# DIGITAL IDENTITY IS AT A TURNING POINT.
WHAT NOW?

SAYING GOODBYE TO COOKIES AND IDFAS

Digital identity has been universally challenged since 2017, but it wasn't until 2020 when the whole adtech and martech ecosystem found itself at a turning point. Third-party cookies on Safari have already been blocked since 2019 as a result of Apple's effort to strengthen consumer privacy. Google will be joining Apple in this endeavor and will be implementing the same measures for Chrome by 2022. In addition, Apple is also moving to IDFAs (Identifier For Advertisers), a random device identifier assigned by Apple to a user's device for tracking and customer advertising, to opt-in only – largely limiting in-app targeting and measurement capabilities.

Publishers are already experiencing media CPM drops because Safari comprises 53% of their mobile traffic in the US and less than 10% of those users allow 3rd party cookies. According to a recent study, CPMs on Safari fell by over 60% since Intelligent Tracking Protection (ITP) became effective in 2017. The imminent blocking of 3rd party cookies in Chrome and the upcoming changes as it pertains to IDFA will accelerate the decline of media CPMs even further.

SO, WHAT NOW FOR DIGITAL ADVERTISERS?

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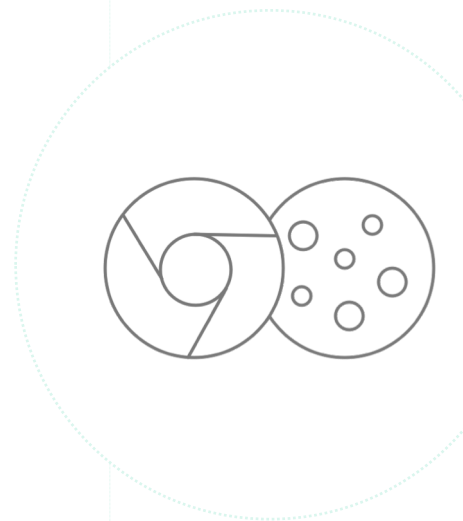
THE GOOGLE ANSWER –
PLAY IN THE SANDBOX

Google has suggested its **Privacy Sandbox** – a set of web standards (web browser APIs)– as a replacement for cookies. The solution is supposed to still give advertisers the **ability to target and measure campaigns while preserving user privacy**. It represents a new way of sharing data over the internet in which an advertiser must call an API to get a certain cohort of users (not an individual user) who have performed a specific action.

This process addresses the privacy problem, but it will also severely **limit the ability to offer customization** to a user or the 1:1 experience so many of us have come to expect from our favorite brands.

That's what everyone is worried about, but the good news is that **Google is asking for feedback from the ecosystem** – and all invested parties should make sure they're part of the conversation. As per Google, industry feedback is being solicited on the web standards community proposals via GitHub.

THE COOKIE-LESS FUTURE

Digital identity – or cross-channel and cross-device identity graphs – **is critical to the future of advertising**. MAIDs (mobile AdIDs) are inherently mobile-based and more sustainable and efficient identifiers than cookies – and will take center stage as the cookie-less world approaches. The industry now has more reason to improve on known in-app mobile challenges to drive more demand towards it - considering that 90% of a user's time on their smartphones/tablets is spent in apps (vs. 10% on web browsing).

Historically, the migration of marketing spend from web to in-app advertising hasn't kept pace with the amount of time users spend in apps. This disconnect has mainly been due to viewability issues, brand safety concerns, and the fact that audience ratings vendors have been slow to pay attention to the app space. Google's announcement should help catalyze the industry to improve on these issues and finally drive the deserved demand to in-app advertising.

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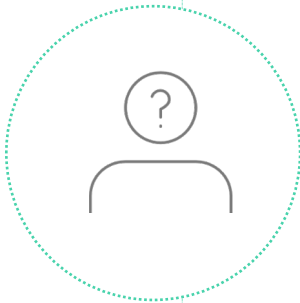
FIRST PARTY OFFLINE DATA WILL BE A GOLDMINE

Brands will always have the need to identify their customers in their CRM database through hashed email/phone numbers with a digital identifier (ideally, mobile AdIDs, smart TV IDs and other digital device identifiers). Therefore, identity linkages that originate from more permanent CRM data will still be a viable solution for advertisers.

