

# PLAYBOOK

## The Identity Connection



Sponsored by:



## WHAT'S A PLAYBOOK?

**A playbook is an extension** of what the AdMonsters community has been doing at our conferences for 20 years. A playbook solidifies what has made our events “must attend” for many digital strategists. By bringing people together to share learnings and best practices in a focused way, people can create a plan and avoid hours—if not days—of doing research on their own.

The AdMonsters playbook concept takes existing AdMonsters content (from conferences and AdMonsters.com) and, with the help of the AdMonsters community, “crowd-sources” a document that outlines best practices on a particular topic. Our belief is that this will allow for a free exchange of ideas with the benefit of curation for accuracy. This document does not get into specifics around individual solution providers intentionally.

Great effort has gone into writing the playbook in a fashion that applies to as many publishers as possible without becoming too general. In a technology-driven industry like digital advertising, information quickly becomes obsolete. The intention is that, based on the feedback of the AdMonsters community, the next playbook will start to take shape and, with additional contributors, grow in both depth and breadth.

# INTRODUCTION

Long before Chrome announced the sunset of third-party tracking cookies, even before Apple introduced Intelligent Tracking Protection, and even before the first draft of GDPR had been written, it was clear that the third-party cookie's days were numbered.

While the much-employed and much-abused text file was essential in building out the programmatic ecosystem, the third-party cookie was always a highly flawed tool for an increasingly precise arena—and one where the assurance of user data security is top of mind.

Now publishers and advertisers alike are looking for a more reliable, privacy-friendly solution. A solution that enables advertisers to address audiences with confidence across platforms, devices and contexts; publishers to better monetize their high-quality audiences in any browser or cookieless environment; and enables the two parties to work together better—dare we say, “connect”?

One of the most promising options is identity or people-based marketing—a concept with a mature technological backbone in wide use today. However, it's arguable that adoption of identity solutions has been hampered by confusion over just what identity means and its elements; how identity is assembled or composed, and then executed off of; and the many, many ways it can be beneficial for brands and publishers in particular outside of sharper audience-targeting capabilities.

This playbook aims to illuminate the digital media space by diving into identity as a concept and explaining the wealth of advantages an identity-based individual ID offers brands and publishers. In particular, we'll focus on:

- the power of identity resolution;
- the elements that comprise identity, and
- what's most important for a publisher looking for an identity partner.

# THE POWER OF IDENTITY

What is identity-based marketing, anyway? Tough question—perhaps we need to go even simpler. What’s “identity” in the digital media and marketing context?

**Identity** in the digital marketing sense is not actually who a user is, but the unified digital profiles of a user from across the web and connected devices tied together to form a sharable profile. This can often be supplemented with other data sources (e.g., offline) by a technology partner that manages scores upon scores of these profiles from a variety of sources (potentially publishers and advertisers).

Note that the concept of identity is distinct from the actual identifiers, which publishers, platforms, and devices use to store collected data. Profile identifiers (also known as PIDs) come in many different forms in digital: cookies, hashed emails, site or platform logins, mobile app IDs (MAIDs), CTV or OTT IDs, etc. A consumer can easily have hundreds or thousands of identifiers across all their browsers, platforms, and devices. As you can imagine, this mess of PIDs are a headache to manage and leverage for marketers and publishers.

But a marketer wants what a marketer wants, and that is marketing to people, not proxies. Digital has long offered them a parade of disjointed PIDs that mean very little on a holistic level. An identity-based approach changes this equation by clustering a

consumers’ diaspora of PIDs into a representation of said individual. So rather than a Profile ID, identity leverages an “Individual ID.” The Individual ID solves for the people-based marketing that marketers aspire to use.

The hard work of matching, combining, and deconflicting the various identifiers and the data points attached to them is called **Identity Resolution**. The tool used to align the various identifiers and store them is called an **Identity Graph**.

Think about the concept of identity as the centralization of the vast amount of data points connected to a user. Who this user could be is different to every party that comes in contact with them. To a publisher, they may be a biking enthusiast. To an advertiser, they may have once bought a set of sheets.

But the advertiser wants to reach and message that publisher’s bike enthusiast, and by leveraging a shared identity layer powered by the identity resolution partner, they can with confidence. The identity partner basically builds a bridge between the advertisers’ data and intent to the publisher’s store of information about a user, cookies included. Everyone wins—the advertiser gets its message to the desired users and the publisher can get premium CPMs for its inventory. This is only the beginning of identity’s power. Let’s count just some of its benefits for publishers.

