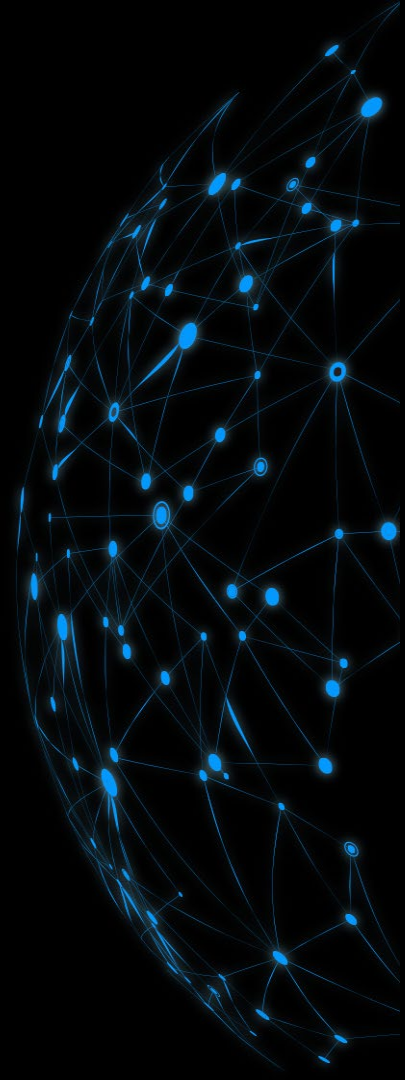




State of the Nation 2022

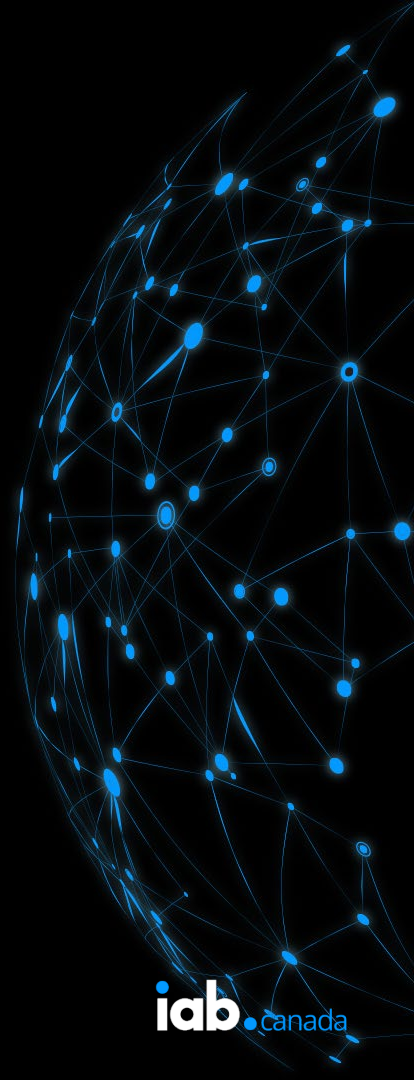
IAB Canada's National Townhall

June 1, 2022



Today's Discussion

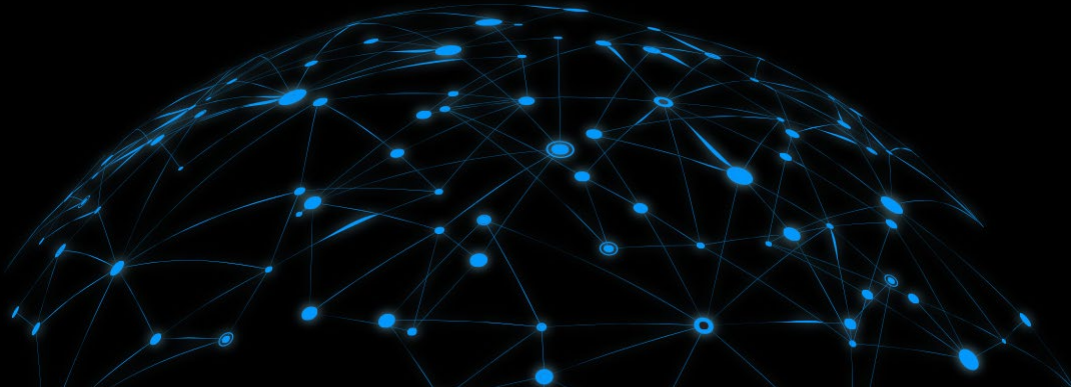
- State of the Nation – Canadian Digital Advertising Industry Update
- The Future of Addressable Audiences
- First Party Data Checklist
- The Evolution of Consent
- Prioritizing Compliance
- Roadmap to a Sustainable Supply Chain
- Measurement Matrix
- Innovation & Tech
- Building Positivity into Platforms



