



Information Trust Exchange Governing Association

Transcript excerpts from:

“The Digital Tsunami: Shifts in Identity and Privacy that Will Change Advertising and Journalism Forever”

A webinar, Jan. 21, 2021 |

Part of the series: “Identity, Advertising and the Future of Journalism”

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INTRODUCTION

The following notes are excerpted comments from a Jan. 21, 2021 webinar sponsored by the Information Trust Exchange Governing Association, *“[Identity, Advertising and the Future of Journalism.](#)”* For brevity, these notes omit non-key points and paraphrase some comments, preserving others in direct quotes. The intention is to capture topics and exchanges of strategic importance during the 89--minute discussion. For short bios of the principal discussants go to [THIS PAGE](#). For a brief report on the webinar highlights, see: *“[Ad-tech execs and publishers see privacy, identity, consumer choice as only way to compete with Facebook, walled gardens.](#)”*

KEYWORDS: Consumers, advertising, publishers, platforms, advertisers, content, privacy, brands, data, Facebook, information marketer, ecosystem, industry, government, digital news, journalism, ITEGA

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Michelle de Mooy
ITEGA Interim Executive Director
0:00

The Information Trust Exchange is fostering a digital marketplace that respects user privacy and enables trustworthy identity. We are conveners, we are privacy advocates, technologists and journalists who believe that technology can and should be a force for good. Today's discussion, "*The Digital Tsunami: Shifts in Identity and Privacy that Will Change Advertising and Journalism Forever*," is part two of I take this three part webinar series, looking at identity, privacy and the future of journalism. In our first session, we looked at digital identity more closely and its role in democracy and journalism. Today, we're going to dig a little more deeply into advertising and journalism. And then our last session, which is unfed, where the fourth, we will be looking much more specifically at innovations and solutions. So technology and policy innovations, really talking about what's working and what's not working. And you can register for the February 4 session, using the same link that you use to register for today's discussion. I just want to briefly thank Tatuana Monet from the Reynolds journalism Institute at the University of Missouri, and Eva Tucker, I thank a consultant for their help today. I'd also like to take a moment to thank the Craig Newmark Philanthropies for its generous support of ITEGA's webinar series.

Yesterday was a big day. And I was reminded as America changed that a functioning democracy exists in sort of a state of dynamic tension, constant tension between individual liberty and the broader public interest between what we want for ourselves and, and what our democratic what our government system requires of us. Likewise, I think the web exists in a similar state of friction between democratic values and let's say the ambitions of capitalism, between protecting rights that enabled freedom and protecting the commerce that enables opportunity. And as you all know, in this era, we're facing important questions about how to balance liberty and self determination with the open marketplace in the online world.

And we're lucky today to have a slate of experts and innovators and thinkers and visionaries, who will tell us what their vision is for a web that allows for data-driven advertising, and quality news content. They'll share with us how changes in law and policy have begun to transform the space and what the impact is of these changes on companies and individuals, and the role of digital identity and privacy play in reviving journalism. My hope is that you leave here today with a renewed sense of the possibilities. And with a framework of workable policy and technology solutions that balance these competing tensions.

We're going to dig into it and we're glad that you're here. So thank you, registrants and speakers for your time and your thoughts and your participation. Just a quick reminder that today's webinar is being recorded, and that your microphones are off by default. So speakers, please remember to unmute yourself before you speak, and registrants, please feel free to use the Zoom chat to share your thoughts and ideas and know that the Vegas staff will be monitoring and may ask you to unmute your mic.

Now I'm very pleased to introduce today's moderator Wally Snyder. While has devoted his entire professional career to working on advertising development, regulation and ethics. He served as a trial lawyer and as an assistant director for advertising practices at the Federal Trade Commission (FTC), before joining the advertising American Advertising Federation, where he served as president and CEO from 1992 to 2008. Currently, while he serves as executive director for the Institute for Advertising Ethics (IAE), while he was inducted into the advertising Hall of

Fame in 2009, I didn't know there was an advertising Hall of Fame. That sounds really impressive. And Wally, thank you so much for leading today's discussion.

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WALLY SNYDER

Moderator

4:35

Thank you, Michelle. And it's a pleasure for me to be here today. As you so put it so well. This is a time for us to really be discussing how we can come together to find solutions as we have shifts in identity and privacy. As we have interest from the government. We have interests from the public has to do this. And so today, I hope we can really begin that discussion. As to some of the ways in which we can find solutions as we talk about the benefits as well as to this whole area.

You know, it's my pleasure to welcome you all the speakers here. As we discussed leveraging digital identity for the benefit of advertisers, the digital sites, and most importantly for the benefit of consumers. Now, we now have the technical ability to collect data that enables our advertising industry to connect with consumers interested in the products and services they're selling. Now, this provides efficiency in reaching the marketers sales audience, it cuts down on the time the consumer needs to find products and services in which they're interested.

However, we have learned that in order to collect, sell, and use the consumer information, we must be transparent. Transparency builds trust with the consumer, and also with our business partners. And this is a major mission of the Institute for Advertising Ethics. Specifically, IAE principle six provides advertisers should never compromise consumers personal privacy, in marketing, communications, and their choices as to whether to participate in providing their identity should be transparent and easily made. This became a major ethical and legal dilemma raised to a high degree of consumer industry and government concern. With the advent of the Facebook crisis in which Cambridge Analytica, a data firm improperly assessed information about 10s of millions of consumers and retained it even after agreed to delete it.

Well, one thing that caused was -- the government has entered the digital picture. With the state of California, enacting legislation, California Consumer Privacy Act that took effect January 1 of 2021, giving consumers power to forbid site to collect their personal information, and then to review whether their order was complied with. If not, consumers can sue for money damages, and reach violation of not deleting, they can file civil suits with the users of the data. Several other states are considering enacting similar laws, and the federal government is being encouraged to enter the arena.

The Federal Trade Commission also has brought action against digital sites for collecting and selling economic and racial data that cannot be used under federal law for jobs and real estate sales. I think you also know that Facebook had to pay a \$5 billion penalty per mishandling of users personal information. And data cannot be collected from children under the age of 13. without parental consent, that is federal law.

Another major concern is that faults political hate speech, and mis dis information are being sufficiently self are not being sufficiently self regulated by the social sites. Many advertisers paused placing ads on the digital sites last year, to force them to clean up their platforms to better display their clients' ads. With the recent breaking into our national Capitol building, the social sites have took strong action in not allowing the former president to use either Twitter or Facebook. The federal government did not take action to prohibit the self regulation of content.

Another major issue we have a rule is Section 230 of Communications Decency Act of 1996, which has been around for two or three decades. And it provides that consumers cannot sue the sites or journalists journalist for information that comes out that hurts them. Well, now there are people in Congress who want to repeal that so so another big issue for us to discuss today. We can continue to do this without that sort of a drastic remedy.

Now, industry has also been active in this important arena, with the IAB, and others providing guidance and direction. Also, the industry has established privacy for America, following the passage of the California law, to develop a plan for the federal government to take over regulation, and is supporting federal legislation that would clearly defined prohibited practices that make personal data vulnerable to breach or misuse while preserving the benefits that will come from responsible use of that data.