There is no doubt that brands will hold tight their offline first-party data as the cookie-less future becomes a reality. Why? Simply because **emails and phone numbers will still be the most permanent identifiers that brands can rely on for digital re-identification**. They become extremely important when planning acquisition strategies to suppress current customers, as well as for churn prevention and cross/upselling strategies to only target current customers.

Therefore, brands will continue to have the need to identify their CRM customers while executing their online marketing strategies. This will not be affected by the Google position. **Brands will be scaling their efforts to gather as many emails as possible to build up their first-party data based on permanent identifiers**.
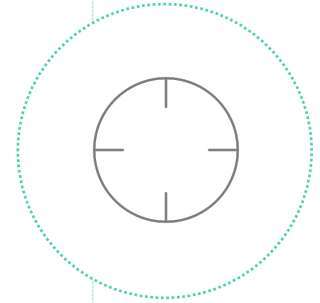
THE UNIVERSAL ID - A SHIFT FOR VENDORS LOOKING TO SURVIVE

Some technology platforms that currently rely on cookies to resolve identity are already producing their universal, agnostic ID solutions to **bypass the upcoming industry restrictions**.

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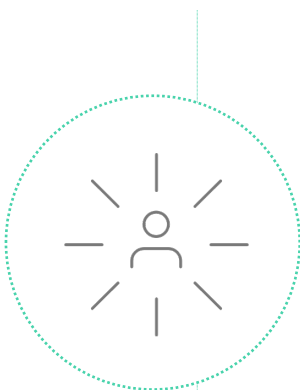
A real universal ID used by every single player in the industry would provide the underlying plumbing for the marketing ecosystem in an ideal world. However, it's an ambitious goal for any company undertaking this path as it requires massive industry alignments as well as complex technology integrations across the ecosystem.

The race has already started so **vendors only have two years remaining to develop their universal ID solution**, win enough partners to become relevant in scale and a feasible industry alternative (in fact selective Customer Intelligence platforms have started establishing such IDs.)

Publishers will have an incentive to work with a couple of universal ID suppliers to not make themselves too dependent on any one provider.

PAYWALLS AND LOGINS – EXPECT MORE

It's been a **growing trend for web publishers to start charging for content** – this may start to increase and, at the very least, we can expect more publishers to require logins to access their content (in order **to capture valuable first-party data** such as phone and email).

This will enable any identity resolution provider to deliver enrichment and activation of these offline IDs, either via direct deals or private marketplaces. In some respects, this means a publisher's first-party cookie (owned by the Wall Street Journal, for example, based on their consensual relationship with the user) will be treated similarly to how the industry historically handled a channel cookie (such as those offered by The Trade Desk for example). **Publisher's first-party cookies will become a valuable digital currency as brands will use them to find and target their customers across different publishers' domains**.

It's a new frontier for digital advertising and it's time for all parties to adapt – ideally before 2022 rolls around.

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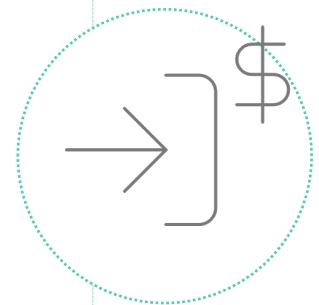
ZEOTAP - CUSTOMER INTELLIGENCE UNLEASHED

WHO ARE WE

Brand marketers' **obsession with first-party data is no secret** –
and with the cookie-less future becoming an imminent reality,
brands will hold onto it tighter than ever before. Customers still
expect personalized interactions despite increasing privacy
regulations. First-party data by itself, however, has proven to be just
one piece to achieving multi-touchpoint personalization and more
effective marketing.

