

# Marketing in the first-party future: publishers, brands and authenticated data



# The year of the publisher

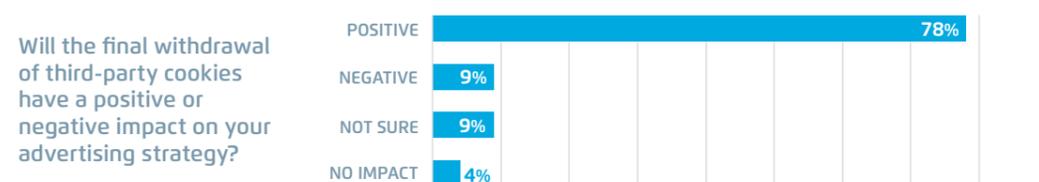
In 2021, the digital advertising industry is experiencing more change than at any point in its history.

Increased restrictions on the use of consumers' personal data, combined with the withdrawal of many of the third-party cookies and mobile IDs used to track and target online audiences, are forcing brands and publishers alike to reassess their relationships with the ad tech industry – and with each other.

**LiveRamp recently commissioned a survey of 251 UK-based senior marketing professionals to find out:**

- > how UK brands are preparing for the changes taking place;
- > what their thoughts are on the contemporary ad tech ecosystem;
- > whether they expect their relationships with publishers to change in the months ahead.

Some of the results are surprising, but, from a publisher perspective, very encouraging.



**78.1% of respondents believe that the final withdrawal of third-party cookies will have a positive impact on their advertising strategy.**

It seems clear that brand leaders have been thinking through the implications of the digital ad industry's shift towards greater respect for consumer privacy and the available solutions. The publisher community, by comparison, risks falling behind.

For publishers, the loss of third-party cookies and restricted access to mobile IDs (and the advertising revenues they help generate) could be problematic. The core business model of many publishers is still based on offering advertisers access to audiences made up of the target customers they are trying to reach. However, without the traditional digital methods of identifying consumers or signals on their online

behaviour, that task looks set to become more difficult.

**At LiveRamp, we believe that optimising the value of authenticated first-party data will be a key factor in the future success of publishers.**

In this white paper, we'll explain how publishers can do more to capture and leverage their own authenticated data and build new, closer, better relationships with brand advertisers. We'll also outline the opportunity for publishers to avoid the loss of existing ad revenue and even increase revenue by finding new ways to optimize yield.

**The good news for publishers is that, according to our research, more direct contact with publishers is exactly what advertisers are looking for.**



"Our main online titles sit across four verticals: Automotive, Current affairs, Specialist and B2B Technology. We've done a lot of work to get to know our audiences and understand how they navigate across our different brands. With the upcoming loss of third-party cookies on Chrome, our ability to do cross-domain tracking will be compromised.

"We've been thinking about and starting to prepare for the changes for the past two years. The biggest threat we see is to our open auction programmatic revenues. Some of our brands are more heavily reliant on programmatic sales, which can generate 50% to 70% of the revenues for those brands. Within our open auction revenues, we're already seeing up to a 25% to 50% difference in CPM between browsers that allow 3rd party cookies versus browsers that don't."

Alex Kirby, global head of programmatic and commercial data at Dennis Publishing

"I think publishers are in a really good position to benefit from Google completely removing third-party cookies from the Chrome browser. It's something we've been preparing for since 2017. We were very early to remove all third-party data from our DMP and we've also removed ourselves from the programmatic open marketplace. We've focused quite heavily on our solutions for advertisers and much more on direct buys."

David Hayter, head of digital at The Stylist Group

"For publishers, the loss of third-party cookies is both a threat and an opportunity. If your business is highly dependent on open auction programmatic, there's a potential threat to the value of your inventory. Some industry studies estimate that roughly around 50% of the value of CPM and corresponding revenues could be wiped out.

"On the other hand, it's a huge opportunity for publishers to develop stronger relationships with their advertising clients. If you're an advertiser, and you want to have that same level of fidelity in data, working directly with a publisher and their key partners is one way of doing that. Publishers need to work out how to marry and match their various data sets together and companies like LiveRamp can help with that process."

Norm Johnston, head of global advertising strategy at News Corp

# The ad tech ecosystem has kept brands and publishers apart

The digital marketing industry has always worked at the cutting edge of technological innovation. Unfortunately, the fierce competition between software vendors has resulted in a complex, cluttered, fragmented ad tech ecosystem for brands to negotiate.

