

The data is NOT all the same:

	Two	Three	Four	Five	Six	Seven	Eight	Nine	Ten	Eleven	Twelve	Thirteen	Fourteen	Fifteen	Sixteen
Gender	86%	76%	69%	62%	57%	53%	49%	46%	44%	43%	43%	43%	45%	47%	51%
Age	64%	46%	37%	31%	26%	22%	19%	17%	15%	13%	11%	10%	9%	8%	7%
Age and Gender	60%	41%	32%	25%	20%	17%	14%	12%	10%	8%	7%	6%	6%	6%	5%
HH Income	33%	15%	8%	5%	3%	2%	1%	1%	1%	0%	0%	0%	0%	0%	0%
Presence of Children	29%	12%	5%	2%	1%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Race/Ethnicity: AA/Black	78%	69%	63%	59%	55%	53%	51%	49%	46%	42%	35%	22%	7%	5%	3%
Race/Ethnicity: Asian	78%	69%	63%	59%	55%	53%	51%	49%	46%	42%	35%	22%	7%	5%	3%
Race/Ethnicity: Caucasian/White	78%	69%	63%	59%	55%	53%	51%	49%	46%	42%	35%	22%	7%	5%	3%
Race/Ethnicity: Hispanic	69%	57%	47%	40%	34%	28%	23%	19%	16%	15%	19%	28%	38%	39%	37%
Small Biz Owner	61%	41%	31%	24%	19%	15%	12%	10%	9%	8%	7%	6%	5%	4%	3%

Source: Truthset Q2 2021 Quarterly Truthscore Index Report

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truth{set}

The data is NOT all the same:

	Two	Three	Four	Five	Six	Seven	Eight	Nine	Ten	Eleven	Twelve	Thirteen	Fourteen	Fifteen	Sixteen
Pet Owner	35%	15%	8%	5%	4%	2%	2%	1%	1%	0%	0%	0%	0%	0%	0%
Cat Owner	53%	32%	22%	17%	14%	11%	9%	7%	6%	5%	4%	3%	2%	1%	1%
Dog Owner	51%	29%	20%	15%	12%	9%	7%	6%	5%	4%	3%	2%	2%	1%	1%
Car Owner	50%	33%	22%	15%	10%	6%	4%	3%	2%	1%	0%	0%	0%	0%	0%
Relationship Status Overall	50%	37%	30%	25%	21%	17%	15%	13%	12%	11%	11%	10%	9%	8%	--
Education Level Achieved	44%	27%	19%	14%	12%	10%	8%	7%	6%	4%	3%	2%	1%	2%	--
Political Party Affiliation	42%	29%	24%	21%	21%	20%	19%	16%	14%	14%	15%	13%	0%	--	--
Home Owner	36%	27%	23%	20%	17%	15%	14%	12%	11%	10%	9%	7%	6%	4%	1%
Renter	36%	27%	23%	20%	17%	15%	14%	12%	11%	10%	9%	7%	6%	4%	1%
State of Residence	85%	79%	76%	74%	73%	72%	71%	71%	72%	74%	75%	77%	78%	78%	--
Region of Residence	91%	86%	84%	83%	81%	80%	80%	80%	81%	82%	83%	84%	85%	86%	--

Source: Truthset Q2 2021 Quarterly Truthscore Index Report



Project 1: The Accurate Truth about Data Inaccuracy

Over a 4-part series, together, we can explore and share to the industry:

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Now that we’ve explored that “all the data is indeed not all the same” let’s talk about next steps to explore. Truthset will share out their findings with 20+ data providers about the average levels of accuracy and what that means for the impact on CPM or effective CPMs. In our third and fourth phase, we’ll look to the MASB membership to work with Truthset to partner with onboarding, data providers, and data buyers.

Project 2: Quantifying the Impact of Accuracy on ROI



In an industry-wide collaboration, together we could measure the impact ROI of utilizing accurate targeting data:

Logically, improving the accuracy of data used in targeting segments should improve ROI, either by increasing outcomes or decreasing spend to achieve the current outcomes

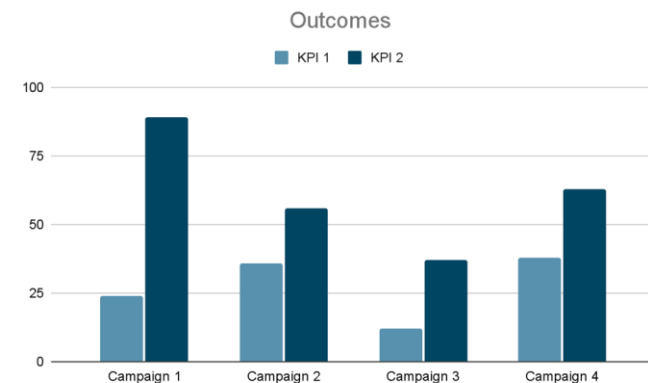
Via utilizing live campaigns targeting a number of key demographics that Truthset scores, we could work with various advertisers/agencies and the data providers that sell desired audiences/segments.

We would deploy:

- The segments as they exist today, without filtering low accuracy records
- The segments after filtering out low accuracy records

Isolating each population into exposed+non-filtered versus exposed+filtered OR low accuracy records versus the rest of the data segment/target

Call to Action: Talk to the MASB Membership about your ideas, questions, willingness to support



The Teaser Slide! After uncovering all that we just saw, wouldn't it be great to quantify the impact on ROI in cleaning up data - not only does it improve your spend, but your outcomes too. At the moment, we are scoping this project, but would love input and questions to help guide us more and more.

What are we looking at....



Today (Cookie/MAID/HEMs/IDs) with NO Truthset Improvement OR Benchmark from Sales Provider Partner	Future (HEMs/HEM based IDs) with NO Truthset Improvement
Today (Cookie/MAID/HEMs/IDs) WITH Truthset Improvement	Future (HEMs/HEM based IDs) WITH <u>Truthset Improvement</u>

Thank you!



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