State of the Nation – Canadian Digital Advertising Industry Update

Presented by Sonia Carreno, President, IAB Canada

Powerful Digital Leadership



Discussions Shaping the Digital Media Landscape

2022 – Landing Plane(s) in a Busy Digital Media Economy

1

The State of the Industry 2022

2

The Big Rush

3

Flight Path 2022/23

Discussions Shaping the Digital Media Landscape

2022 – Landing Plane(s) in a Busy Digital Media Economy

1 The State of the Industry 2022

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A Great Comeback

Highlights from the 2021/22 Revenue Survey

- \$12.32B Online Advertising Industry – a 28.1% growth rate new advertisers and diverse inventory
- Video shifts further towards CTV fast growing \$533.5M in Canada – SVOD fatigue and content boost contributing to growth
- Growth in Video, Audio and OOH – new formats

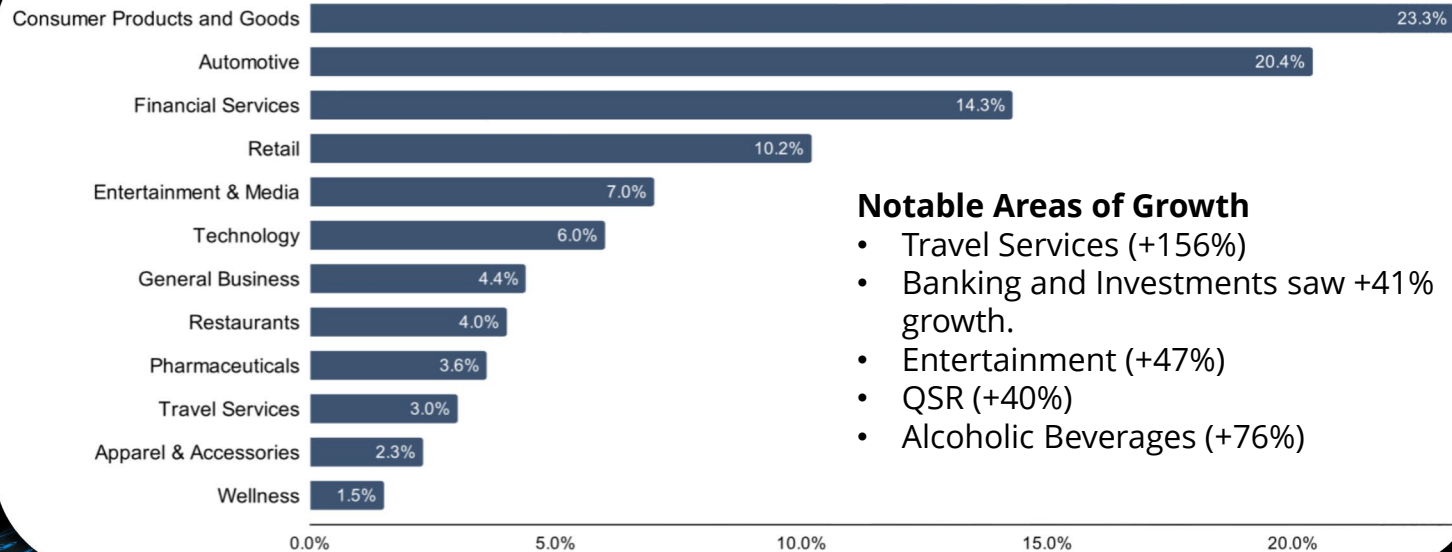
A Great Comeback

Highlights from the 2021/22 Revenue Survey

- Display when separated from Social Media, shows exceptional growth (47.9%) driven largely by shifted budgets and Branded Content
- Programmatic – 51.2% BUT 73.1% involves sales contact (PMP or Direct)
- Retail Media on the radar with an increasing offering in Canada and a category that is being defined and differentiated – Over \$800M (just the beginning)
- Bullish growth estimates for 2022 hovering the 20% mark - variances by Canadian vs. International channels – and some re-calculations taking place in real time due to world issues

