



The changing digital ads ecosystem: Why privacy will be centre stage

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Why privacy in advertising matters

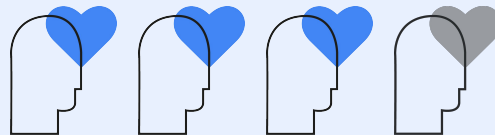


People's expectations of ads privacy have shifted

People are increasingly **worried about sharing their personal information**

- **64% of consumers say they mistrust companies** to protect their personal data and privacy online.
- **Consumers want to:**
 - Know their personal data is secure & private
 - Be confident their data is not abused
 - Have the ability to control their data

However, people also want experiences with **brands that they care about:**



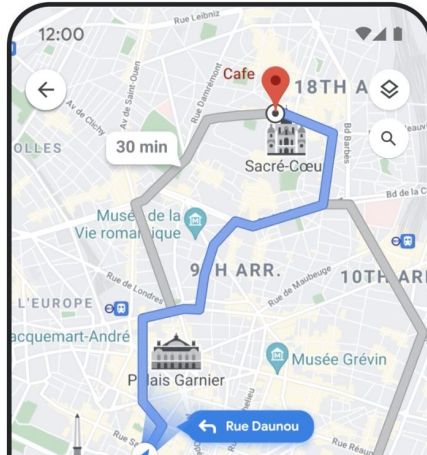
3/4

of people say they only want to see ads that are relevant and useful to them (BCG & Google)

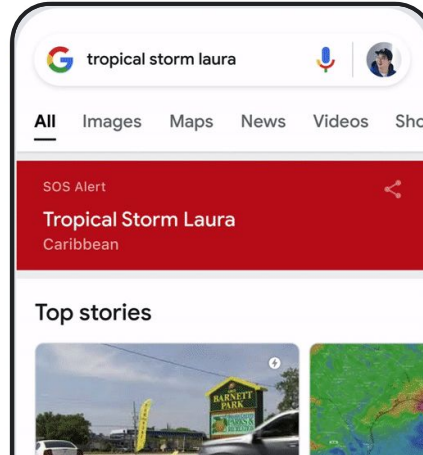
Data enables relevant and useful user experiences



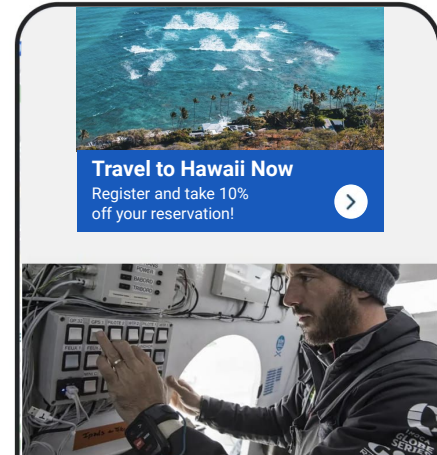
Avoid traffic



Local information



More relevant ads



Every day is safer with Google

Building trust with your customers is a huge opportunity



Brand trust is the **second-most important purchasing factor** for brands across most geographies, age groups, gender, and income levels.



When people **trust a brand**, they are about **2x as willing to share their personal information.**



As trust in your brand grows, so too does the information you can use to help make your marketing strategy more relevant and effective.

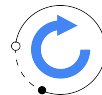
Data-driven paid media ads typically unlock 20% efficiency gains; 20-30% effective gains for new acquisitions.

Take a **privacy-first approach** to data-driven marketing

....and unlock competitive advantages for your business



Build direct relationships with your customers based on **responsibly-gathered first-party data**

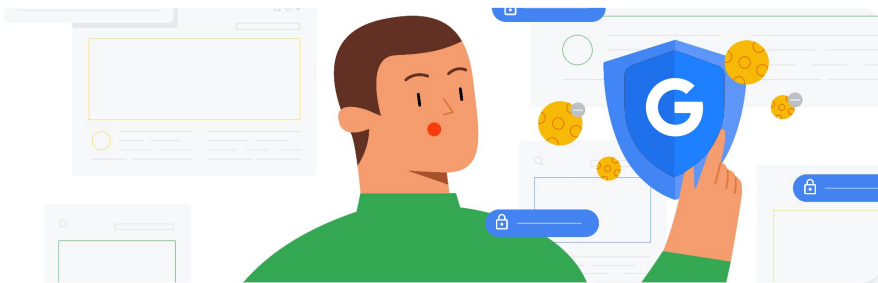


Unlock the **benefits of machine learning**

The value of **first-party data** for your business

Why it matters now:

Regulation, privacy concerns, and browser changes mean data based on third-party cookies or mobile identifier-based signals are becoming a less reliable and private source of data.