Now as one who has worked on both sides of the aisle, that is, as a federal attorney, and president of an advertising trade association, I believe the development of a fair and transparent mobile information network can best be solved by industry guidelines, and self regulation -- with government oversight. Several digital companies, including MasterCard, and Microsoft, have developed workable guidelines for the collection, protection, and use of consumer data collected online.

Today, we are going to discuss the current and future impact on the digital marketplace of ideas and products, on consumers, marketers and journalism. We're going to discuss the effect of government regulation, and very importantly, the possibility for ad tech to become a trusted ecosystem. We are privileged to have recognized and knowledgeable speakers providing their expert views. Each of you will have two minutes. But following you're all speaking, we'll have time again to construct this further. As we come up here, we're focusing on solutions. I think that's where we're really going today. And so let us begin with our first speaker.

I'm very happy to introduce Lisa Macpherson, Senior Policy fellow, the public policy and senior fellow at Advanced Leadership Initiative at Harvard University. pleased to have you.

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Lisa Macpherson
Senior fellow Public Knowledge

Thank you, I'm happy to be here. I'm going to stand responding to a prompt about digital technology. And to frame my remarks, it might be helpful to know that before I started studying and working in public policy for the technology sector, I too was an advertising. I've spent most of my career as a consumer marketing executive leading a series of big consumer brands. In fact, that made me part of the generation of Marketing leaders that helped the platform's pioneer the capabilities that they have today.

It also made me very familiar with how the economic incentives of their advertising business model drives their behavior. It's why they extract data about consumers and their behavior, how they've learned to precision target messages and use algorithms to customize the content that we see, and how they design their products to maximize time and engagement on their platforms. Because that's inventory that they can sell to advertisers. Over time, those capabilities designed primarily to optimize marketing came to be about optimizing profit for the platforms. And it's that optimization that has led to the dominance of platforms like Facebook and Google, and some of the outcomes that you've described about misinformation and targeting of content and filter bubbles and all those other things.

I am so hopeful based on that experience that open initiatives between advertisers and publishers who've enjoyed and enjoyed a long and collaborative relationship and marketing can undo some of those outcomes, and in particular favor solutions like ITEGA that give consumers more control over their data. And that serve to level the playing field among the platforms and publishers and advertisers in a more equal conversation.

CAN SELF REGULATION DO ENOUGH?

But that same experience and marketing and that same understanding about the economic incentives that drive the platform's behaviors also make me very skeptical that private market changes and self regulation will ever be truly enough to protect consumers empower news organizations, and advance the public interest. We believe that we'll also take smart technology policy and smart legislation.

And I have one example for you. Public Knowledge has put forward a policy proposal modeled on the idea that some people compare toxic information on digital platforms to chemicals dumped into freshwater, we've called our policy proposal, the "Superfund for the Internet" based on the kind of the EPA effort to clean up toxic waste sites. And the Superfund for the Internet would compel the dominant digital platforms to include a fact checking process as part of the content moderation approaches that they use to support their community standards and Terms of Service. And by doing so we believe they can advance the public interest.

This policy mechanism would create demand and a source of payment from the digital platforms for fact checking. And it would encourage supply and the building of a capability, in fact, checking among local news organizations who are most qualified, who are eminently qualified, to provide that kind of truth making for the information that consumers see. We were thinking of an independent trust fund that would set up and kind of administer the payments. But it would have no role in the identification of content, the review of content or even the actions that platforms take to try to help consumers navigate the quality and truthfulness of the information that they see. And our end goal is a new revenue source for local journalism by creating and commercializing this idea of fact-checking services for platforms.

We, though also believe some of the things that you've described -- national privacy regulations, stronger antitrust enforcement, more assertive competition policy -- and even a specialized digital regulator, can also be critical parts of the solution that can protect consumers advance the public interest and equalize the playing field among publishers and advertisers and consumers and the dominant platforms.

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Wally Snyder

No, thank you, Alicia. And you made a very good point on the fact that there are now antitrust actions filed. When we talk here about working together and self regulation, the understanding is that government has to be present, it has to be there to back up, oftentimes to see what what the legal guidelines are. But as you mentioned, there's major antitrust action now filed against the major sites. I think there's something like 46 states have filed those as well as federal government. So that pressure has to remain and it is there. I agree with you very much. We'll have more we'll have it, we can discuss it further in the group.

Hey, let me now introduce to you, Jordan Mitchell, Senior Vice President and head of consumer privacy, identity and data. And this is, as I mentioned earlier, the IAB Tech Lab.

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Jordan Mitchell
SVP, IAB Tech Lab
18:29

Thank you very much, Wally. And it's my great pleasure to be here.

You know, I think if we're looking at the question is a privacy for digital advertising solution that works for brands and content providers possible. I think it's possible. And I think it's essential, as well. And this is about. I mean, there are a couple issues here. There's the technical components here. There's the policy components here, and there's the business components here. And the bridges that we build across those three are essential to moving this forward in the right in the right way.

I'll note that a lot of the challenges that we face here, stem from the open ecosystem, that we all have access to, and that has fielded so much innovation, and great things for us as consumers over the last 25 years, we all have so many choices in terms of content and services and conveniences because of this open-standards, open-web ecosystem. And we as consumers, we get to choose the parties that we rely on and utilize and trust and how we engage with those services whether it's subscription or ad supported. And those parties have a rich set of vendors to choose from, to help support their business models, and how they do business.

MAINTAINING THE OPEN ECOSYSTEM

But the challenge of an open ecosystem and open standards is that there are many parties involved in the delivery of consumer experiences. And, and with open systems comes sort of opaque consumer data collection and sharing and use. And the first parties that we trust as consumers, they're concerned about the breadcrumbs of our activities being shared with different parties that they don't really know about, and consumers are concerned about that, as well.

And so we can't have a situation where we move too close, we need these open ecosystems, to feel that innovation and to fuel competition within our markets. And in the approach of the leading browser platforms, you know, there's really, there's really two that that run the devices we use, the browsers we use. And they have taken, you know, they basically taken off third party access to device ID, device IDs, and that, that hinders a lot of activities, and what is dangerous approach there that they're establishing custody over the consumer, they're making choices on behalf of the consumer that set a dangerous precedent, because what if every device, February, my internet service provider, my, my browser, my OS, my operating system, my hardware vendor, my Wi Fi provider And what if they're all trying to make decisions, you know, they're for-profit companies, and if they're all making decisions on my behalf, that starts to further confuse us as, as consumers.

So we think the right way is, is predictable privacy for consumers through standards, we need to empower the consumer, and the first party that they choose to engage with, with standardized signals, standardized uniform conveyance of here are your choices, and here are your data rights and preferences. And then we need to encapsulate those signals those signals by us as consumers, and pass them to every party involved. And then those signals by every party, everyone needs to work together to secure that from unauthorized use or illegal use. And then it's not just about contractual clauses, we need, we can only establish real trust in our ecosystem with auditability and accountability for those signals that exists on an ongoing basis -- data that demonstrates who is compliant and who's not. And that way, it's really in the hands of the

consumers and the parties that they choose to engage with that, that that, that this is how this is how we fix this.