### **More Holistic Understanding of Consumers.**

The centralization of IDs around an individual enables publishers and advertisers alike to get fuller perspectives of their bases. Identity partners can offer insights into any and every audience segment based on its giant data repository, which includes IDs and data from other publishers, advertisers, and other third-party sources. A high percentage of amateur chefs also love foreign films? How interesting!

On the publisher front, this is great data for revenue teams, but also marketing, audience development, and editorial. Identity can be central in building data circulation systems that inform every department and aid them in working together.

### **Increased Revenue Opportunities.**

Enhanced insights into your users is the kind of ammunition that sales needs to close big, big deals and attract new advertisers. Identity can also fuel the development of new and better ad products that can entice bigger spends.

Think about private marketplaces, which can easily underperform due to a lack of demand or difficulty meeting granular targeting guidelines. The audience insight driven by identity can ease publishers' burden when it comes to PMP performance and revenue optimization.

But remember when we talked about enabling cooperation between departments? Identity insights can also help recognize user characteristics that signal interest in alternative revenue channels such as newsletters and subscription products.

### **Better Ad Targeting and Messaging.**

Of course, identity is a great help in ensuring quality targeting—advertisers are far more likely to reach exactly whom they are looking for. But as publishers know all too well, many times advertisers need some help finding more folks receptive to their messaging.

Identity makes it easier to share insights between buyer and seller, facilitating teamwork in campaign optimization, which many a publisher will tell you has been a huge obstacle with cookies. Both parties can easily identify segment overlaps and new opportunities, as well as push spend away from underperforming segments. In addition, second- or third-party data can be easily layered on top of first-party data to enable more granular targeting or simply more robust segments for targeting.

### **Privacy Compliance.**

An Individual ID is one of the best ways to meet a consumer's digital privacy wishes. An identity resolution partner can keep track of consent signals from identifier to identifier, as well as at each data touchpoint.

## The Key Advantage

So that's a lot of benefits, huh? But there's a thread you might have noticed weaving its way through many of these points, and it's probably the most important advantage of identity in advertising.

Identity brings advertisers and publishers closer together, and enables them to work better with one another to meet their goals. Trust has been frayed between the two parties for the last decade at least as intermediary after intermediary came between the central players in advertising. Identity could be a key part in rebuilding bonds between advertisers and sellers, and resetting relationships for a new age of digital marketing.

### ***BUT WAIT—THERE'S MORE:***

- **Forecasting.** *Better understanding of audience characteristics and behavior via identity can serve as rocket fuel for predicting publisher audience and inventory trends.*
- **Campaign Efficiencies.** *Audience insights can help publishers minimize both over-delivery and under-delivery during campaigns. In turn, higher accuracy tends to open up more inventory to monetize.*
- **Messaging.** *Publishers can also give enhanced feedback to advertisers about how messaging performed with different segments, encouraging and participating in A/B and multivariate testing.*
- **Frequency Capping.** *A unified profile does wonders for ensuring specific users aren't getting over-exposed to specific campaigns or advertisers.*
- **Campaign Measurement.** *Because of the use of a third-party partner, identity offers advertisers assurance that they reached their desired audiences. The audience analytics and engagement data offered in reporting is all the more trusted and valued.*

# *IDENTITY MARKETING IN ACTION*

*You might be saying to yourself, “Gee whiz, this identity stuff all sounds neat, but how exactly does it work when it comes to programmatic transactions and campaign executions?” Glad you asked—each identity partner has its own special sauce when it comes to connecting buyers and sellers. But at heart, it’s a similar process to cookie-syncing, though it tends to work much faster.*

*In open RTB, for example, a bid request goes from the publisher into the exchange with an OpenRTB UserID object containing the ID from the identity resolution partner. Integrated DSPs recognize the ID and bid. An advantage here over IDs that are cookie-matched is that this type of ID passed through the bidstream can also be available in environments where third-party cookies are blocked.*

*Some identity partners throw an extra level of encryption into the process to minimize data leakage and further protect user privacy. Others leverage parallel identity paths to match identifiers outside the exchange. There are advantages to all of these methods, and variety in this case is not a bad thing.*



# THE ELEMENTS OF IDENTITY

If you thought just keeping up with identity resolution and identity graphs was hard, we have some bad news for you. Identity is complicated and the terminology for all of its elements is extensive and varied... which is a polite way of saying “inconsistent.” Some terms you may recognize, but in the context of identity, the meaning may be completely different.