Category Share of Advertising in 2021

National Advertisers Continue to Invest in CPG, Automotive and Financial

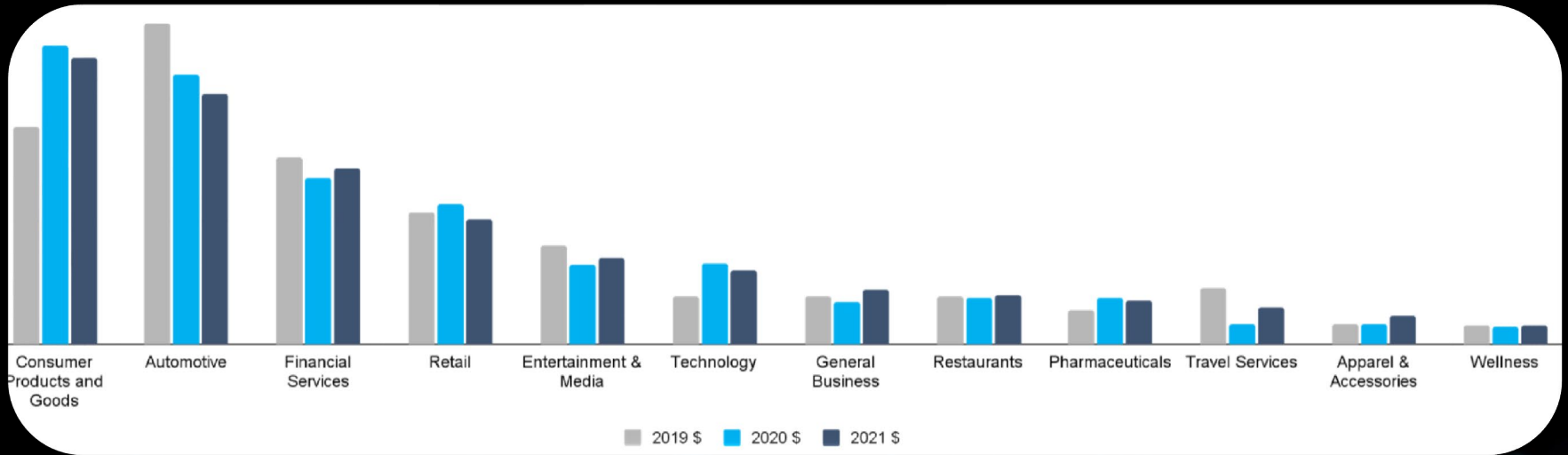


Notable Areas of Growth

- Travel Services (+156%)
- Banking and Investments saw +41% growth.
- Entertainment (+47%)
- QSR (+40%)
- Alcoholic Beverages (+76%)

Many Categories Back in Business

Some Bounce-Backs from 2019 – Long Tail Tells a Story of Delayed Recovery



Media Inflation Report

Media Inflation Report Highlights

- Addressability changes & privacy
- More advertisers putting pressure on various category bid prices
- Knock-on effects of supply chain issues and costs to produce content
- Impact of war in Ukraine
- Increased activity in bespoke ad campaigns
- Increased use of third-party technologies like clean-rooms

	2022	2021	2020	2019
Online Video	7.83	4.35	3.45	6.85
Search	4.55	3.35	1.55	4.25
OOH	4.76	3.47	2.87	3.97
Television	7.6	5.75	5.25	7
Radio	3.25	3	2.6	3.35
Magazines	1.75	1.85	1.85	2.3
Newspapers	2.45	2.3	1.3	2.65

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The Great Rush...



...To Wait

The Industry's Baggage

Sorting , Tagging and Delivering

- Talent
- Policy
- Addressability
- Environment
- Measurement



The Industry's Baggage

Sorting , Tagging and Delivering

- **Talent**
- Policy
- Addressability
- Environment
- Measurement



Currency of Talent

Highlights from the Currency of Talent Barometer Report 2022

- Top priority for IAB Canada members this year
- Our needs are changing – analytics, issue-spotting and data literacy are now must-haves
- There are an estimated 85K of jobs open in the sector in Canada roughly 22% are entry level
- Salary expectations are placing pressure on the value chain
- Expecting a hybrid model for the near term – many Covid hires meeting their teams for the first time – some never met them
- Great opportunity to work on DEI pledges and we see positive movement

Diversity, Equality & Inclusion Charter

We have to do the work...