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Wally Snyder
23:15

I think you've made a very good pointer yourself to the consumer, in that decision making process. And I think that also, ethicists set this up is right versus right. And I think it is right for consumers to get the information they want. And also right for them to be protected. And I think that we have to find ways to do that. But I think you're exactly right on that. We'll have more time to talk about that Jordan. Thank you very much.

So our third speaker, yeah, a third speaker, Matthew Roche, co founder and chief executive officer of ID5.

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Mathieu Roche
CEO, ID5.IO
24:03

Thank you. Yeah, thank you. Nice to meet you. And thank you to it here for the for the invitation.

I agree with was most of the comments that have been made by Lisa and Jordan and, and I just want to come back to the initial prompt that we were reacting to, because I think the definitions are very important.

I think accusing digital advertising of playing a role in violation of personal privacy, anti competitive behavior, clickbait misinformation.-- it is true for digital advertising on the large platforms. It is true specifically for digital advertising on Google and Facebook. It is not true for digital advertising and the New York Times on the Guardian on Le Monde, on those on those on those on those media properties. I think it is wrong to consider that it's all digital advertising. And so it's all evil making, right it is. It is it has been weaponized by the platforms for their profit as Lisa mentioned. Because they are not responsible for the content, they're kind of hiding behind this lack of responsibility to lead the clickbait approach to lead the misinformation approach develop because digital advertising is a byproduct of that and benefits that digitizing on the New York Times on the Guardian on Le Monde is very different from that. Right. And I think it's is important to differentiate the two, it doesn't mean that we can't do a better job at having a more privacy preserving infrastructure.

The work we do at ID5 is is to create this privacy-first infrastructure that enables advertising to operate on digital platforms. advertising is a kind of necessary evil, right? Everybody would love to be able to access content of the New York Times on the Washington Post and without having to pay for anything, even for their time and attention, right, it'd be great be great to go walk into a five-star restaurant with three-star restaurant and have a dinner for free. But quality content, like quality food, requires investment requires talent, and someone has to pay for that talent. And so at a restaurant, unfortunately, you can't pay with your attention, you have to pay cash.

With the New York Times with The Guardian, you can pay with your attention. That's called advertising. This is the business model that enables quality news quality content, quality services to be provided to the vast majority of people who cannot afford who don't want to pay

cash for that content and those services. And this is a very important balance. This is what powers the open web. If we make those resources, a luxury that only the wealthy can afford, it will have huge consequences on our societies and our democracies.

So digital advertising is important, and has to stay. And digital advertising is important for brands as well, because they can engage with their audiences, they can put their marketing dollars to work better than they could before without digital targeting, measurement or attribution capabilities.

So we need to find a balance, where we can protect users privacy, we can we can, we can take their kind of choices in consideration. But we can also make the system operates. And I think that's this balance that that is very important. Transparency is key. The notion of consent, which is more of a European notion, you might guess that I'm not American, we are a European company, we've grown in the GDPR era. The pillars of privacy, at least in Europe.

Wat we're starting to see with CCPA, CPRA, in California and in other in other regions of the world is really transparency and consent, you have to be clear about the information you're going to collect on consumers. And you have to give them a choice. Are you okay for me to enter into that relationship with you based on that value exchange? Or would you rather pay money or something to enter into that relationship? And I think if we can rebuild advertising, for the open web, right, with this, we are in a very, very strong position. But it's not going to solve what's happening on the big platform and for that regulation is mandatory. But it's almost two different topics.

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Wally Snyder
28:29

Yeah, I think that you are exactly right. And by the way, what we really believe is that the importance of advertising is providing information to consumers about the products and services that they need, or want. Another thing that advertising does is to allow comparative claims about how products are different. And so you're exactly right.

And I think the European model is something we really are gonna want to look at. Because we do have to find a balance here of how to do this, when there are millions and millions of pieces of information that come onto the web. And it can really be a problem. Let's really talk further about that in a moment about how we can really do that.

Let me introduce Scott Cunningham, independent consultants, and Project Lead for the NewsNext program of the Local Media Consortium.

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Scott Cunningham
Consultant, Local Media Consortium
29:57

I thanks Wally. Thanks, everybody. Thanks, I take it for and Bill and Michelle and folks, you know, to kind of set the stage for what's happening now. It's good. Just to know a little bit about my background, I spent about 10 years building out USA Today.com, the content management systems and in the ad systems, and as well as doing a lot of journalism, beginning part of my career that I went on to be president of media news group interactive out of then about nine years ago, I went over to AD tech, an industry where I joined the IB and I stood up the IB tech

lab that Jordan is now part of. So I come from the publishing side, the news publishing side, and with a lot of journals in my background, and ad tech and the industry bodies.

And I'd say about 15 months ago, I turned my attention back to the news world. It's not doing well, as everybody knows, and especially at the local level, and when COVID had emerged, and we were starting to see a lot of what we were calling at the time in the industry, keyword blocking by marketers, we took on an initiative to reintroduce local news to brand marketers and large agency buyers. Why? Because the way marketers and buyers buy audiences at scale, the fifth or sixth question on that buying campaign channel has been well, what's the content you would like to target? So user-generated content and social news entertainment got merged together over the last seven or eight years. And the keyword blocking was pretty, pretty detrimental to a lot of local news organizations.

So by introducing the local news inclusion list, we had over 4,000 local news domains that I circulated through the agency holding companies. And as many as 3,000 were reintroduced to their inclusion was buying operations that they had not been buying against for some time. That tells you what's going on when it comes to the obfuscation and the lack of transparency in the advertising supply chain or on programmatic.

So with that, we said, All right, well, what's next? Local news publishers, TV and newspapers really been kind of hamstrung the last 10 years, a lot of us installed ad tech 10 years ago. And the way I like to describe it is it's kind of our audiences are our pot of gold. And when we install that tech, we tip that gold over in the pot broke. And so now all of our audiences have been spewed all over the floor.

And we'll things we're trying to do with first party data and frankly, identity in the future is not just focus on whether or not we can enhance that gold in the way I describe it to the publisher CEOs. Yes, we can add identity to the equation. But we really need to think about how to reconstruct that pot so that we are containing in such a way for a value for the news organizations, but be the privacy of the consumer trust in the value exchange that consumers get the content consumption around that.

So with that the news next program through the Local Media Consortium, which is about 90 publisher holding companies 1000s of domains with about 200 million unique audiences across the United States, we're constructing an scenario where we're aggregating advertising inventory, because buyers want these things at scale. That's number one. Number two, we're also establishing over the course of this year and audience consumption or audience funnel. So that pump publishers have a better grasp of how to convert their audiences into registered email addresses and plus possibly subscription, but also, in that funnel, to obtain consent where required and needed for advertising targeting.

And we believe that that audience funnel as we go at it will create a better relationship as well between those audiences in the news publishers who are consuming that content in such a way that consent might be granted for advertising targeting. But clearly a lot of the publishers will try to articulate that consumers do have a choice of how to pay for that content too. That's been missing in digital. And so that's kind of where this program is around news next. We're really excited about it. But it's going to take some time to get going on that front.

But I can tell you that the news publishers are absolutely on board with wanting to take advantage of where the privacy direction is going. Because they do believe that in order to compete with the large platforms that this is an advantage to them to making sure that they can

control and contain these audiences as best as they can in order to compete from an advertising perspective at scale.