So in switching to this new method of operating—which happens to share some characteristics with the way many of us are used to—we’re going to have to do a fair deal of learning, re-learning, and un-learning.

**First-Party Data.** Publishers, for years and years you’ve been told that you are sitting on the most valuable asset on the Internet. Nothing online quite matches the worth of publisher first-party data, prominent ad tech thought leaders kept saying. And then it broke your heart to see advertisers pay through the nose for third-party data in an effort to cherry-pick programmatic inventory.

Truth be told, publisher, you weren’t told the whole truth. Yes, your first-party data is very valuable... when there’s a mechanism to transact on it. The first problem is there’s no standardization in data segments among publishers, but the bigger dilemma is that advertisers can’t independently verify your data in real time or bring their own data into the equation.

Even then, your first-party data is not enough—it never has been.

Your first-party data is connected to your proprietary profile, which is very nice. But what makes that data truly powerful—and scalable—is when it’s connected to data on the same user. This data could come from anywhere, but the IDs used to capture or tie together this data—whether they are hashed emails, login data, first-party cookies, device IDs, etc.—need to be corralled to provide an overarching profile.

This is where identity resolution comes into the picture, and to some extent it operates as a translation service between various digital advertising players. By using an Individual ID attached to this overarching profile (or identity graph), an advertiser can finally unlock the value of that publisher first-party data. Not only can they verify the audience via the identity graph, they can also layer on their own data.

But there’s more to an identity partner’s offerings than unified first-party data.

**Second-Party Data.** This is a complicated subject. First-party data is anything you collected—with consent!—off of your digital properties. So second-party data is any shared data between you and another player in the space, often in a private exchange. Licensing your data is an excellent



opportunity to monetize the valuable data you own. Publishers can also share data in a similar fashion with their peers, as is practiced in some publisher alliances. And any data sharing between a publisher and its identity partner technically counts as a second-party data relationship.

**Third-Party Data.** Hold on, because we've got a revelation that might blow you away: third-party data and third-party tracking cookies are not the same thing. Similar to device IDs and first-party data, the third-party cookie is just one tool used to collect and execute on third-party data.

So while third-party tracking cookies are embarking on their farewell tour, third-party data isn't going anywhere and will continue to be highly relevant in digital marketing—especially identity marketing. First-party data is something you collect; second-party data is from a known source in a direct exchange; and third-party data can be branded or anonymized, most often found in a third-party data exchange.

As you might have guessed, third-party data is most effective when it's tied to Individual IDs and first-party data—but the third-party data must be high quality to begin with. An identity partner will bolster its identity graphs with a variety of third-party data segments from trusted sources, both online and offline. Some of the types of data garnered include demographics; affinities; consumer purchasing data; behaviors and trends; and more.

This also means not all identity graphs are created equal. Some identity partners will have more robust identity profiles enriched with high-quality third-party data from trusted sources.

**Durable or Persistent IDs.** Cookies bring a lot of challenges to the party, but the biggest one might be their lack of permanence. Cookies aren't supposed to last—they're set to expire to ensure the freshness of the data attached to them. In addition, users have the option of refreshing their cookies at any time. (Device IDs like Apple's IDFA are very similar.)

The most effective IDs for leveraging identity resolution are durable ones, like logins, email addresses, MAIDs, and OTT/CTV IDs. These are not necessarily permanent, but they have much longer lives than cookies. Increasingly, publisher revenue teams are working with product and even editorial to develop valuable tools (e.g., newsletters) that consumers are willing to trade email addresses for. The key to garnering a durable ID like an email is a clear value exchange.

**Deterministic and Probabilistic.** At the same time, not every publisher can garner a deterministic ID like an email to wrap first-party data around. Deterministic IDs, which can be directly linked to individuals, make the tightest bonds within an identity graph, but it's not the only method for broadening unified profiles.