Your LOGO Here

A proud signatory of IAB Canada's

Diversity and Inclusion Charter

Supporting a diverse digital advertising industry in Canada.

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The Industry's Baggage

Sorting , Tagging and Delivering

- Talent
- **Addressability**
- Policy
- Environment
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Enhancing the Industry Toolkit

Seller Defined Audiences finds its way into the mix

iab canada Moving Towards Cookie Independence

The Extinction of Third Party Cookies

Browser	Market Share
Google Chrome	46%
Microsoft Edge	12%
Safari	12%
Firefox	10%
Other	18%

3-Way Addressability on the Horizon

Universal IDs	Contextual Signaling	Seller Defined Audiences
Individual ID for: 1. Contextual, authenticated audiences 2. Retarget audiences	Contextual signals: 1. Dynamic content 2. Dynamic creatives	Standardized labels 1. Transparency through DataLab.org 2. Google's "keeper"

All Involve First Party Data

- Consent Management
- Segmentation Strategy
- Engagement & Data Intelligence to parlay into new eco-system

Emerging Tools in the Cookieless Toolkit

- CMPs
- CCPs
- Contextual Signaling
- Hedge enabled multi-touch (Google Sandbox)
- IAB Tech Lab Audience Taxonomy & Data Labeling
- SKANetwork - 1st Party Workaround

IAB Canada Copyright © 2021

Moving Towards Cookie Independence

An IAB Canada Guide to Implications and Preparedness

iab canada

Published: March 2021

A Guide to Modernized Contextual Advertising

Part of IAB Canada's "Moving Towards Cookie Independence"

Published: March 2021

A Guide to Authenticated Audiences & Universal IDs

Part of IAB Canada's "Moving Towards Cookie Independence Series"

Published: April 2021

IAB Canada Committee Industry Paper

Published: April 2021

A Guide to Seller Defined Audiences

Part of IAB Canada's "Moving Towards Cookie Independence Series"

Published: April 2021

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IAB Canada Committee Industry Paper

IAB Tech Lab Outputs (Global)

- Seller Defined Audiences (SDA)
- Global Privacy Platform
- Accountability Platform

Three Top Priorities for Advertisers

Tool-Up

- 1. Consent** – across the supply chain
 - a) Adherence to cross-jurisdictional laws
 - b) Best in class frameworks – policies and accountability frameworks like TCF
- 2. Shore up first party** and enhance capabilities – add utility and re-evaluate the content strategy of your website
- 3. Build pipelines** leveraging CDPs/CRM etc. into the new ecosystem



The Industry's Baggage

Sorting , Tagging and Delivering

- Talent
- Addressability
- **Policy**
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- Measurement



IAB Global Privacy Platform

Global IABs Tackle a Patchwork of Requirements

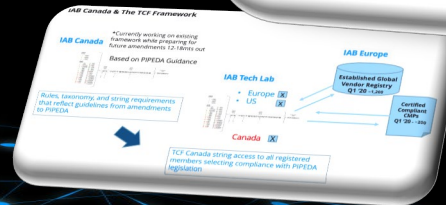
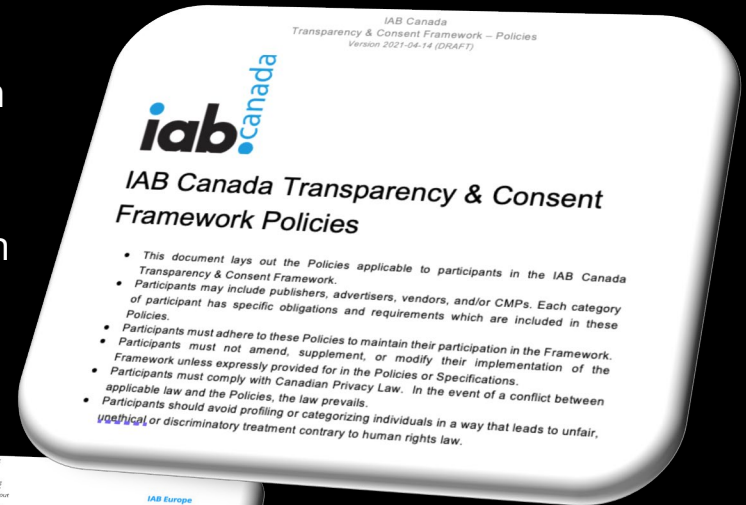
The image shows a screenshot of the IAB Global Privacy Project website. The top navigation bar includes the IAB Canada logo, social media icons, and links for JILL BRIGGS, LEARNER LOGIN, NEWS, CONTACT US, FRANÇAIS, and a search icon. A secondary navigation bar contains links for About, Events, Education, Resources, Guidelines, and Membership. The main heading reads "IAB GLOBAL PRIVACY PROJECT". Below this, there is introductory text about the project's goal to create a technology-neutral consent framework. Overlaid on the bottom right of the website screenshot is the cover of a report titled "Privacy Laws & Digital Advertising: Multi-jurisdictional Overview and Implications". The report cover features the IAB logo and a list of countries: United States, Australia, Brazil, Canada, China, India, Japan, and South Korea. Below the cover, a portion of the report's content is visible, showing a table with multiple columns and rows of data.

