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# Cross Context in 2017

Fragmentation continues and GDPR lurks



Lucid Privacy Group

**ESPC**  
Email Sender & Provider Coalition

<https://lucidprivacy.io>

It's a world of many screens.



# It's a world where the average consumer...



**owns four digital devices & spends  
60 hrs/wk consuming content across  
devices\***  
**Nielsen**



**moves between screens  
up to 27x an hour**  
**Time Warner**



**uses 3 different devices  
to complete a task**  
**Ad Exchanger**

PUT SIMPLY, A CONSUMER'S DEVICE BEHAVIOR CONTINUES TO CHANGE AND MARKETING NEEDS TO CHANGE WITH IT.



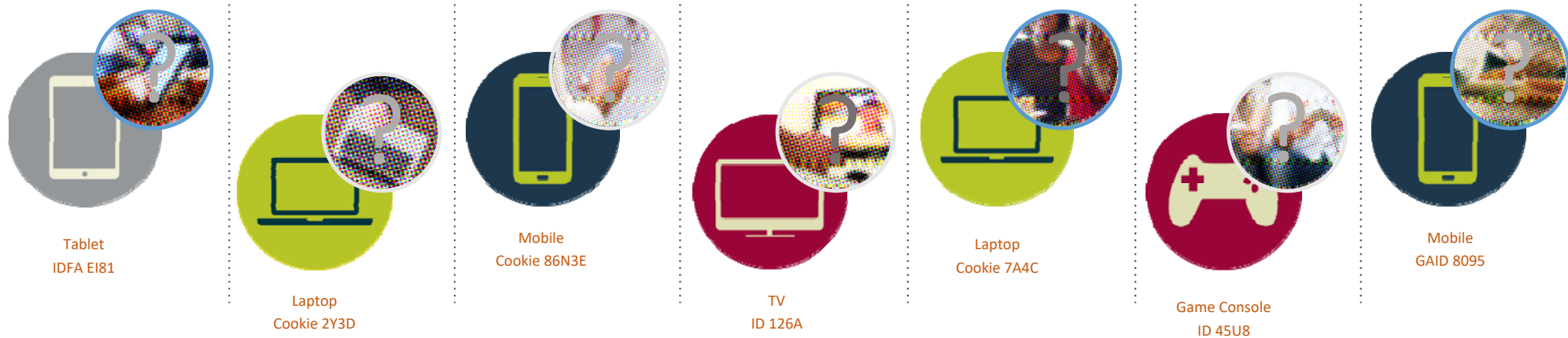
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\* Average U.S. Consumer

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# The digital landscape is fragmented.

Marketers try to reach and measure consumers using a device ID. Yet most consumers have multiple devices and each device and browser has a different ID.



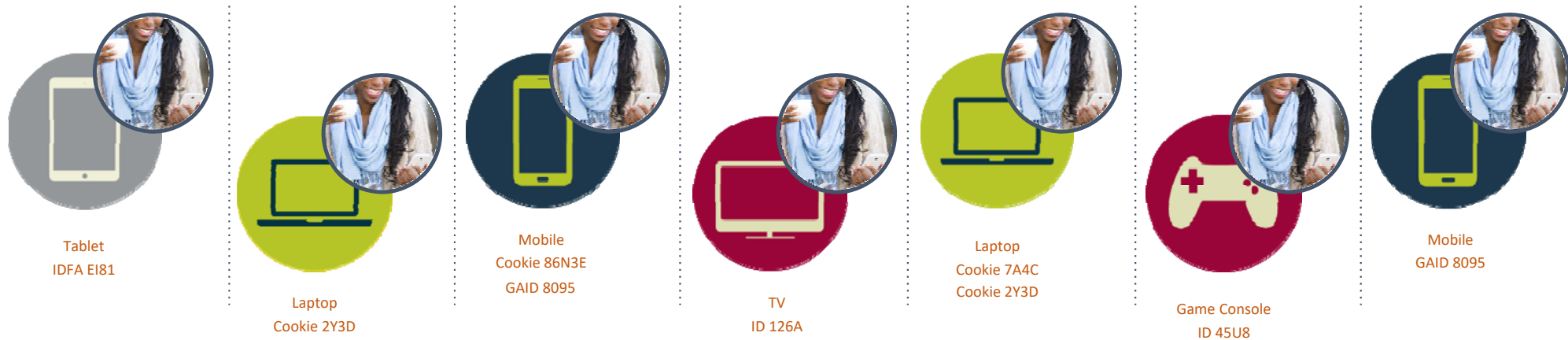
ALL OF THIS DEVICE AND CONSUMER FRAGMENTATION LEADS TO SILOED AD SPENDING, DELIVERY, AND ANALYSIS.



