

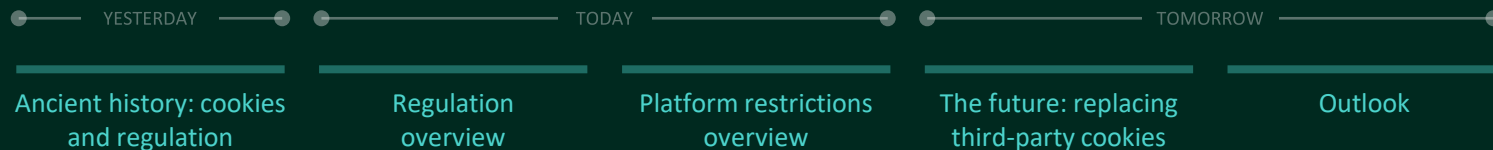
The Future of Addressability

Consumer control is rising

Brad Jeffrey, Managing Director, Canada

Index¹
Exchange

There's a Global Trend to Give Consumers More Control Over Data



"All the News
That's Fit to Print"

The New York Times

Late Edition
New York: Today, some sunshine,
scattered showers. High 81. To-
night, clearing, low 61. Tomorrow,
sunny and cooler, high 79. Wednesday,
high 79, low 61. Details, Page A11.

YOL.CL... No. 51,866 Copyright © 2001 The New York Times NEW YORK, TUESDAY, SEPTEMBER 4, 2001 \$2 (subject to postal rate, New York metropolitan area) 75 CENTS

Giving Web a Memory Cost Its Users Privacy

By JOHN SCHWARTZ

One day in June 1994, Lou Montulli sat down at his keyboard to fix one of the biggest problems facing the fledgling World Wide Web — and, as so often happens in the world of technology, he created another one.

At that moment in Web history, every visit to a site was like the first, with no automatic way to record that a visitor had dropped by before. Any commercial transaction would have to be handled from start to finish in one visit, and visitors would have to work their way through the same clicks again and again; it was like visiting a store where the shopkeeper had amnesia.

At 24, Mr. Montulli was the ninth employee hired by what would come to be known as Netscape Communications, and was already known as a programmer of exceptional skill. So he quickly came up with an ingenious idea to address the problem and hammered out a five-page document describing the technology that he and co-workers would design to give the Web a memory.

TRACKS IN CYBERSPACE

First of three articles.

on each visitor's machine that would track what the visitor's computer did at that site. Mr. Montulli called his new technology a "persistent client state object," but he had a catchier name in mind, one from earlier days of computing. When machines passed little bits of code back and forth for such purposes as identification, early programmers called the exchanged data "magic cookies." Mr. Montulli would call his invention, a direct descendant, a "cookie."

It was a turning point in the history of computing: at a stroke, cookies changed the Web from a place of discontinuous visits into a rich environment in which to shop, to play — even, for some people, to live. Cookies fundamentally altered the nature of surfing the Web from being a relatively anonymous activity, like

wandering the streets of a large city, to the kind of environment where records of one's transactions, movements and even desires could be stored, sorted, mined and sold.

Since then, cookies have become nearly ubiquitous — and that has many people upset. A recent survey by Public Opinion Strategies, a Republican polling organization, found that 67 percent of Americans identify online privacy as a big concern — far more than those who identify fighting crime (55 percent) or building an antimissile shield (22 percent).

Yet while public anger has grown over invasions of privacy both real and imagined, momentum in Washington to restrict the use of cookies and other high-technology tools for monitoring Internet users' activities has slowed.

In Washington, at least 50 privacy-related bills are awaiting consideration, though the current leadership in the House has focused its attention on privacy invasions by government, not by private business. President Bush's recently appointed chairman of the Federal Trade Commission,

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Questions raised about privacy on web

This 2001 front page article reads like it could have been written today:

- 67% of US consumers identified online privacy as a concern
- Multiple privacy bills under consideration...

Regulation Overview

Regulation Overview



GDPR Consent Impact

Even in countries with strict interpretation of GDPR, consent rates are high

EEA consent rates

92%

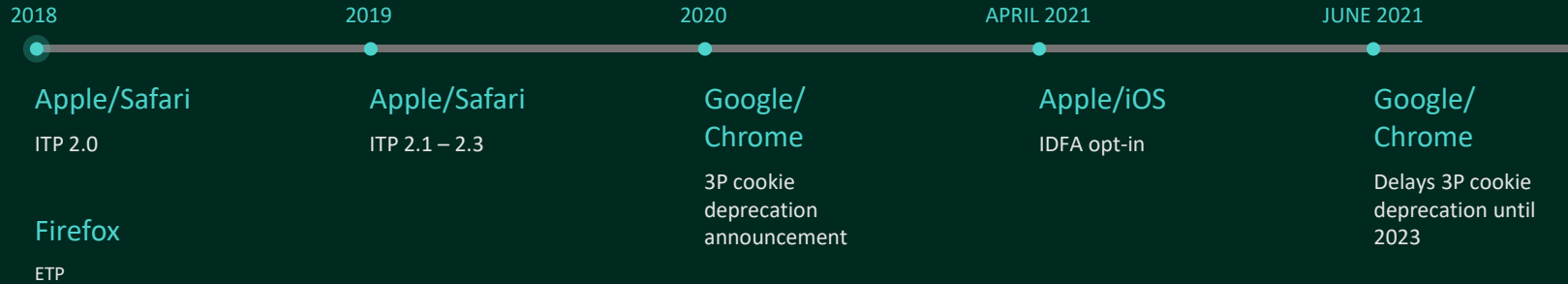
Impact of regulation on programmatic today:

Moderate

Platform Restrictions Overview

Restrictions from Platforms Outpace that of Regulatory Bodies

Device owner restrictions:



The addressability ecosystem after third-party cookies

Authenticated and Non-Authenticated Audiences



**Do your customers log-in and consent?
That's the critical question.**

Marketers Will Need an Addressability Portfolio to Reach Authenticated and Non-Authenticated Audiences

AUTHENTICATED AUDIENCES



01

Authenticated Universal IDs

- Person-level
- Email address / log-in
- Consented



02

Inferred Universal IDs

- Probabilistic
- Device-level
 - Consented

- Site-level
- Consented

NON-AUTHENTICATED AUDIENCES



03

Google Privacy Sandbox

Topics API

FLEDGE and other proposals



04

Publisher first-party data

- Advanced contextual
- Seller Defined Audiences
- Publisher IDs
- Clean Rooms

Authenticated Universal IDs Offer the Benefits of People-Based Marketing



Reach consumer on all their devices



User-level frequency capping



Cross-device attribution



Consented

There's an immediate opportunity in cookie-restricted browsers

01

For buyers

+41% higher CPMs

in Chrome compared to cookie restricted browsers

**Index Exchange data, global CPMs across all web formats, YTD*

01

For media owners

+142% CPM lift

For Mediavine, using LiveRamp ATS and RampID

**Index Exchange data*

Visit the Index Exchange blog to learn more

www.indexexchange.com/blog/

Canada Outlook

The Canadian Consumer

79%

of Canadians would like to better understand what data is being collected about them as they browse the internet.

79%

of Canadians want to better understand how their email addresses are being used when signing into a website.

ONLY

25%

of Canadians are aware of the forthcoming changes to third-party cookies.

Reaching Audiences Without Cookies Will Require an Addressability Portfolio

- 01 Possibility of new regional bills introduced
- 02 Greatest expected impact will be from platform restrictions
- 03 Prepare now

Thank You!



Index¹
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