# THE IDENTITY PYRAMID



Identity partners can also leverage probabilistic matching, which uses statistical analysis to recognize a wide variety of IDs (cookies, MAIDs, OTT/CTV IDs, IP addresses), and then only links those to the identity graph with a high degree of certainty.

Probabilistic matching can also be a great tool for deconflicting or reconciling IDs. Data and IDs are constantly being fed into identity graphs, so it's not surprising that there might be some contradictory information or problematic IDs appearing within profiles. Probabilistic analysis can then be used to determine which links are strongest, and assist in deconflicting the graph.

Believe it or not, an all-deterministic graph can end up being limited and potentially have more issues with conflicted IDs. A more agnostic graph leveraging probabilistic and other methods of resolution stays dynamically open to the larger digital sphere, and can evolve with the ever-shifting space.

## Opening Doors

When people think of targeted advertising, their minds typically rush to retargeting—"Oh, that jacket

I looked at is following me around in ads on other websites!" While retargeting is an amazing tool and was central to the development of real-time bidding, it really only scratches the surface of programmatic capabilities and audience targeting potential.

Too much programmatic advertising has been about hunting down first- or third-party cookies across the web for direct-response efforts instead of highly strategic targeting based on demographics, intent, affinity, etc. In the identity pyramid on [page 10](#), cookies, browsers, and devices are on the lower rungs—these are highly common IDs that offer incomplete profiles of users.

With identity marketing, advertisers can confidently reach individuals, but they can also potentially move up to the household level, and explore messaging that leverages relationships between individuals who co-exist. Imagine being able to accurately deliver appropriate messaging to each member of a household, altogether or separately.

It's not a pipe dream—identity resolution opens the doors to smarter, more sophisticated audience targeting, and ultimately better and more relevant advertising for the end user (and perhaps their family).

# SELECTING AN IDENTITY PARTNER

About now you're thinking, "Sheesh, this identity stuff is really important! I can't imagine how hard it's going to be to pick that one perfect provider!"

Good news, publisher: You don't have to choose just one! In fact, you should have multiple identity partners, as that will greatly expand your reach and may offer you even more insights into your audience. Handily, some identity partners can serve as your gateway to connecting to the larger sphere of identity resolution, as providers often partner to build heartier identity networks. For publishers with limited resources to spare when it comes to partner management, a holistic solution that hooks you up to the wider identity scape and facilitates relationships may be your best bet.

So just because you can boast an assortment of identity partners, you shouldn't welcome aboard any and every identity solution that sends you a cold email. You should be just as choosy in the identity providers you work with as you are with other technologies and services like demand sources, ad quality providers, and outsourcing partners. In approaching this increasingly crowded market strategically, here are the most important factors to consider.

## True Identity Resolution

The big question off the bat is whether the provider is offering the "real thing." Identity resolution is a complicated process of aligning copious amounts of IDs and data into unified profiles, often further rounded out with third-party data and enhanced with machine learning.

However, there are also "unified IDs," which simply involve syncing a large pool of identifiers. It's not to say that players in the latter category are ineffective, but they're definitely not on the same level as identity solutions, which offer far more refined identity graphs.

## Standalone vs. Pre-integrated

The most basic differentiator in "real" identity solutions is standalone ID providers versus solutions pre-integrated into ad tech like data management platforms, customer data platforms, supply-side platforms, demand-side or buying platforms, and more.

A standalone ID provider may specialize almost exclusively in identity resolution, but this doesn't mean pre-integrated solutions are lower quality by any means. In fact, SSP or DSP identity plays tend to be augmented by transactional data at a massive scale. Pre-integrated solutions like DMPs or CDPs might have even more robust data ingestion and enhanced insights due to the data-crunching they do on a regular basis. In addition, pre-integrated providers are more likely to be able to serve as your liaison to the wider realm of identity solutions, taking away the stress of managing a slew of partners.

As we mentioned earlier, there's no one right technological approach to identity marketing—and since you should sign up with more than one identity solution, partnering with a variety will give a publisher the best bandwidth.

## Proprietary vs. Open

Some identity solutions stick only to IDs of the various companies that have signed up for their services. Others are open to data and IDs from a wide range of sources, including other identity solutions. While the mantra of more is more seems to apply to identity, a restricted pool could offer publishers distinct advantages. Don't count them out!