With these industry challenges in mind, Zeotap's mission is simple –
we have built a **customer intelligence platform to help brands
better understand their customers and better predict their
behaviors**. Ultimately, our goal is that our customers can deliver
heightened experiences and invest only in those relationships that
matter. How do we achieve this? With our **modular privacy and
security-compliant platform powered by our proprietary
identity graph and a unified high-quality data layer**.

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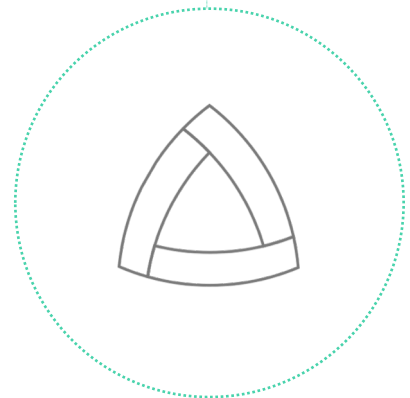
1. CUSTOMER INTELLIGENCE PLATFORM

Thanks to our engineers and data-scientists who comprise more than half our team, we've built a **one-of-a-kind one-stop-platform**. With an increasing **focus on first-party data strategies**, Zeotap's tech capabilities offer brands a way to advance their own competitive edge and make the most out of their customer data through:

- Data collection, customer insights
- Identity resolution (onboarding)
- 1:1 data profile enrichment with Zeotap's data asset
- First and and third-party data blending
- Machine-learning-based analytics all in a secure environment (data clean room)
- Audience building and activation

The interoperable and **modular tech stack is customizable for varying use-cases** (from customer activation, to cross/up-selling to customer retention) and serves the entire adtech and martech ecosystem thanks to its integrations and workflows between different pre-existing tech stacks: **publishers, channels, and data partners**.

2. PROPRIETARY IDENTITY GRAPH
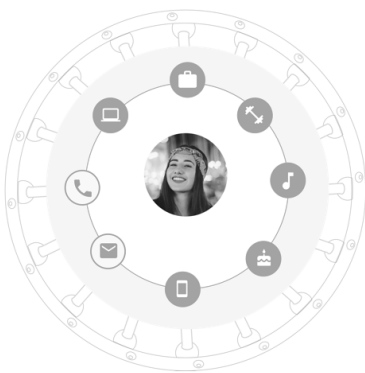
Identity resolution is still today one of the most basic needs brand marketers are grappling to master. At Zeotap, our focus has been on building a **patented identity graph** that's strong across identifiers, but especially on **MAIDs** (mobile AdIDs). We've partnered with large publishers and telecom operators to natively source mobile data (both identity data such as email addresses/phone numbers as well as profile data) mapped to MAIDs –- **making our cookie dependency almost nonexistent**.

However, in order to better serve our clients and have a more complete identity graph, we also apply our own **deterministic mapping to link our dataset to cookies, and we source data directly mapped to cookies** (from large marketplaces, e-commerce shops, etc.).

With over **2BN identity profiles** in our platform, our linkages are ID-verified/self-declared and therefore as accurate as they can be, allowing brands to deterministically connect their offline CRM data (emails/phone numbers) to online identifiers as well as online-to-online identifiers – allowing a truly **360-degree single customer view**.

ID+ powered by ZEOTAP

3. ZEOTAP'S UNIVERSAL ID: ID+

In July 2020, Zeotap announced its own solution for an identifier-agnostic world. ID+ is an open invitation to the whole ecosystem to collaboratively solve the industry challenge of identity resolution in a third-party cookieless environment.

It has been built on 4 core principles:

1. **Independence:** It does not rely on cookies, MAIDs or any platform identifiers. Instead, it's based on deterministic offline identifiers and is valid across all platforms and channels.
2. **Simplicity:** It can be adopted easily and works as a standalone first-party identity layer as well as in conjunction with homegrown or other solutions.
3. **Interoperability:** It is available to connect with all other (universal) ID solutions.
4. **Compliance:** Every ID+ record has consent traceability baked into it, and data protection is ensured via tokenization.