When we asked UK brand marketers to reveal how many ad tech partners their company currently had, more than 72% of respondents said they had between 3 and 6. The average number of ad tech partners across all respondents was 3.63.

What's more, according to our research, brand marketers are expecting their own organisation's ad tech ecosystem to become even more complicated in the near future.

The survey revealed that respondents expect the average number of ad tech partners to increase over the next two years to 3.99, with 24.3% predicting that they will soon have 6 or more.

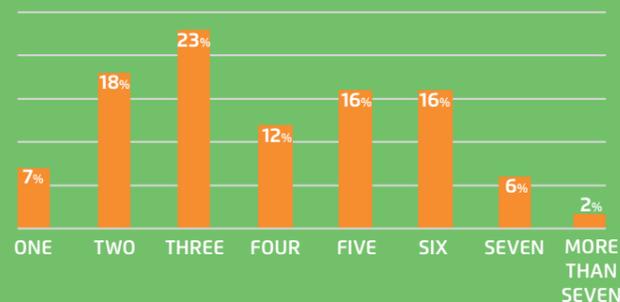
The publishing community has long complained of having their ad revenues

eroded by the increasing number of ad tech vendors required to execute the digital media buying process. Our survey suggests that publishers' margins are under increasing threat over the next 24 months but also that there's a chance for publishers to insulate themselves and take greater control over the process.

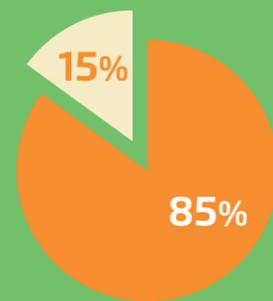
When asked if their brand would benefit from a closer relationship with their key target publishers, an overwhelming majority - 84.9% of respondents - answered 'yes'.

The message for publishers is loud and clear. It's time to turn the page on a new era of digital advertising and develop deeper, more profitable collaborations with brand advertisers by leveraging privacy-compliant, first-party authenticated data.

How many ad tech partners do you expect to have in two years?



Do you think your brand would benefit from a closer relationship with your key target publishers?



"I think the digital ad industry, particularly the programmatic side of the business, has become much more visible at very high levels of organisations. Things that wouldn't have caught the attention of your CMO 10 years ago, do now. For example, they want to know about your ad tech partners and the value chain - who's providing value and who is syphoning it off?"

Norm Johnston, head of global advertising strategy at News Corp

"I've worked in programmatic advertising for the past 10 years and whilst there have been many benefits and innovations derived from this technology, in other ways programmatic advertising has commoditised and degraded the value of publisher ad inventory. We want to utilise this time of change for the digital ad industry as an opportunity to show and prove to brands the value of working with premium publishers."

Alex Kirby, global head of programmatic and commercial data at Dennis Publishing

"The more you can do to have a direct relationship with your bigger advertisers, the better. We have a global sales team that works directly with key advertisers to create really unique integrated experiences on all of our platforms."

Vanessa Horgan, VP of revenue operations at Footballco

# Publishers can take back control with authenticated traffic data

Given the high levels of optimism our research recorded among UK brands, we asked senior marketers what alternative advertising strategies and solutions they are looking to implement to combat the loss of third-party cookies.

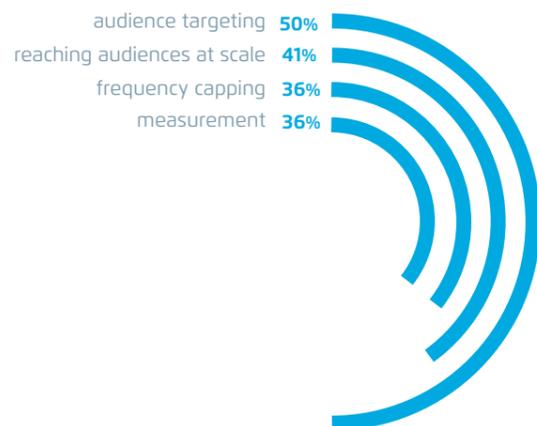
'Diversifying formats and channels' to include things like connected TV and digital out-of-home (DOOH) was the most popular response to the withdrawal of cookies, with 49% of those surveyed listing it among their plans. The next most popular solutions were 'first-party authenticated data' (45%), 'identity solutions' (43.4%), contextual targeting (41.4%) and Google's FLoC (Federated Learning of Cohorts) approach with 30.7%.