## Scale

However, scale is key in getting performance from identity marketing. In evaluating solutions, you need to ask:

- How many partners are integrated in your identity solution?
- What is the makeup of these companies (publishers, advertisers, others)?
- Do you augment your deterministic IDs and data with probabilistic analysis?
- What third-party data sources do you use and why? (Get names!)
- How do you leverage machine learning to improve the quality of your identity graphs?
- What SSPs, DSPs, and exchanges are you integrated with?
- Can your IDs work across burgeoning platforms like OTT?
- Can your solution tie into revenue analytics platforms?

## Consultation

Yeah, your partner should soup-up your connections with advertisers and give their targeting that extra mojo they've been searching for, but identity is about more than just them. Think about yourself for once, publisher!

Your identity partner should be more than just a platform or an in-syncing service. Identity partners should be able to offer you insights into your audiences that can be circulated throughout your organization—think marketing, audience development, and even editorial. Good identity partners will have observations that your sales team can immediately use to bring home hot deals.

It's not only OK to expect more from identity partners—it's imperative you do.

## Setting Expectations

At the same time, don't expect your ad revenue to triple overnight after you integrate an identity solution. It will take time for true performance to show, and for both of you to figure out the best configuration. Keep a keen eye on your audience reporting and revenue analytics to see the impact of your provider. This is also why your partner must be more than a platform—it can work with you to build up your program during those hectic early days.

The most important thing is to keep feeding the beast. The more IDs and data your partner ingests, the better it understands your audience, and can customize its services for you and your best advertisers.

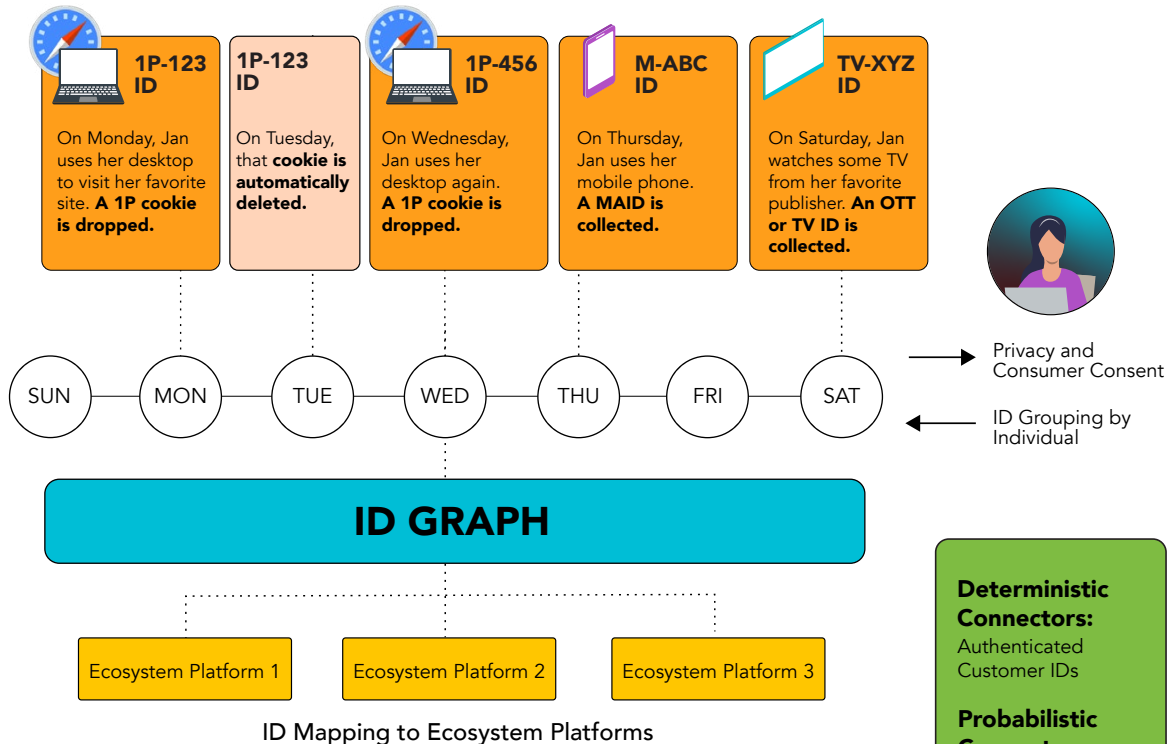




# How Individual ID Solutions Should Work

## MEET JAN

All of Jan's activity, down to the event level is captured, clustered at the household and then down to the individual level to form an Individual ID. If Jan opted out at any point, that privacy choice could propagate across the individual ID.