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Wally Snyder

34:43

So you actually at this point, there are efforts underway to couldn't connect with consumers to let them know what they can get and that they can also not get they can also say I don't want certain And you have that you sort of have that underway now.

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Scott Cunningham

35:04

We are recreating a framework. Now, local TV and local newspapers are very different. But they both serve journalism, local markets, right? Traditionally, television has not understood the explicit consumer dialogue. And they don't have a lot of good intelligence around who their consumers are, from an email or registered perspective, whereas newspapers do. So we're creating a framework by which we believe publishers can operate in that choice funnel in order for them to make sure that their audiences understand that in order to continue to access this, either, they're going to make it freemium or premium, but within that funnel, that that choice and mechanism for permission of all addressable advertising will be part of that.

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Wally Snyder

35:47

Yeah. So that was that was a newspaper, you would be able to actually segment consumers as to what they want, and don't want. And you also could find a payment, somewhere there to be able to continue to do this?

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Scott Cunningham

36:09

That's correct. That's where this model this next year needs to go. And those options -- the publishers, newspaper and television -- to provide to consumers, I wish we had a crystal ball of exactly what cohorts we're going to sign up to. What that's going to be a lot of trial and error. But I think publishers are starting to get a good grasp of the approach they need to take and how to communicate with those consumers and the value proposition value exchange that access the content. Yeah.

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Wally Snyder

36:34

And they're able to do that with both the online version and the print version?

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Scott Cunningham
36:40

A lot of Newspaper Publishers now are offering multi distribution subscriptions. So some of them might sign up for print and then be get free access to digital. There's a lot of playing going on it when I was at Media News Group, I will tell you that we tried 34 paywalls. Back in the day, all of them failed miserably. And so in 2014, when I was asked to go and speak to Washington and Senator McCain asked a really good question on advertising. Why was it that consumers had a opt out function of advertising in the response time is consumers opted in for free content by and large. But what's happened is that dynamic has changed. And we've seen consumers in the appetite wanting to pay for reputable news information more and more. We think this is a good thing. It strikes a good healthy revenue balance for the news publishers between advertising and subscription. And that's the direction we're on, how do you merge these business operations together and then provide consumer choice?

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Wally Snyder
37:41

Good, we can follow up on that a little bit more in the discussion. I think we have now Alan Butler on now. He executive director of Electronic Privacy Information Center.

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Alan Butler
ED, Electronic Privacy Information Cente
38:22

Well, certainly I think that as we've seen, data collection systems expand as a result of business models, and especially advertising focused business models. There have been a lot of negative follow on effects of that. And I think that potential for alternative systems of support and authentication and subscription that don't rely so intensely on, especially, on advertising models -- based on the profiling and collection of various detailed profiling of users, is really the best future for the ecosystem, because we've seen a lot of negative impacts of the rise of behavioral advertising and its sort of deployment of an expansion of the data-collection empires we've seen emerge in the last two decades.

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Wally Snyder
39:49

I think that we have seen some attempts to really give consumers you know, information they need to make a choice. And I think that's where we're going really go with a little bit more today. Privacy is very important to consumers, there's no doubt about their data being protected. And I think we're trying to also find out ways that we can really give them a choice as to providing their limited data for information they want. But in a very limited capacity. You think that's possible, and we think we some ways we can do this?

7

Alan Butler
40:31

I do. It harkens back to the traditional business models of, you know, advertising that's based on viewership, and not so much based on again, detailed personal-information profiles, and finding ways to extend those into the digital space in the current ecosystem. I think, over reliance on behavioral advertising, as the end all be all o monetization of, of this media and other websites, really has had disastrous effects for consumers. And I think that they need to be better options.

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Wally Snyder
41:09

Okay. We'll have a chance to discuss those in just a moment. Our next speaker I think we have is Arvid Tchivzhel, nanaging director, digital services for Mather Economics. Arvid?

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Arvid Techivzhel
Mather Economics
41:26

Thanks. Well, thanks for the introduction. And thanks to Bill, and ITEGA as well for having me.

I think everyone covered up the policy and some of the fundamental questions. So I may speak to more of the business side of it and the use cases of, you know, from a publisher perspective, how do they actually make this happen? I do agree with the original prompt. You know, is there something there there? There certainly is.

There are, I'd say probably four major shifts that are happening and probably will happen.

One is kind of consumer attitudes towards privacy. And I think that's been covered by other folks here. So I think it's certainly news events of the last four years and all those things, I think that kind of made that a bit more visible. So I think consumer attitudes are changing.

The second is a technology. So I think just about every site I go on nowadays, there's a prompt or a pop up that says, Do you consent to how we manage cookies, click here, yes or no. So I think that's, you can see the technology is coming around, you can also see apple and particular that the browsers that are out there, you know, abandon a third party cookies as no shift to the technology.

The third one, which perhaps hasn't been touched on, as much in this conversation is the shift of at least newspaper publishers to reader revenue or subscription revenue. So by design, with reader revenue, you're building a direct relationship with the consumer, publisher to consumer, you're requiring their personal data, their email, methods to manage that digital subscription, and to personalize content and really make sure that you're managing the customer lifecycle. So it's kind of interesting is that as sort of a byproduct of that business model, you are enabling us another use case of first-party advertising, you're capturing this data as your subscription business grows, you're just organically building up this known-user database. And as publishers kind of continued to go down that path, you get to a certain scale or level of volume, where you can monetize that first-party data, within the guidelines. Everyone talked about, I think in terms

of privacy, trust, consent. Absolutely. But I think that enables the kind of growth in first-party data.

The last thing I'll mention is, you know, what's not clear to me yet is the attitudes of advertisers. And that's where perhaps I may defer to others on this, this session. But, you know, in my experience with advertisers -- or the feedback I've gotten in working with our clients -- is that advertisers like to buy volume, not necessarily the small niche groups for a high CPM. So I think what perhaps is going to be another shift in the coming years, because I think the first three things have already begun to shift or changed. Then the question is will advertisers accept this this type of business model with the death of third-party cookies, perhaps cookies in general and a shift towards known identities? Will advertisers agree that that's, that should be the case.

One last point I'll mention if, if anybody still received their print local newspaper, seven days a week, or as they did in the 90s? You know, there used to be a time when you'd see these preprint inserts stuffed with a newspaper. And if you did the math the eCPM on a per customer basis or per subscriber basis was around \$50 per thousand delivered. (CPM). Obviously, programmatic CPMs are nowhere near that. So the question is -- or the target perhaps for newspapers today -- is to achieve or really set the goal that if you're going to have this known identity, this knowing consumer, the target should be \$50 eCPM to serve that person impressions, whether it's on the website apps, the E-newspaper, that e-edition or other platforms.

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Wally Snyder

45:30

You know, I'm, I'm in Washington, DC, and I've gotten a post for many years. now owned by Mr. Bezos. Sir, maybe some answers that we go for. But we'll come back. I want to come back to that. Your question there on the thing.

So now we have I think Travis Clinger, Senior Vice President Addressability, and Ecosystem at LiveRamp.