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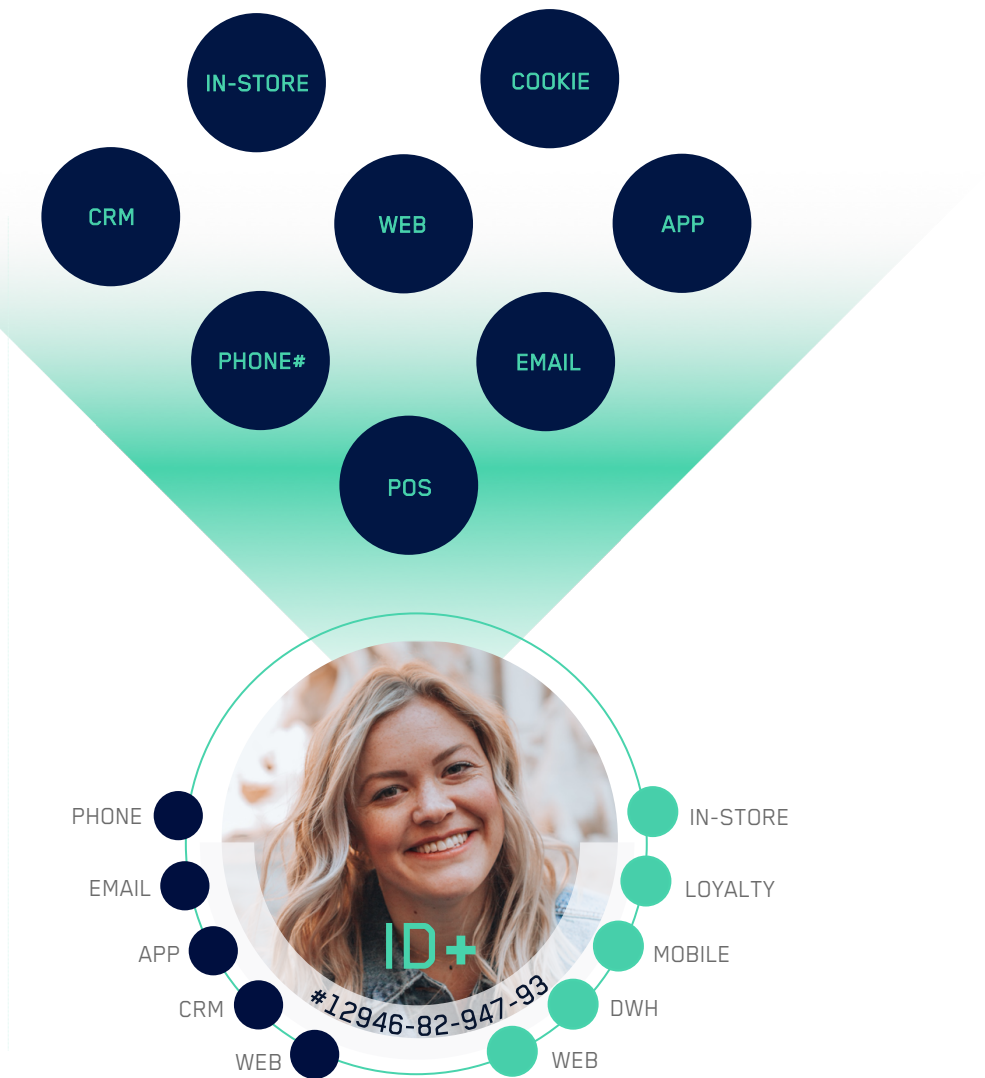
ID+ is an **extension to Zeotap's identity resolution solution** that is built on the back of the world's largest marketing identity graph, available across North America, Latin America, Europe, and India. However, in the spirit of collaboration, and in keeping with the founding principles, Zeotap encourages members of the industry to join the effort to grow the solution across platforms, channels and geographies.

- **For brands**, ID+ provides a solution to resolve identities accurately and at scale for effective omnichannel marketing. In addition to serving elemental marketing use cases such as onboarding and activation, as well as increasing adoption in analytics, it also sees embryonic application in critical areas such as multi-touch attribution (MTA).