# The digital landscape is fragmented.

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Yet most consumers have multiple devices and each device and browser has a different ID.



## CHALLENGES FOR MARKETERS

- Incomplete view of consumer
- Inability to message consumer across devices
- Inefficient impressions
- Inaccurate measurement



# Multi-screen delivery vs. cross-device opportunity

MULTI-SCREEN



CROSS-DEVICE



## CHALLENGES:

Lack of connection  
between devices

Siloed reach

Limited  
attribution

## ADVANTAGES:

Connect all of  
a user's devices

More control over  
ad delivery

Accurate  
measurement +  
holistic insights



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# How Device Graphs Work

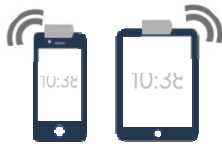
Most models use algorithmic modeling

## Making the connection

Proprietary algorithms continuously clean, update and analyze trillions of data points, looking at:



DEVICE  
PROXIMITY



TIME-BASED  
PATTERNS



BROWSING  
BEHAVIORS

## Validating the connection

Deterministic data, including first-party user identifiers such as log-ins are used to check connections and advance our algorithms.



LOGIN DATA

The modeling can be complex.

**But IP address is typically the starting point.**



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## Privacy disclosures: leveraging existing infrastructure

- Privacy policies should disclose cross device data collection, including how this data will be used and how to opt-out
- Both 3<sup>rd</sup> party tech enablers and publishers should include appropriate language
- Ads using this data should include the icon, linking to information and choices in context



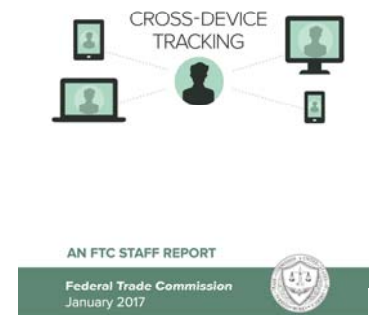
The image shows a screenshot of a Tapad advertisement overlay. At the top left is the Tapad logo. Below it, a text box explains that the ad is targeted based on historical activity. Below the text are four links: 'More information & opt-out options', 'What is interest based advertising', 'Tapad's privacy policy', and 'Privacy Controls by Evidon'. At the bottom, there is a green banner for 'Dell Education Technology' with a 'Do More' button and the Dell logo.





# Policy straight forward in the US

- Practice is regulated
- You must disclose
- An opt-out means:
  - No targeting on this device using information from another device
  - No data collection on this device for use in targeting on other devices
- Cross device opt-out is not mandated (but recommended)
- Free and clear for measurement and attribution?