9

Travis Clinger

45:56

Yeah. So I think first and foremost, as we talk about consumer privacy and the future of the ecosystem, we have to stand up as an advertising industry and acknowledge we've messed up, we lost the trust to the consumer. And we built a horribly inefficient ecosystem. The walled gardens focused on addressability. If you want to access Facebook, Instagram, if you want to access a lot of YouTube content, what's the first thing you have to do? Log in, share your identity. And that's why last year 80 cents of every new dollar went into these "walled gardens." Whereas the advertising ecosystem for the open Internet, perhaps the most important while the internet is powered on inefficient third party cookies and device IDs, these are confusing to the consumer, they don't explain the value of exchange. It's really easy to understand the value exchange via Instagram, I share my email with Instagram, and I can see my friends pictures. As a consumer, that's super easy. We've got to do better as an industry to make the open Internet just as competitive.

The open Internet powers the free flow of information. When we look at publishers, we've seen publishers trying to migrate to subscription of revenue. And that is great if you're the Washington Post and if you're the New York Times. But if you're not one of those top 10 publishers, you immediately see your subscription revenue become much harder to get. Instead you rely on advertising, you rely on advertising to employ journalism, you rely on advertising to power the small blogs that people have become accustomed to. So we have to preserve that, as an industry,

I think we've really got to lean into the consumer privacy changes and be much more transparent with the consumer, what's the value exchange they're getting, they're getting access to content, they're getting access to a free content, and the ability to browse whatever website they would like, consumers don't want to just go to Facebook, they don't want to just go to Google, I think we've learned this month, it's really important that we have a free flow of information out there. So we've got to put consumers in control.

And we have to take adtech. And we have to step back and not be in control. You know, at LiveRamp, our focus is empowering publishers and marketers. They're the only two groups that have access to consumer data. They are the ones who connect with consumers and the rest of us, we're just middleware connecting first party relationships together.

But we've got to ensure that there's full transparency, consumers should be able to opt out. If you don't want to receive personalized advertising, let's make it really easy for you not to do. Now that may have some effects, because maybe you can't access the free content you want. But that should be a choice that we give to consumers.

So I think that's what we have to move as an industry. Over the past four years, we've been working with some of the ultra tech platforms to do this -- to build out a new ecosystem, one rooted in a trusted value exchange where consumers clearly share their identity. Just last week, one in five Americans logged in to this new advertising ecosystem, they shared their identity in a trusted way with publishers and they will connect to marketers. We've got to abandon the third party cookie, we have to abandon other forms of nefarious targeting like fingerprinting, We've got to do better as an industry,

I think this is a wake up call to all of us in five years, there won't be an open Internet. If we don't improve this, we'll all be getting information via Facebook, and the other walled gardens. So this is a chance for us to do better. I'm super optimistic about this. I think we have an industry of incredibly smart people, people who are really passionate about the idea of the free flow of information. So the stakes here are really too high to fail. But I think we can do this as an industry and we can lean into these changes and really make something better for the consumer, and also better for the publishers.

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Wally Snyder
49:25

We turn to some discussion here now.

We seem to all believe that how important this is to the consumer. I mean, at the Institute for Advertising Ethics, our focus is a consumer doing the right thing for the consumer because in doing that, we're doing the right thing for our companies and for our sites. Because we know consumers have access to anything they want to find out online now, what we call consumer

information power. They can find out anything they want about what was done or not done. And take care So I think that's really a focus.

Let's go back and talk about the individual roles. Lisa, you really started with the importance of the government involvement. Let's talk about that for a moment. What should the government what can the government be doing here to really advance consumer privacy and consumer choice? understanding that this is very important to them Advertising pays for the programming. It pays for the entertainment that we see.

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Lisa Macpherson

50:39

I think this is one of those complex, multi-layered multi stakeholder problems, that demands essentially a whole-of-government response. There's no single lever or body or part of government that can do it. I do think that antitrust has to play a role. We've been pleased to see how many and how broad those cases are. And I think they'll reveal a lot of information that will determine how we should go forward there. I don't think that's enough, I think encouraging more competition, the entry of more innovation, more entrepreneurship, more smaller players, through more assertive competition policy has to be part of it. Privacy regulation, absolutely.

I don't think there's benefit to anyone to have a patchwork of privacy rules across the globe or across the country. So a smart sound consumer focused -- but also economically viable -- privacy policy has to be part of it. None of those in isolation are sustaining, though they tend to be one time. So how do we also make sure we update existing regulations to adapt to the different needs of a digital economy? And -- as has been done so often before with so many other new industries that have gotten to scale -- do we need a specialized regulator who has the agility, the capability and the influence to have the sorts of ongoing regulation that can kind of keep this reign over time. So a whole kind of menu of solutions.

I would also say I just want to pile on Travis's comments about the role of advertisers. While Wally as you pointed out, yes, it was great to see advertisers trying to drive change in the platform's habits through stop hate for profit and some of the other efforts that they've made. But they should also be rewarding and encouraging companies who are developing more first-party data capabilities to avoid their dependence on the platform's. They should be taking more care in the kinds of environments that they're putting their brand messages in. There's ample research about the types of misinformation and disinformation that even the most mainstream advertisers are supporting. They need to be doing more kind of on that dimension. And all of that, just as you pointed out, while he is in service of the consumer, and restoring some of the trust that the research shows has been lost between consumers and brands.

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Michelle de Mooy

53:24

I have a quick question. We said when you say rewarding, good actors, what do you mean exactly like a safe-harbor type of thing? Or how do you see that? How do you see that working,

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Lisa Macpherson
53:36

Or publishers, who are working on some of these technology tools that let them take back their relationship with the consumer in a privacy-forward way, and can provide the type of precision and intimacy that marketers are looking for, without the kinds of privacy abuses that sometimes happen through third-party data management. So having a better understanding of what those kind of opportunities are. I don't think we're ever going to go to -- or for marketers like me go -- back to a pure mass contextually driven, you know, environment. I think there are some solutions in the “in between” kind of mass and pure context, and the sort of exploitative kind of data extractive practices that they do today.

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Wally Snyder
54:30

We're talking about the California law. That's the first one out of out of the box, or maybe 1215 other states considering doing this. That is a very strict procedure. I mean, you know, that it doesn't allow the, the consumer to go to the site and say, for the last 12 months, let me see the data you've collected on me and oh strike. And then it allows me to go back and say, Did you do it? And if it didn't, there's penalty 20 \$500 to 7,500 for each violation. And then interesting enough, it can go to the users of that data. And of course, all that data is instantly sold. That's the other thing that happens. There's so much of this data is collected. It's not just sold once. It's sold many times. So it becomes a very complex situation. Anyway, that what about the California law? Is this kind of work do you think? Is there a better way to look at this in some way? How do you guys feel about that? Because it's an operation right now. Is that close to the model for Europe?

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Mathieu Roche
55:54

Yeah, I think we need privacy regulation. Right. I think we have we have gone too far. And, and by we, I mean, you know, partly the technology industry, serving publishers and brands. But most importantly, as I mentioned earlier, the large platforms, the social media platforms. And I think we're operating, or we were operating until recently, with a legal framework that dated back from before, digital content and services were available to digital devices. And that's changed the entire relationship between consumers and brands. So I think it's important to have a framework, the main difference, I think, the principles of privacy, like I said earlier, transparency and consent, or transparency and control, are mostly similar across the different legislation, whether it's GDPR in Europe, CCPA if you're in California -- and you've got equivalent legislation in Brazil, in India and other regions of the world.