The ID provider sends those IDs as audiences to activation partners. That ID includes the entire cluster of cookies with attributes & behaviors and devices for a fuller version of the user.

## CONCLUSION: USER EXPERIENCE

We're going to make a bold proclamation here: ads don't actually suck.

We'll take it a step further—and maybe really step in it—and postulate that people actually like ads. Good ads, that is.

Pieces of advertising have become cultural touch-points, from “That’s a spicy meatball” to Mr. Clean to the Geico Gecko to the Verizon guy who became the Sprint guy (And maybe is the T-Mobile guy now? That’s confusing.) and on and on. People love movie previews; people sing along to catchy jingles; people awkwardly reference taglines well after their expiration date (“Whazzup?”).

When advertising is done well, it’s not only enjoyed—it’s embraced.

So why do people hate online ads so much that they install ad blockers? Well, in the digital age, we consumers have become accustomed to content on demand and having enhanced control to make sure our media diet is highly relevant. We began to expect that digital advertising—which is content too, after all—would also be high quality and super relevant.

And on that front, the ad industry has failed consumers... mainly by going all-in on flawed solutions (cough, cough,

cookies) that have alienated consumers by failing to respect their privacy.

There’s still time to turn things around. The sunset of the third-party cookie is a turning point for the industry, and a chance for reflection about publishers’ and advertisers’ relationship with consumers. Much digital ink is spilled about privacy issues in targeted advertising, but how much of these grievances really have to do with poor user experience and lack of clarity into the ad-driven content value exchange?

Identity is not just a better way to understand consumers and power targeted advertising—it’s also a key to enhancing the relationship between publishers, advertisers, and ultimately users. It’s a big step towards delivering the high quality, relevant advertising digital consumers deserve. And in turn, that will highlight the value exchange users receive by trusting publishers with their data.

We hope this playbook has clarified just how identity marketing paves a path forward for the industry, including the many ways it can enhance digital media; the elements that make up identity resolution and graphs; and what to look for in partnering with identity solutions. As digital advertising enters an uncertain new age, it’s clear that identity marketing will be a key part in the next evolution.





The global leader in strategic insight on the future of digital media and advertising technology. Through our conferences, website, and original research, we offer unparalleled in-person experiences and unique, high-quality content focused on media operations, monetization, technology, strategy, platforms and trends. We provide a forum to share best practices, explore new technology platforms and build relationships.

AdMonsters has built its reputation on providing objective editorial leadership based on deep, real-world expertise. We have continued to evolve our editorial strategy to address the changing needs of the market and, as a result, AdMonsters has attracted a highly focused audience who are at the forefront of the industry, and leading marketing partners have found AdMonsters to be a powerful channel to reach these decision makers. Today, our portfolio of integrated media solutions includes industry-leading live events, our innovative Connect content solutions, email marketing programs, and more.

As of March 2015, AdMonsters is part of the [Access Intelligence](#) family of companies.

For more info:

See [admonsters.com](http://admonsters.com)

Follow us on Twitter: [@AdMonsters](https://twitter.com/AdMonsters)

Facebook: [facebook.com/admonsters](https://facebook.com/admonsters)

Media contact:

[marketing@admonsters.com](mailto:marketing@admonsters.com)

Sponsorship contact:

[sales@admonsters.com](mailto:sales@admonsters.com)

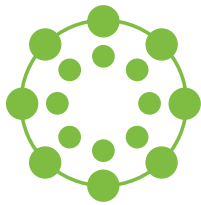


# LOTAME®

Unstacked Data Solutions

Lotame is the leading provider of data enrichment solutions for global enterprises. Our connected data technologies, curated second-and third-party data exchanges, and high-touch customer service make us the trusted choice for marketers, agencies and media companies that want to build a panoramic view of their customers and activate across the cookieless web, mobile app and OTT environments. Lotame serves its global clients with offices in New York City; Columbia, MD; Argentina; London; Mumbai; Singapore and Sydney. Learn more at [www.lotame.com](http://www.lotame.com)

sponsored by:



**LOTAME<sup>®</sup>**

Unstacked Data Solutions