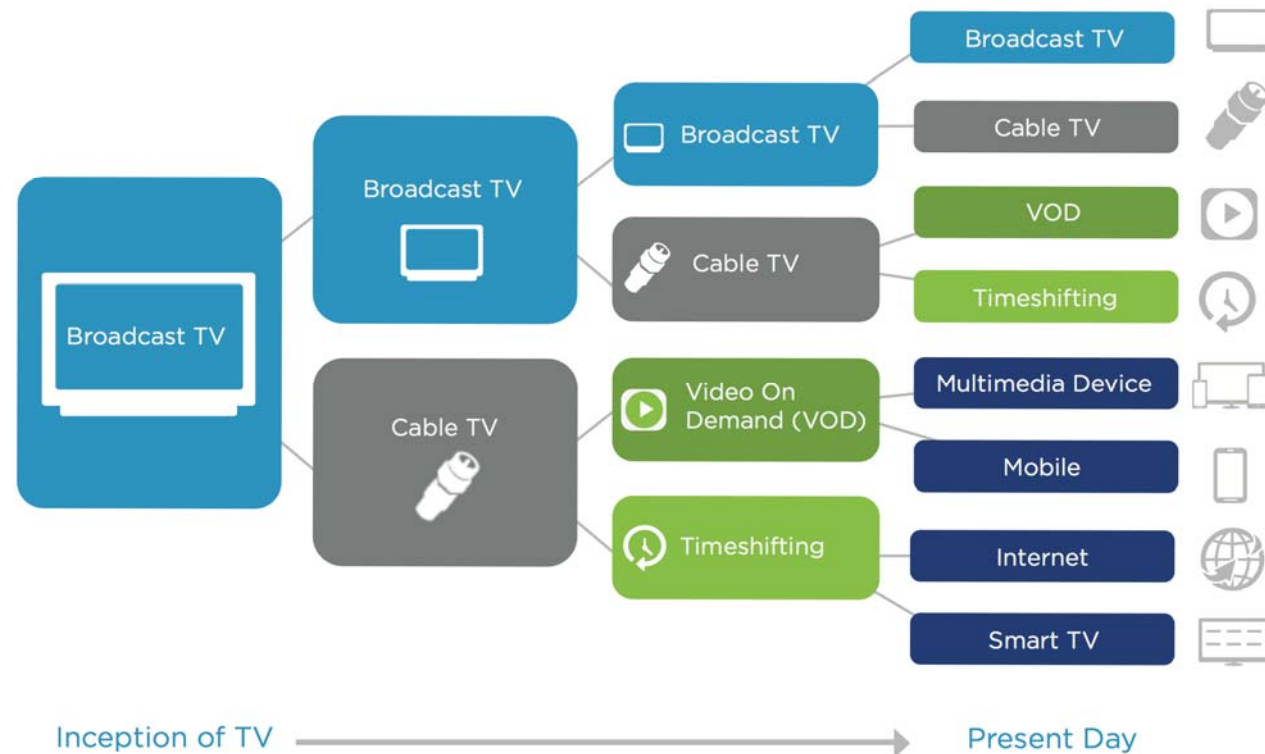


# Other ways to establish connections

- Email hashes emerging as a major player
- Open Identity Coalition
  - AppNexus, MediaMath, RocketFuel, Live Ramp, Index Exchange, Live Intent
- And of course ... FB and Google are sitting pretty
  - Amazon and Trade Desk on their heels



# Meanwhile, in TV Land



# Buying ads on TVs (\$72B market)

- **Linear TV**
  - Your original, non-time shifted TV viewing experience
- **Programmatic TV (\$1B)**
  - Automation of audience-based TV advertising through a software platform
- **Addressable TV (sub of Programmatic)**
  - Programmatic technology and advanced audience segmentation to deliver specific video ads at a household level in real time.
- **Over The Top - OTT (still limited scale and availability)**
  - Roku, Apple TV and Google's Chromecast
  - Approaching the majority of TV viewing time for millennials



# An emerging 'Lumascap'

TV Landscape | TubeMogul



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From TubeMogul: 'Illustrating the TV Landscape'

<https://lucidprivacy.io>

# Addressable to digital convergence

- **How can I unify my understanding of a user's TV consumption with my digital media (web and mobile)?**
- Targeting digital media with insight about shows watched
- Creating campaigns that unify messaging across TV and digital
- Full circle analytics and attribution
- TV as another device in a cross-device world
  - IP address
  - Proprietary customer IDs
- Nascent ... Vizio, Rentrak



# Around the corner

- Precise location from retail locations and bridged offline data
- Deeper insight from carriers
  - Verizon/AOL/Oath, etc.
- Fitness apps
- Amazon Echo, Google Home
- The mythical 'Internet of things'



# As we add data collection channels ...

- Context switching becomes more extreme, which can be dangerous
  - Secondary uses of data
  - Unexpected combinations of data
  - Zombie segments
  - Sub-sensitive data embarrassment
- We stumble into additional regulatory rabbit holes
  - VPPA a prime example





# Meanwhile, across the pond

- GDPR
  - Covers Personal Data, including PII, location, cookie/device IDs
  - Comprehensive data protection regulation for the EU
  - Substantial new data subject notice and operational obligations
  - Massive increase in fining authority (2-4% *global rev*)
  - Requirements generally not course altering for companies
  - Enforcement begins in May 2018
- ePrivacy Regulation
  - Still a 'proposed' regulation in draft form
  - Explicit consent for tracking
    - *Potentially course altering, especially for 3rd parties*
  - Intended enforcement date matches GDPR



# Consent under proposed ePrivacy Regulation

- Refers to GDPR for definition of consent:

Article 4(11) GDPR defines “the consent of the data subject” as “any freely given, specific, informed and unambiguous indication of the data subject’s wishes by which he or she by statement or by a clear affirmative action, signifies agreement to the processing of personal data relating to him or her.”