I think there's there are nuances. In the US, broadly speaking, it's mostly an “opt out” system, right? Where you where you refuse to what is the default situation of data collection, in Europe, it is more of an “opt in” system, you have to [agree to] accept collection of data. It is the notion of control whether you take away or or you give – that's really the main difference. But this is this is required, this is important -- we need to have a legal framework, that forces transparency, and that gives consumer control. Because we have to kind of catch up with the last 20 years of technology development and data collection engines that have been built.

It doesn't mean we shouldn't be able to use personal data. And I was looking at some of the comments, I don't think we're going back to the good old days with of contextual targeting. This isn't going to happen. We're in a data driven world in advertising as in everything else. Risk management is data driven product design is data driven. You know, everything is data driven. So advertising will still be data driven. It has to be data driven in a controlled fashion, and the collection of data as to be ruled by transparency and control for consumers. And I think that's where legislation is important.

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Wally Snyder

58:28

You mentioned the difference between the opt in and the opt out. the easier one for the consumer, I guess is to Well, what to have to opt-out?

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Mathieu Roche

58:38

It depends. I think if you if you ask a question up front, you everybody will say, Well, I'd rather decide, but then the user experience that we know in Europe and that we've known for the past two years -- were you have to explicitly say yes, every time you go to a website -- is a nightmare. And I think there's there is a there is a challenge in explaining the value exchange. I think Scott made that very clear.

We have to explain the value exchange between attention, that is fueling advertising, and free access to content and services. That valuation is difficult to explain. We're not doing a great job through the banners. I mean, the UX I still needs to be improved. But there has to be an element of value exchange, when we ask for permission to collect. Or when we receive an opt out from collection, it has to be based on the understanding of that value exchange. I don't know how we do this, I think it's the first party's role to have that value exchange relationship with their consumers. It's publishers, right that use you again, I'm going to take the example of The Guardian. On the Guardian, you see very often a a block of text that says, you know, you're able to read this because advertising pays for your the journalists that write it right and so please subscribe Please register, please give consent to us collecting information because this is what's fueling our business model. So I think there are ways to do a good job of explaining this value exchange. And then based on that value exchange, maybe the relationship with consumers, whether it's opt in or opt out will be easier to manage.

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Wally Snyder

1:00:19

Yeah, Bill Densmore just said, chat here that the legislators in both Washington State in New York state are now considering an opt in requirements for their states, like California one. So that's interesting to see.

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Mathieu Roche

1:00:34

Just one comment on this. Here is kind of a perverted effect of the GDPR – do you know who gets most opt ins? Travis was saying this earlier. You opt into Instagram, because you want to see the pictures of your friend, you opt into Facebook, because you want to see what your friends are doing. You opt into Google. Because those are household names. So it's actually reinforcing their power, rather than protecting consumers. Once you've got it, you can do anything you want. So it's actually giving them even more power. So I'm not sure just considering that opting in is better is a good enough summary. It is more complicated than that.

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Scott Cunningham

1:01:22

You know, from the news publisher side, and he's right, because consumers are gonna take a look at the opt in functions, and they're gonna say, well look, in order to get access to this content, I might be able to find it somewhere else, right?

It depends on the nature of the journalism, if it's hyper local, or very local, such that it might be harder to find -- but other times it might be easier to find. And so the question is, is the consumer likely to opt in? It's going to be harder to find your Instagram photos on another network, right? There's some exclusivity to that type of content, versus some of the journalism out there now. So I do worry about an opt in function.

FEDERAL PRIVACY LAW WOULD HELP

Having said, that we interviewed in the NewsNext program, we talked to 15-plus buyers, and what they're looking from a scaled addressable advertising perspective. So we've got the control structure in order to make that scale happen. How? Well we've monitored what's gone on in the UK and Belgium, from a GDPR perspective. We spoke to all the Alliance's have been built around this data sharing that they've got going on over there. And I do believe that a federal privacy law would actually help, because it means that everyone could operate on the same page from the news publishers in aggregate and how to expose that permission data to the marketers that are seeking it at that scale. That is actually reconstructing in some cases, a walled garden, or a communal garden, if you will, around other publishers in the US.

Now, how why is that also valuable? Well, it also means that buyers can say, and I think this was talked about the very beginning, what makes journalism, you know, that badge of honor, that that process by which you're vetting content, you're doing fact checking, and all these types of systems that inside newsrooms have existed for 200 years. How do we distinguish that and scale away from some of the social platforms, which, quite frankly, might be pulling from other sources of information? That's basically what I'll call them, but not journalism in fact. So that's, that's kind of where we're trying to get to. But we need we need help with some funding, clearly, and maybe some backing from the federal privacy regulation. The patchwork framework is going to be really hard for us to do that at scale.

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Michelle de Mooy

1:03:34

And a quick question, Scott, do you think for smaller publishers is joining together? unnecessary component? In other words, having some kind of shared, communal garden? Is that a necessary component do you think?

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Scott Cunningham

1:03:49

For the brand, the national brand and global brand advertisers? Yes. On the primary research feedback, they said, Scott, I can't work with publisher X, Y, or Z. It's not big enough. And quite candidly, they don't. The inclusion list told us they stopped buying against those [small-publisher] domains, you know, and that was one of the that was just a major flag when we said, well, who's being keyword block, don't block news. But you go to the buyers, they say, we're not blocking news, here's 200 sites. And we said, what about the other 3,000 [news sites]? They're right here. Oh, yeah, we've been blocking [those] out. Right. So those small publishers do need to band together otherwise, they're getting lost in the mix and the digital ocean out there.

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Michelle de Mooy

1:04:27

Do you think that government should be a part of somehow part of that structure? In other words, issuing some kind of certificate or some kind of guaranteed to small consortiums? Because I know one of the biggest problems, right, is their fear of losing the revenue that they have now. Right, which is not a lot, but it's something. I mean, do you think how could the government play a role in that?

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Scott Cunningham

1:04:51

TARGETTING INDIVIDUALS AS BRAND-SAFETY VIOLATION?

Marketers have indicated to me recently, like in the last month, that they're fearful of two things. But it all comes back to brand safety and [not] being "outed" in Twitter.

- Are their ads aligned to content on social platforms that have negative consequences societally speaking? That's number one.
- Number two, they've started to indicate that advertising to identity without permission could be a massive brand safety violation they don't want to be a part of. And so there's some recognition on over there.

What I would like to see -- if there was any government endorsement around these types of consortium. Just the inherent process by which content is made in the journalism, [and the] ethics process around these things. I think that's separate and away from everything else that you find on the public Internet. That would be ideal. I know that there's some nonprofits out there who are working on these types of things, because brands do want to work with news

sources. They want transparency, though, they also say, Scott, when it comes to COVID stories, this is hard news. I'm okay with this. It's brand safe, it might not be suitable -- some of the nature of that -- but it's still hard news. Your op ed stuff in the newspaper? That's opinion, right? That's not a controlled newsroom process. So brands are becoming a little bit more aware and keen to what type of content is in existence in a newspaper and television site, and understanding the difference between the commenting section, the op ed and the heard news. And so we want to be able to distinguish between those signals. And frankly, we would love for people to endorse the fact that newsrooms do distinguish between those signals. Does that make sense?