Advertisers who link 1st party data sources see:



2x

incremental revenue generated from a single ad placement, communication or outreach.



1.5x

improvement in cost efficiency over companies with limited data integration.



First-party data provides the **foundation for machine learning**

Automation features powered by Machine Learning

Automated features across targeting, creative and bidding are powered by privacy forward machine learning to deliver relevant ads, even when user signals are not available



Targeting



Creative



Bidding



80%

of Google advertisers are now using automated bidding to free up time and improve ad performance

Robust ads privacy can help to sustain each part of the digital ads ecosystem

Marketers can connect with people interested in what they have to offer and achieve higher ROI



Users who trust the sites and apps they visit, engage more

Publishers can monetize their ads inventory effectively and create more great content

Higher user expectations for ads privacy are driving both additional privacy regulations and technology changes that restrict user-level tracking



Regulatory Changes

Regulations are impacting how user data can be captured and used



Technology Changes

Increased restrictions are impacting traditional data collection (e.g. third party cookies and mobile ad identifiers)

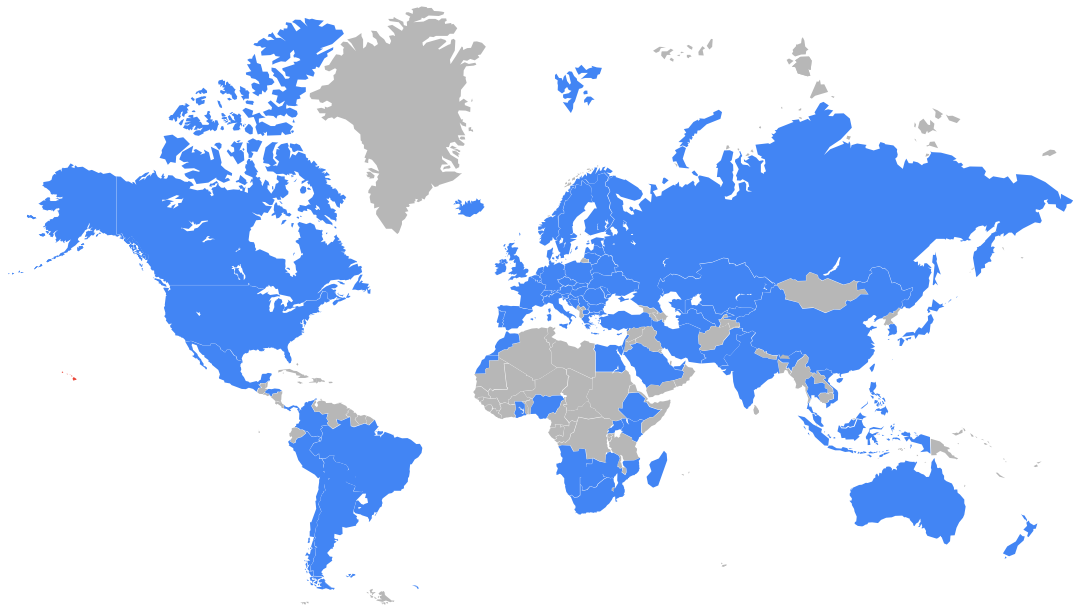


Regulations are impacting countries across the globe



Themes across regulatory developments:

- User transparency, controls and consent
- Data localization and transfers
- Protecting kids and teens online
- Protection of sensitive groups and topics (*healthcare, gambling, etc.*)
- Personalized ads restrictions



Technology changes are restricting user-level tracking & identifiers



Cookie is developed

1994



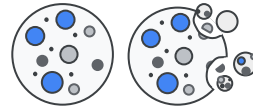
Browsers begin to restrict 3P cookies

2019



Chrome announces Privacy Sandbox

2019



Chrome announces plans to phase out 3P cookies (now planned for Q3'23)