- Representing the industry
- Working with regulators
- Developing a viable solution to privacy-first advertising
- TCF Canada first jurisdictional roll out

Federal on Hold and a PIPEDA Consent String

Booked in 2018...Now Boarding

- Canada was adopted as priority market for IAB Tech Lab Global Privacy Platform roll-out
- IAB Canada TCF adaptation to enable compliance with PIPEDA today and prepare for future legislation including Quebec
- International access to comply with Canadian Law
- Accelerated adoption due to heavy EU existing penetration with global vendors



New Legislation in Quebec

Bill-64 amendments to modernize C.25 became law in September 2021

- Québec has significantly modernized its private and public sector privacy regimes, better adapting its legislative framework for the protection of personal information to present-day realities keeping pace with international privacy developments
- Backed by stringent enforcement measures, rather than merely strong recommendations as is the case under PIPEDA.
- Many of the new obligations reflect privacy provisions already in force in most of Canada but there are some notable considerations.
- New requirements will roll out in phases.

Live Full Day Course | On-Demand Training | Custom Training

Becoming a Chief Privacy Officer - An Introductory Course

June 20, 2022
9:00am - 4:00pm EDT
IAB Canada Office

Countdown to Quebec's New Privacy Law

Appointment of Privacy Officer
Each business is required to appoint a Privacy Officer to ensure the protection of personal information.

Enroll Now
Limited Seats Available



Countdown to Quebec's New Privacy Law

September 2022

- Appointment of Privacy Officer**: Each business is required to appoint a Privacy Officer to ensure the protection of personal information.
- Mandatory Breach Reporting**: Reporting requirements for breaches of personal information.
- New Biometric Requirements**: Specific rules for the collection, use, and disclosure of biometric data.

September 2023

- Consent**: Enhanced requirements for obtaining and managing consent.
- Enhanced Transparency**: More detailed disclosure of data practices.
- Privacy by Default**: Requirement to collect and disclose only the minimum necessary personal information.
- Automated Processing**: Rules regarding the use of automated decision-making systems.
- Data Transfers**: Requirements for transferring personal information to other jurisdictions.

September 2024

- Data Portability**: Right for individuals to obtain and move their personal information.

Enforcement: Strengthened powers for the Commission d'accès à l'information (CAI) to enforce the law.

Regulated iGaming in Ontario

Setting the precedent for a successful and responsible vertical

Responsible Advertising for iGaming
March 7, 2022
11:00am - 12:30pm EST

WHERE AND HOW CAN iGaming Ads for Registered Operators RUN IN Ontario
IAB Canada - Policy & Regulatory Affairs
May 13th, 2022 - to be updated as information becomes available
IAB CANADA PUBLISHERS – iGaming Ontario AD ACCEPTANCE STATUS
The following IAB Canada Publishers/Platforms have provided the following important iGaming ad acceptance information. This document will be updated as new information becomes available. As always, we recommend that you contact your sales representatives for further clarifications and specific opportunities.