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Jordan Mitchell

1:06:29

BEARISH ON GOVERNMENT ACTING QUICKLY

I'm, I'm bullish on our industry coming together -- publishers, brands, the platforms that support them -- that is absolutely essential for large and small publishers, for everyone to come together in support of baseline foundational standards in this area, I'm bearish on government being able to quickly do what is necessary because the innovation we're seeing on the commercial front is just moving so much faster than then regulation is, and the browser iOS platforms, who are moving forward with predatory Privacy Practices, for commercial gain, they're just, they can move faster. And so it's really important that everyone comes together. And you know, and I say that somewhat selfishly, because this is what we're doing within tech lab. We have over 750 members coming together in and around this and we're working globally across many different organizations. Publisher organizations, trade orgs, agency trade orgs, large global marketer trade orgs. We need everyone to be facing the same direction, pushing the same rocks up the same hill.

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Scott Cunningham

1:07:57

Jordan's, right. LMC's plugged into the Ivy Tech Lab on these things. And we'll be giving some questions and feedback over the next day or two, with their meetings with Apple and stuff like that from the news publishing industry. And, and to his point, as much as I might want government to help endorse some of these things, I don't think we're waiting around for that to happen either, right? We have to keep going.

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Wally Snyder

1:08:22

We did with this problem we had in Capitol a week ago, stir the government up a great deal . . . I mentioned this earlier. And the whole area of these Section 230. Which goes back to setting the standards for consumers not being able to sue publishers or the sites for conduct for content that hurts them personally. Now, there are some in Congress, that say they to change that. How do we feel about that? That's very strong section has been a guidance, guidance for our journalism tour. 20 years. How about that? . . . To me it is something well, it is something that we would oppose. You know, we should oppose the government this sort of a government

regulation that would or law that would say we're going to, you know, change Section 230 so that consumers can now sue a sites on which data was collected to hurt them. How do we feel about that? That was a very, that's a very powerful, I think protection for journalism. For us.

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Lisa Macpherson

1:09:49

That brings to mind the old expression about the shotgun and the fly . . .it's the idea of using far more firepower and having a lot of unintended consequences to get one surgical thing done . . . And so Section 230, the so called 26 words that let the internet happen, have done a lot, not only for innovation, and then the growth of technology, but for speech. So some of the kinds of things that would need to be watched very carefully:

- One is that some of the kinds of content that people would like to see reform of 230 address is actually constitutionally protected speech. So it wouldn't necessarily have an impact on that.
- It also might cause platforms to come down on one side or the other of the so called moderator's dilemma, either either over moderating in order to avoid the risk of liability for the content, which could lead to a lot of voices that have no other outlet to be driven from their spaces, or on the other side of the moderator's dilemma, it might leave a lot of content up that we find and society finds deeply objectionable, should not be protected speech. And yet a hands off approach is perceived as protecting them from liability.

So there's a lot of, you know, potential unintended consequences for the quality of discourse for the availability of an outlet for what have traditionally been marginalized voices. In our minds, Section 230 may not be the right tool for the job of dealing with misinformation, hate speech.

That said, there may be opportunities for retargeted and surgical reform, particularly when it comes to protecting aspects of platform's business model, rather than content. So yes, it's gotten a lot of attention. And just as you pointed out, while it may get more heated attention in light of last week's events, but we would stress, enormous caution and enormous examination of the unintended consequences before reaching for that particular lever.

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Wally Snyder

1:12:09

We need to bring the economic consequences into political actions that come up.

You know, advertisers have been complaining a lot about the false information, the hate speech, both political ads that are on the sites, because they want to have a cleaner platform on which to advertise. I think was last June, several 100 advertisers pause paying money to Facebook and other sites, to try to force them to take more action to stop the misinformation, and malinformation. What's the role of advertisers here? We know how they feel. What more could advertisers do here to really help this situation positively?

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Mathieu Roche
1:13:14

Stop advertising on Facebook. That's simple. Right? You don't have any amplification of hate speech on the publishers that are part of NewsNext. Right? I'm not qualified to talk about Section 230. I think the problem is the amplification of offensive content by social media. If there's no amplification, everybody can talk about what they want. The problem is that the most offensive content is being amplified for commercial reasons, for profit reasons, by social media. And that's what's leading to a non safe environment for brands to invest on. This is social medias problem, it's not digital advertising problem, it doesn't happen on The Guardian, or The New York Times or The NewsNext publishers. So accusing digital media of generating those problems – you're shooting the messenger. It's not the problem. The problem is the amplification element and the content that's created by social media. And again, very simple, right? If brands don't want to be in an unsafe environment and associated to offensive content, stop advertising on Facebook.

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Michelle de Mooy
1:14:24

Doesn't the amplification make it more valuable to advertisers? I mean, that's a big part of why they would advertise on Facebook, right, is the fact that it's going to get amplified across the world that their brand is going to follow where it goes.

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Mathieu Roche
1:14:41

The problem is not the amplification of the ad, it's amplification of the content. That's the problem. The ad -- it's a financial thing. If you want to reach a million people you pay X if you want 100 million people, you buy 100X right. The amplification of your message is a question of your investment. The problem is the amplification of the content. That's made by by social media, they make it for one reason, which is creating more dependence, creating more kind of rage, because that's what's generating more interaction with their platforms, which in return leads to more page views and more money being spent by brands. But if you don't look at the content next to which you spend your money, you're getting into this problem.

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Wally Snyder
1:15:27

But the thing is that the advertisers now many of them realize how important it is to reach their consumers, through social media, how many they can reach and also as I started this by saying, if they know the interests and desires of the consumers, they can actually advertise particular products to those consumers on that site. I mean, it's very efficient marketing. But now we're facing many of them are saying they want those sites cleaned up from the bad stuff that's on there. And they're trying to force the sites to do that. And, and I think that's where we're in one ways where we're sort of coming up. I don't know how easy that would be for the sites.

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Mathieu Roche

1:16:15

How many, how many scandals that we had over the past five years?

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Wally Snyder

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How much information comes into, into Facebook? How could Facebook self regulate in this area -- on content? So I mean, those are the issues as well, that we have.

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Travis Clinger

1:16:36

I think Facebook and Google are the easy buttons for advertisers. And they work incredibly well. So I think, part of the problem for advertisers, if you want to go and efficiently run a campaign, it's your KPIs, the best way to do it is Facebook, it's going to win, it's going to work. If you will go to the open Internet, yeah, it might work, it's gonna take, five times as much time and KPIs might not be as good anymore, and probably you'll spend more money. So that's easy if you're an agency, you're 22 years old, and you've been taught to do this, you're going to go and hit your KPIs. So I think that gets to the point of we've got, as an open Internet, make it easier for marketers, but we also need marketers to put pressure on the platforms. So I think it gets to kind of this supply-chain perspective.