- **For publishers**, ID+ is not only a compelling solution to ensure their revenue models remain unaffected by upcoming changes, but an important step to leverage their first-party data to provide value-added options to discerning marketers.

USER IS IDENTIFIED WITH ID+

2

USER IS TRANSACTED UPON ACROSS PLAYERS

3

USER ENTERS DOMAIN

1

ID+

#4235-876251-0958356/3222

4

OMNICHANNEL CAMPAIGN AT SCALE IS DELIVERED
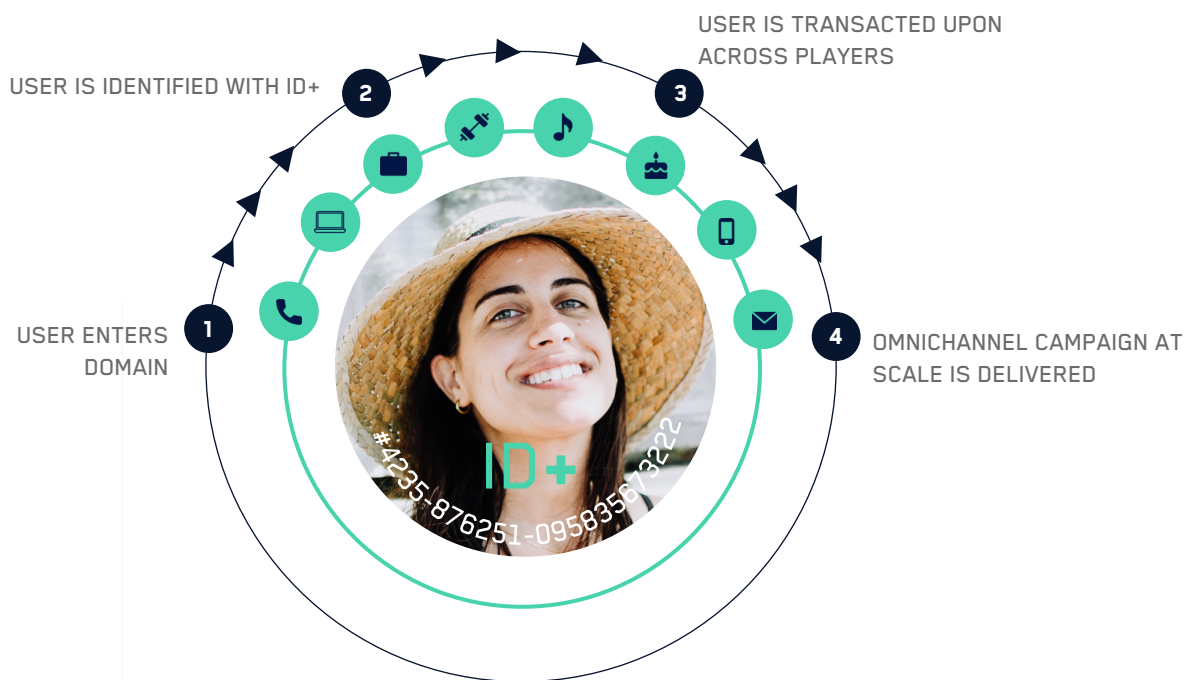
Zeotap has also partnered with leading **consent management Platforms (CMPs)**, including Usercentrics in Germany, to encourage the integration of different consent collection tools and methods into the ID+ solution.

ID+ **is also available as a module of** Prebid, the most widely used header bidding platform for publishers. Its inclusion in Prebid's User ID Module ensures ID+ can be transacted across the ecosystem.

Zeotap works with 75+ of the world's top 100 global brands. Zeotap's ID+ initiative is supported by both large global and regional organisations as seen below in the diverse group of core partners. These core partners are made up of publishers, large global brands, and members from the advertising, marketing, and technology ecosystem.

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4. UNIFIED HIGH-QUALITY DATA LAYER

We've **unified and curated the finest data in the market** for maximum marketing impact with precision and scale. Our sources are also highly curated, as we only accept data partners that have met our strict data sourcing principles: i.e. **uniqueness + quality + scale + GDPR and CCPA** compliance.