LiveRamp specialises in 'first-party authenticated data' and 'identity solutions', including our Authenticated Traffic Solution (ATS), which allows publishers to monetise audiences either through direct sales or programmatically through real-time bidding. All costs are built into the buy-side, making ATS available to publishers at zero cost, and giving them full control to maximize their yield potential without risk of price inflation.

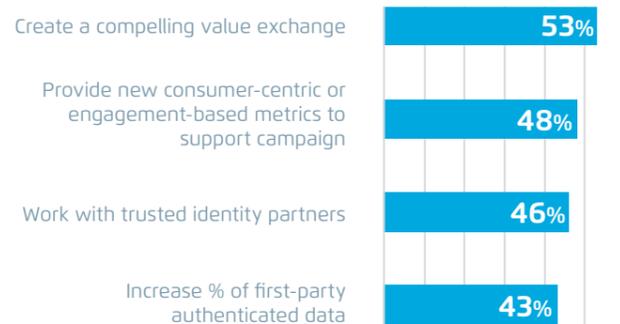
As part of our survey, we asked marketers what else publishers could do to help convince brands to run more campaigns with them. 'A compelling value exchange' was ranked first among 53.4% of respondents, followed by 'new consumer-centric or engagement-based metrics' (48.2%), 'working with trusted identity partners' (45.8%) and 'increasing their percentage of first-party authenticated data' (43.4%).

As the leading data connectivity platform, LiveRamp enables brands and their partners to better connect, control, and activate first-party data to transform customer experiences and generate more valuable business outcomes. Our fully interoperable and neutral infrastructure is designed to deliver end-to-end addressability, even in a post-cookie world.

How will the final withdrawal of third-party cookies affect your advertising strategy?



What else, if anything, could publishers do to help convince you to run more campaigns with them?



"In recent years, we've pursued a registration strategy to grow our addressable database so that we can work with advertisers and their CRM solutions. You can't expect people to register and share their details for nothing. We worked out that a good way to encourage sign-ups is to offer functionality in return, such as the ability to save articles."

David Hayter, head of digital at The Stylist Group

"The Telegraph embarked on a subscriptions-first strategy two and a half years ago. We're currently halfway into a five year growth plan, with the majority of our subscriptions now being digital. Last year we turned off the use of any third-party data, except in very specific use cases. We now base our commercial targeting purely on first-party data."

"To grow our strong direct business, we've built products based on our own audience data and premium formats that fit our editorial environment. I think there will be a net gain for publishers over the next year as we'll regain some control over the value of 1st party data on quality inventory, and reset the value exchange of advertising so it benefits the reader, the advertiser and the publisher, not just the ad tech ecosystem."

Karen Eccles, senior director of commercial innovation, The Telegraph



# Advertisers will pay publishers more for authenticated traffic data

The loss of third-party cookies and mobile identifiers for ad inventory across paid channels means advertisers will be eager to explore new ways to maintain their reach levels and engage high-value audiences. Publishers without a solution could miss out on substantial programmatic ad revenue as a result.

LiveRamp's ATS lets publishers recognise known users in real-time, and enables data-driven targeting and addressability across all browsers, dramatically increasing the value of the publishers' inventory by better matching the needs of brand advertisers. We also partner and integrate with leading exchanges to enable our ATS through Prebid.js and header bidding solutions.