- Applies consent requirement to virtually all data collection by default, with narrow exceptions that do not help marketers
- ‘Specific’ consent requires that individual companies and purposes are itemized
- Complex interplay between system settings (which apply across companies) and the ‘specific consent’ companies will pursue



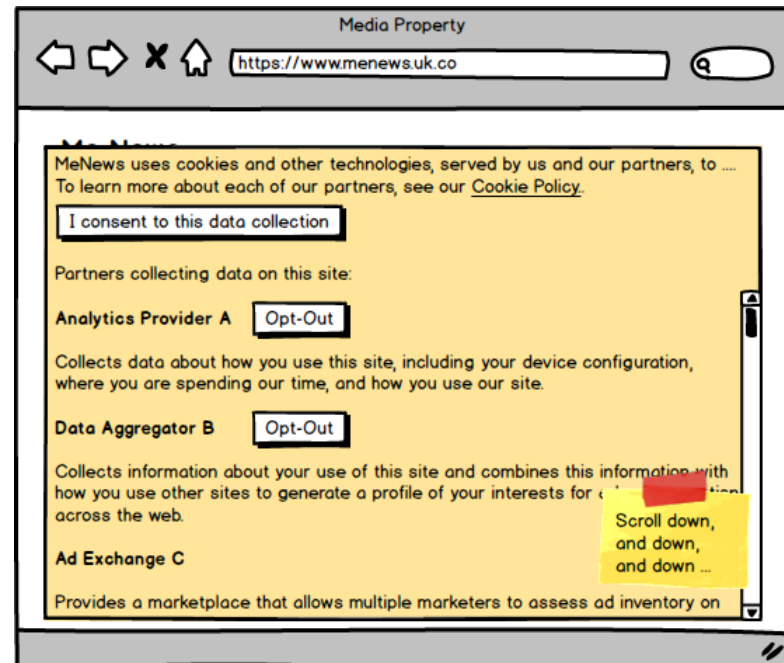
# Status and implications of ePrivacy

- Lobbying not going well for the industry
  - Though Commission-level logistics may delay implementation
- Commission would like browser settings and OS level permissions to provide cross-company and cross-internet level permissions ('Platform Settings')
  - So simple!
- Platforms have (so far) declined the opportunity to collect consent for the marketplace
- But prospect of market altering changes to default Platform Settings
  - Nothing imminent ... **but stark potential for 3<sup>rd</sup> parties**
- We're left to our own devices ... implementations not likely to be pretty



# Coming soon to the media properties near you...

- 1<sup>st</sup> parties have ample opportunity to gather explicit consent
  - Primary challenge will be identifying their partners and surfacing individual consents
- 3<sup>rd</sup> parties are in a bind
  - AdChoices icons not sufficient
  - How do you coordinate with 1<sup>st</sup> party consent systems?
  - How do you handle 'consent silent' inventory?
  - Trade associations attempting to coordinate on registry style modals



# Specific implications for cross-context

- GDPR data access requests: must have a process for identifying the content of your device graph and revealing the graph on request to the consumer
  - This won't fly: *We don't have any Personal Data*
- GDPR requires specific and easily understandable disclosures about your data collection and use practices – make sure you include cross-device/context
- Cross-context data collection has a broad and complicated footprint
  - Verifying compliance with consent standards across device and interface types will be complicated
- Potential for cross-device/context as a specific purpose that must be reflected in consents



# Final thoughts

- Have a clear GDPR compliance roadmap in prep for May 2018
  - Data mapping, gap assessment, gap remediation plan, DPO, PIAs, training, etc.
- Game plan for a new level of opt-in
- Watch the Platform players closely
- Align with 1<sup>st</sup> parties (your conduit to consent)
- Take it all seriously ... But also, watch your peers to avoid pre-emptive extreme measures