2020



Ecosystem is collaborating on privacy-preserving alternatives

Now

2023

Web

App

2012-2013

iDFA and AdID introduced



2020

Apple announced restrictions for IDFA



2021

Apple enforces restrictions via ATT framework



2022

Android announces Privacy Sandbox on Android initiative



Navigating this shift in the ads industry presents an opportunity, as we fundamentally **change the way digital advertising is done**



A challenge, an opportunity, and an evolutionary change

Google's approach to ads privacy and how Google can help

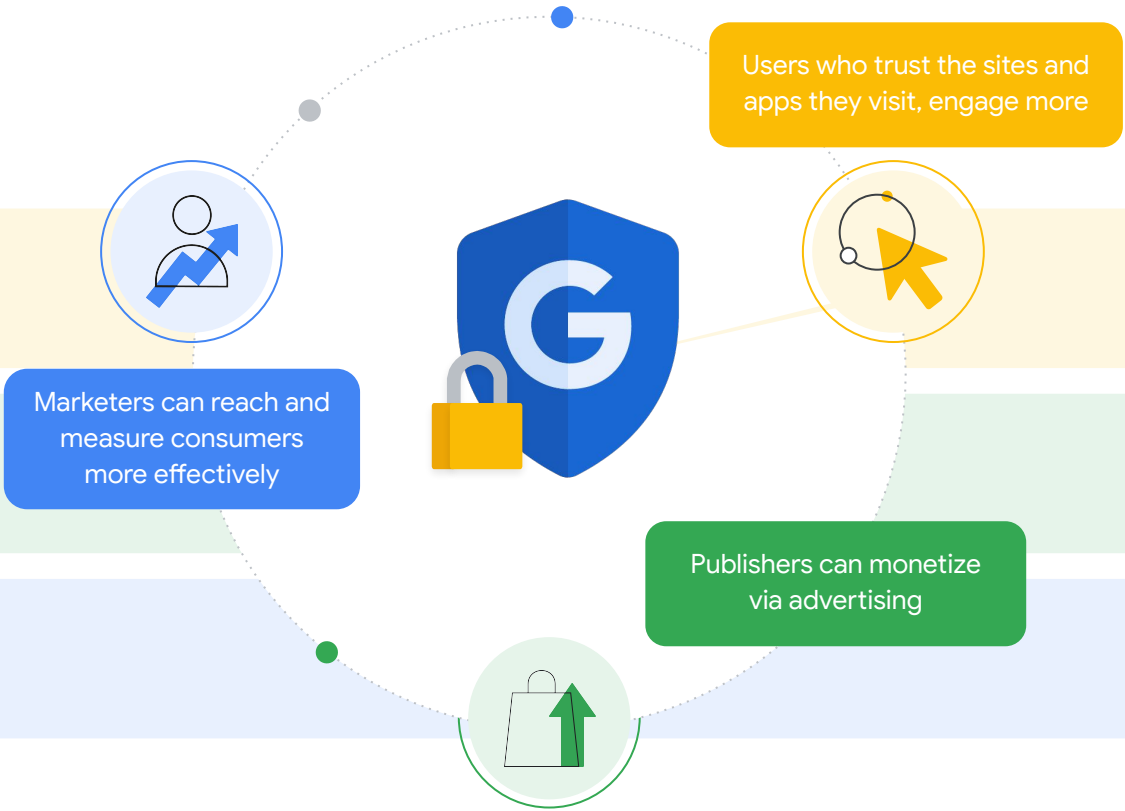


Google's goal: Enable a robust, ad-supported ecosystem that is...

Safer for people

Successful for publishers

Creates stronger businesses



A three-step framework for privacy-safe growth:

Build, Measure, Activate



BUILD

Build a direct relationship with your customers based on **responsibly-gathered first-party data**.



Take action 

- Global Site Tag (site wide tagging)
- First-Party Data Strategy



MEASURE

Ensure your measurement remains accurate, flexible, and actionable by leaning on **machine learning**.



Take action 

- Enhanced Conversions
- Consent Mode (EMEA only)
- Google Analytics 4



ACTIVATE

Drive business objectives by keeping your ads relevant with **automation**.



Take action 

- Customer Match
- Optimized Targeting on Display & Video
- Automation



Thank you!