Taking a closer look at our data categories:

GDPR / CCPA AUDIT
— Audit of opt-in / opt out mechanisms — Exclude non-compliant data — Regular testing

SOCIO DEMO — **SELF-DECLARED +70% OTP**
— Sample across attributes and geographies — Test Against Nielsen, comScore & Facebook — Monthly testing

APP USAGE — **TIMESTAMP VERIFIED & RAW**
— 1 day sample MAIDs + app bundle ID — Evaluate density of top apps/category — Daily updates

ID LINKAGES
Proprietary offline<>online<>online Identity linkages

PURCHASE — **TIMESTAMP VERIFIED IN SHOPPING ENVIRONMENTS**
— 1 day sample MAIDs/cookies tied to shopping data — Evaluate density of top categories and brands — Daily updates

4. DATA AND SECURITY BY DESIGN

As a German founded company, we've built our platform with **security and privacy-by-design** principles that have been at the heart of our success as a **global customer intelligence partner**. We have earned stringent global certifications that prove our commitment to security and privacy, and we are **GDPR-compliant** across our European markets. With CCPA newly taking effect in the US, we have taken the same stance and become fully **CCPA compliant**.

Our certifications include:

- The enterprise-grade security ISO/IEC 27001
- CSA (Cloud Security Alliance) STAR Silver
- The GDPR-ready seal
- the CIPT (Certified Information Privacy Technologist)
- the CISSP (one of the most sought-after and elite certifications in the information security industry)
- the CCISO (Certified Chief Information Security Officer) certification amongst others.

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HOW CAN WE HELP YOU NAVIGATE A COOKIELESS WORLD?

We've been preparing for this transition for over 2 years now. We've had a privacy-compliant identity resolution solution that deterministically matches offline data (emails/phone numbers) to online identifiers for a while now. And the need to link first-party CRM data of customers (tied to email/phone) with the online domain will remain unaffected by the death of the cookie. However, thanks to the agnostic nature of our internal ID that has been at the center of our identity resolution solution, we've been able to launch ID+ as the identifier-agnostic and interoperable solution that the ecosystem can implement to overcome the recent challenges.

Thanks to our data enrichment capabilities that sit on top of our identity resolution capabilities and ID+, we can also **give deeper customer insights to any matched identifier**, which has intrinsic value for brand clients. Since our foundation, we have been on a mission to unify the best data that's out there and, as of today, we count **2 billion high-quality user profiles with data spanning sociodemographic, interest, app usage and purchase attributes**.

WE'RE HERE TO HELP CLIENTS NAVIGATE THE UPCOMING INDUSTRY SHIFT AND GUIDE THEM TOWARDS THE ONLY FEASIBLE SOLUTION FOR A COOKIE-LESS ONLINE MARKETING STRATEGY.
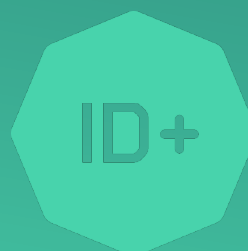
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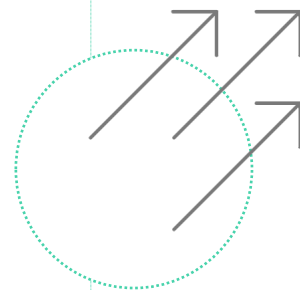
ABOUT ZEOTAP AND ID+

ID+ is a universal digital marketing solution aiming to resolve identities at scale in the nearing cookieless future dominated by privacy regulations. The project is an open invitation to the whole ecosystem to collaboratively solve a pressing industry challenge.

Powered by Customer Intelligence Platform Zeotap and its existing patented identity resolution solution, ID+ is built on the back of the world's largest marketing identity graph, available across North America, Latin America, Europe, and India. The graph, with a strong backbone of emails and MAIDs (Mobile Ad IDs), today counts with over 400M ID-verified/self-declared linkages coupled with unified and curated 3rd party profile data.

More info: https://idplus.io/ and https://zeotap.com/

ID+

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