Publisher	Accepting iGaming Advertising	Accepting Programmatic	Accepting Direct	Special Instructions
Bell Media	Yes	Programmatic Guaranteed only	Yes	Yes, please reach out to your Bell Sales Rep for details.
Captivate	Yes	Programmatic Guaranteed only	Yes	No
CBC	Yes	Programmatic Guaranteed only	Yes	Please contact a CBC Sales rep for more information
Corus	Yes	Programmatic Guaranteed only	Yes	If they are running the same spot which they have TV clearance on digital, then do not require further

IAB Canada Kicks off iGaming Working Group
Join the Working Group

IAB Canada Welcomes New Member
COOLBET

- Brought the regulators and the industry together
- Created resources to help agencies and publishers do their part
- Working group across all stakeholder groups

The Industry's Baggage

Sorting , Tagging and Delivering

- Talent
- Addressability
- Policy
- **Environment**
- Measurement



Net Zero Carbon

Actualization of ESG Commit

- Strong movement
- Developing measurement standards that can be applied universally
- Identifying the key areas contributing to digital media emissions
- Solutions that command accountability from all areas of the value chain
- Real consequences



Net Zero Carbon – IAB Canada Action Plan

Actualization of ESG Commitments

- Benchmarking initiatives
- Focus on the three areas of emission:
 - Reduce Bid Calls
 - Shorten Proxies
 - Content Efficiencies
- Step Changes – creating the starting point
- Integration with gold standard



The Industry's Baggage

Sorting , Tagging and Delivering

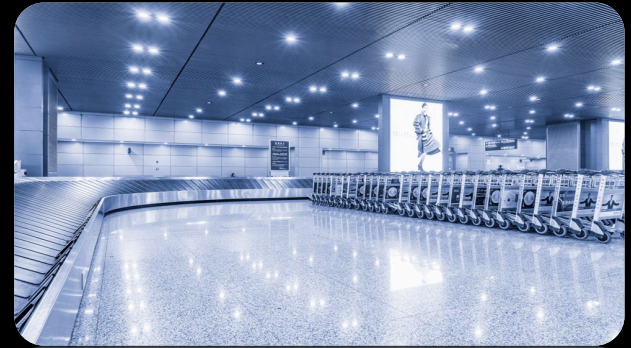
- Talent
- Policy
- Addressability
- Environment
- **Measurement**



Measurement Mania

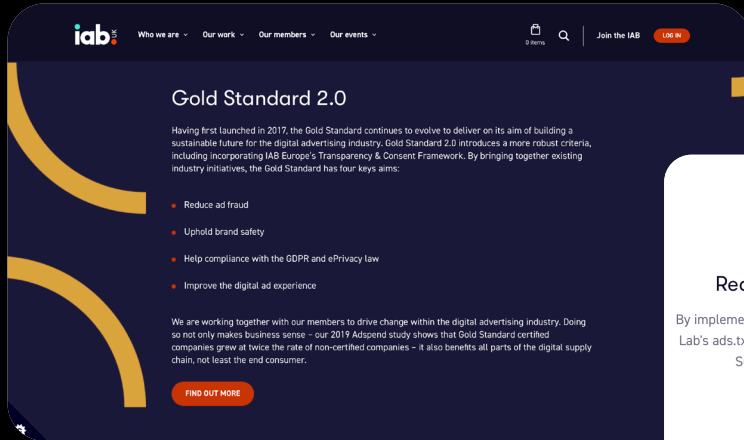
The Race to Measurement

- Industry initiatives underway to lock down the CTV / Video measurement standards
- Emerging media with impressive growth is creating some tech debt risk
- Moving with caution to ensure full stakeholder buy-in and sustainability
- Re-defining value/currency levers



Developing the Gold Standard

Building a sustainable future for digital advertising



The screenshot shows the IAB website header with navigation links: Who we are, Our work, Our members, and Our events. A search bar and a 'Join the IAB' button with a '100%' indicator are also visible. The main content area is titled 'Gold Standard 2.0' and includes a paragraph explaining its evolution and four key aims: Reduce ad fraud, Uphold brand safety, Help compliance with the GDPR and ePrivacy law, and Improve the digital ad experience. A 'FIND OUT MORE' button is located at the bottom of the content area.



Reduce ad fraud

By implementing or supporting IAB Tech Lab's ads.txt, sellers.json and OpenRTB Supply Chain Object



Uphold brand safety

By obtaining TAG Brand Safety Certification



Improve the experience

By adhering to The Coalition for Better Ads advertising standards

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Boarding by Group Numbers

Prioritizing the Industry

- Pre-Boarding
 - Currency of Talent
 - Commitments to DEI
- 1. Compliance – Privacy Officer by September
- 2. Current Gold Standard – Adopt what we've got!
- 3. Alignment for Addressability – First Party Data
- 4. Survey the Inputs & Requirements





“The only reason for time is so that everything doesn't happen at once.” ~ A. Einstein

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Thank you for your continued support.