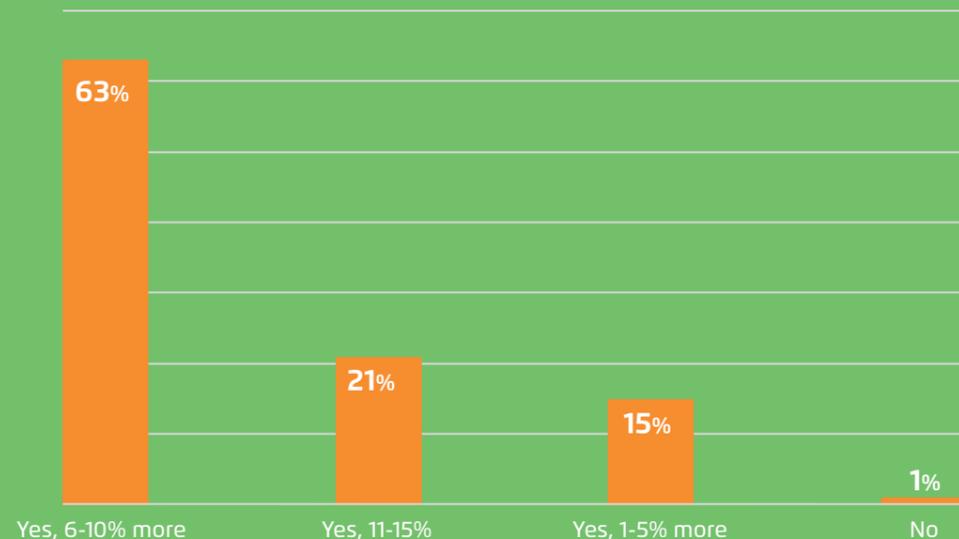
LiveRamp's revenue model is based on offering high-performance advertising

solutions to hundreds of brand customers, meaning we can open up our platform to publishers at no cost to them. In doing so, we help marketers to effectively activate and measure audience-based campaigns and help publishers to unlock new revenue streams with enhanced direct, private marketplace, and open-marketplace targeting on identity-enriched ad inventory.

**When we asked whether their brands would pay more for media and identity data and if so, how much more, 63.4% of respondents revealed they would be willing to pay between 5% and 10% more, while a further 20.7% would be prepared to pay 10% to 15% more.**

The opportunity available to publishers is real. It's time to act.

Would your brand pay more for media and identity data? If so, how much.



**“Over the last 12 months, we’ve rolled out a compulsory log-in across all of our digital assets, capturing warranty first-party email addresses and identifiers on our audiences. We’ve built a lot of our own ad tech in-house, including our own first-party cookie identifier.**

**“Our brands are very respectful of their audiences, so we’re careful to ensure there’s a genuine value exchange between logging in and accessing content. On the whole, our push for registration has gone much better than we expected. Our audience didn’t find it a turn-off.**

**“We’ve also worked with LiveRamp around data partnerships and leveraging the premium data coming to us directly from consenting, logged-in individuals.”**

Eleanor Marshall, commercial data director at Global

**“I’m optimistic about the future. I think the digital marketing industry has built up somewhat of a cyber swamp of bad practices online over the years, and I think the disappearance of cookies will clean-up a lot of that. It will bring added transparency in terms of who really holds value.”**

Norm Johnston, head of global advertising strategy at News Corp

**“We’re keeping an open mind and taking various approaches to the industry changes, including working with LiveRamp and its Authenticated Traffic Solution. In the near future, I think one way publishers may split their audiences is into ‘known’ and ‘unknown’ users. Utilising LiveRamp’s ATS product allows us to focus on our high value authenticated users.**

Alex Kirby, global head of programmatic and commercial data at Dennis Publishing

# Why LiveRamp is a perfect partner for 21st-century publishers

**LiveRamp is already a trusted partner to many of the world's leading publishers.**

In the months and years ahead, we believe that ATS will be a key tool in the success stories of brands and publishers alike, by encouraging new, more direct collaborations and enabling innovative packages of ads using privacy-compliant, authenticated audience data.

By enabling advertisers to reach real people, not devices, LiveRamp's end-to-end addressability solution allows advertisers to leverage targeting and measurement for more efficient programmatic investments in a post-cookies world. Our research should provide publishers with a clear call to action: brands are ready to work more closely with publishers, are looking towards identity-based ad solutions and are willing to pay more for inventory based on authenticated traffic.

We make it easy for publishers to integrate with LiveRamp and open up their first-party inventory to brand advertisers. Our expert team is on standby to help offer advice on how publishers can implement and profit from their own authenticated traffic strategy in 2021.

**Why wait? Get in touch today.**  
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LiveRamp is the leading data connectivity platform for the safe and effective use of data.

Powered by core identity resolution capabilities and an unparalleled network, LiveRamp enables companies and their partners to better connect, control, and activate data to transform customer experiences and generate more valuable business outcomes.

LiveRamp's fully interoperable and neutral infrastructure delivers end-to-end addressability for the world's top brands, agencies, and publishers.

**For more information, visit**  
**[www.LiveRamp.uk](http://www.LiveRamp.uk)**