BUYING ADVERTISING LIKE ORGANIC COFFEE

For example, Starbucks, when looking at their coffee sources a few years ago, went through an effort, in their supply, they only buy organic beans, they make sure the farmers got appropriate compensation. And, you know, being really careful when they buy the coffee beans from. Advertisers need to start doing that same conversation, you know, where am I buying this from? Are these the right companies? Where every dollar that I'm spending going to? And then starting to say, okay, yes, it's going to probably take more effort to work, for example, with Scott's [NewsNext] publishing group than with Facebook, like it's not quite as turnkey as custom audiences. But I'm getting a better story. And I think as an industry, we have to do a job to make it easier for advertisers to do this. And then, as a group, lean on regulators, to push advertisers to buy more clean supply. Because right now, it's really easy to advertise on the walled gardens, it's really hard to advertise anywhere else.

4

Jordan Mitchell

1:18:13

I agree with Travis: There are tools in place that allowed brands to be more selective across the open web, IAB Tech Lab as well as others have been working on brand safety and brand suitability tools. But those tools are not effective if they're ignored in favor of "I just need scale," or "I just need to hit my KPIs." And I'm not going to be selective.

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Lisa Macpherson

1:18:46

I also don't want to let the platform's off the hook for content moderation quite so easily, despite the volume that they're all dealing with. We've learned through COVID and the 2020 election, and now the COVID vaccine, that platforms can do a lot more than they have told us they can do to try to offset misinformation and disinformation on their platforms -- whether that's introducing reducing friction in sharing, labeling, partnering with sources of authoritative information that they can lift up as part of their content, whether it's fact checking, which we strongly believe in and the research is getting stronger and stronger on the effectiveness of that. There's also a lot of research, whether it's from Avast or GDI, or NewsGuard about the tremendous concentration of the sourcing and spreading of disinformation -- that there are super spreaders. So you don't have to watch every account and every topic to make a significant dent in the amount of harmful information that's on platforms. So I don't want to let them off the hook quite so easily because of the volume that they're dealing with. We're learning more and more about what they're capable of, and what the concentration and spread patterns of that disseminate information are.

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Mathieu Roche

1:20:02

I totally agree with you, Lisa on this, I think it's a question of incentives. And until advertisers vote with their dollars away from this type of content, they don't have a real incentive. Just one other comment on what what Travis was saying around the ease of use. [Agree] 100%. It's a lot easier to run a campaign on Google or Facebook, than it is to run it across a group of sites, none of which has the scale of a Google or Facebook. So it takes a lot of stitching and and that's why we need to reinvent the pipes so that they work better, they're more efficient.

PLATFORMS 'GRADING OWN HOMEWORK'?

I don't agree that it is more efficient, necessarily. Because guess what, they're grading their own homework. And so obviously, they're always hitting the KPIs. Because they're the one measuring it right. The only the only way to measure performance of a campaign on Facebook is to trust Facebook numbers. And we've seen for people who are kind of into this industry, that there's been a lot of scandals about Facebook cooking the numbers, and realizing that "Oh, sorry, we made a mistake that video of us actually wasn't really viewed. Google is the dominant way to measure digital advertising period. And so obviously, Google's own media performs better than most other own media. Humm. Surprising? I think there's a real problem of concentration of power around those platforms. They are the biggest media owners in the world, but they also the biggest driver of investment into the space. And that concentration of power is a real problem. And that's why the the intertrust actions that have been initiated in the US, which is mostly around search, but also in the in the UK, around Google's ad platform, are very, very important because this is a very important part of the problem altogether. And the reason why brands invests is because they believe it works, because the platforms told them so.

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Scott Bradner
1:22:00

In the same time, and I agree with everything you guys are saying . . . but from the news perspective, I believed in the open web in programmatic and it has not worked for these news publishers. It just hasn't. I mean, it's true, it's been a race to the bottom on the CPMs. And none of them actually offer up any of their own measurements anymore. In fact, they fired all their measurement vendors, because all the buyers have their measurement toolbox on their side. And that's actually eating into the working media costs, and so indirectly with the buyers, in order to kind of streamline some of that, and so that the news publishers can actually function in a healthy way on the open web. That's the goal.

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Lisa Macpherson
1:22:41

I think advertisers should also ask hard questions about whether programmatic is working for them on any basis other than efficiency, between ad fraud and viewability and ad blockers and non quality contexts for their brands. I think advertisers should also be asking hard questions about how effectively programmatic works for them.

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Wally Snyder
1:23:04

I think they're really when you bring the numbers question in here, it's very significant. Last year, the Federal Trade Commission got a fine from Facebook, which is the biggest in the history of the FTC. Up to that time, the FTC, maybe biggest fine was \$300 million-to-\$400 million. That fine was \$5 billion for violating some existing orders. Well, that year, Facebook made \$55 billion. And so really you have to here. But I really think we've raised some good points here about how we can find ways to, to work this through, we need to talk about it a lot more. We'd love to do that with you. Because I think we're really trying to make ad tech a trusted ecosystem as we go forward. And I hear some optimism from all of you. I happen to be a very optimistic person. And I think we want to really continue this discussion.

So to come to conclusion. any final comments I'd like to have from you. It's been really a great discussion. Anything, anything you would like to add?

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Jordan Mitchell
1:24:23

Yeah, I think we can talk a lot, but I think it's important what can each of us do? It takes each of us moving the ball forward in unison. My mom used to say every time you point the finger at someone else, you've got three fingers pointing back to you. What can we do to move this forward, and it takes all of us to really move this forward. So that's my final comment.

2

Wally Snyder
1:24:58

I think that's a very positive statement and I believe that we really can, if we bring all the principal people here together to the table to really talk about how it can be done. And there've been some great ideas here. We have other models to follow in Europe and elsewhere. And I think we can really work on this together as we move forward.

So I want to thank you all, all of our speakers today. And discussions. For making our discussion dynamic. I think you'd agree with dynamic. ITEGA will be holding a final webinar on Feb. 4. And the registration link is in the chat. I think that's right. That Feb. 4 webinar will wrap up the webinar series by focusing on solutions, the latest in policy and technical innovation related to digital identity and privacy, that are relevant to the to advertising and journalism. And I think that's excellent, because that's going to go right off from what we were discussing today. And it really fits well into that next webinar.

1

Michelle de Mooy
1:26:04

Yeah, we're going to dig into that stuff so that you leave there with some concrete ideas, things that are working and things that aren't, there's so many projects going on. So we thought having a forum for them in one place would be really useful. And incidentally, ITEGA is going to issue a report after the series, where we will try to encapsulate all of these conversations for you and for Congress and for the public. So that it's clear that there is a path forward. It just takes some convening, and I feel like we can talk about this for like another five hours. But please join us on the fourth, if you can, and Oh, go ahead, Wally.

2

Wally Snyder
1:26:45

Michelle, thank you very much. And also, I want you to know, this is important for our professionals as they go forward. And that's what the Institute for Advertising Ethics is working on right now -- working on a certification program. And this is very helpful to us to listen to this, because it's the professionals who have to make these decisions and will do the right thing or not. And certainly guidance from company, and from industry is critical and all of that. So thank you very much for allowing me to be part of this as well.

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Michelle de Mooy
1:27:16

Thank you Wally, I appreciate it. And thanks everybody for your time and we'll see you next time. Have a good night.

--- END OF TRANSCRIPT ---