

centro
WEBINAR

CONSUMER PRIVACY & THE FUTURE OF ADVERTISING



OUR EXPERTS



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WHAT WE'LL COVER

- + Government Regulation
- + Technology / Browser Regulation
- + Q+A



HOW GOVERNMENT IS RESHAPING ADVERTISING



THE TIP OF THE PRIVACY ICEBERG

- ① Nevada has passed a Consumer Privacy Law and other states are considering similar legislation
- ② Federal legislation is on the horizon
- ③ CCPA is not the end; it's the beginning

WHAT IS CCPA?

CALIFORNIA CONSUMER PRIVACY ACT

Gives California residents new rights regarding their personal data

January 1, 2020

Went into effect



July 1, 2020

Enforcement
begins



Rule-making
is still ongoing

Requirements and compliance
targets are still developing

1

RIGHT TO KNOW

(what businesses are
doing with personal data)

2

RIGHT TO DELETE

(request that businesses
delete personal data)

3

**RIGHT TO OPT
OUT OF SALE OF
PERSONAL DATA**



WHY SHOULD YOU CARE?

- ① First meaningful broad data privacy law in the U.S.
- ① Because focused on California, affects a significant portion of U.S. population
- ① One of the first laws to give states a way to prosecute privacy violations
- ① Limits use of data if customer opts-out or requests deletion

WHO DOES CCPA APPLY TO?

Any company that does business in California and meets ONE of these criteria:

Gross
Revenue
in Excess of
\$25 MILLION

Buys, Receives,
or Shares Personal
Information of
**MORE THAN 50,000
CONSUMERS**

**DERIVES 50%
OF ANNUAL
REVENUES** from
Selling Personal
Data



WHO IS RESPONSIBLE FOR COMPLIANCE?

→ Any business to which CCPA applies

YOU CAN'T OUTSOURCE COMPLIANCE:

If you are the point-of-collection for collecting data, you are responsible for providing notice of the collection and the opportunity for consumers to exercise rights.

WHAT HAPPENS IF YOU DON'T COMPLY?

- Enforcement mechanisms are weak
- Only the California Attorney General can bring actions for a company's failure to comply with Right to Know, Right to Delete, and Right to Opt-Out Request
 - Individuals have no right to sue for these violations
- Enforcement actions are likely only against the biggest companies
- Private individuals are only able to sue for a personal data breach

HOW IS CCPA DIFFERENT FROM GDPR?

TWO MAJOR DIFFERENCES



CALIFORNIA CONSUMER PRIVACY ACT

- Consent not required; only required to provide notice of personal data use
- Applies to people (California consumers), regardless of where they are presently located



GENERAL DATA PROTECTION REGULATION

- Affirmative consent required for personal data use
- Applies to territory (covers individuals when they are physically present in the EU)



WHAT DOES IT MEAN FOR AD-TECH?

- ① The age of self-regulation (through the Digital Advertising Alliance or Network Advertising Initiative) is over
- ② Fundamentals are unchanged: still a notice/opt-out framework (unlike GDPR)
- ③ Enforcement actions are unlikely
- ④ Technological changes (death of third-party cookies) are likely to have greater impact



HOW TECH IS RESHAPING ADVERTISING

BROWSER POLICY

"...we plan to phase out support for third-party cookies in Chrome. Our intention is to do this within two years."

- Google



ALL OF MOZILLA, APPLE, AND GOOGLE:

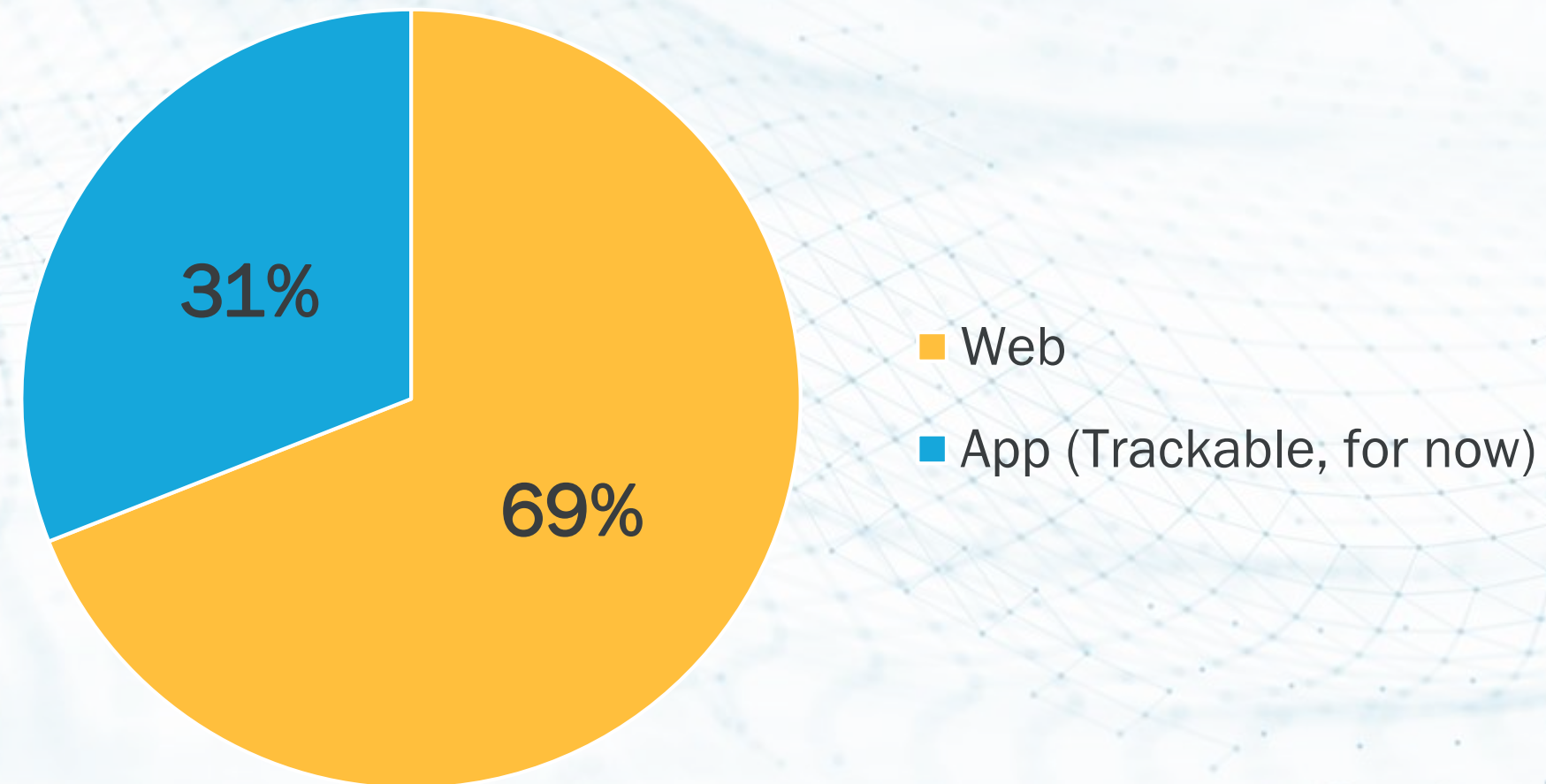
No cross-site tracking

No covert tracking/circumvention

SITES MAY TRACK THEIR OWN USERS

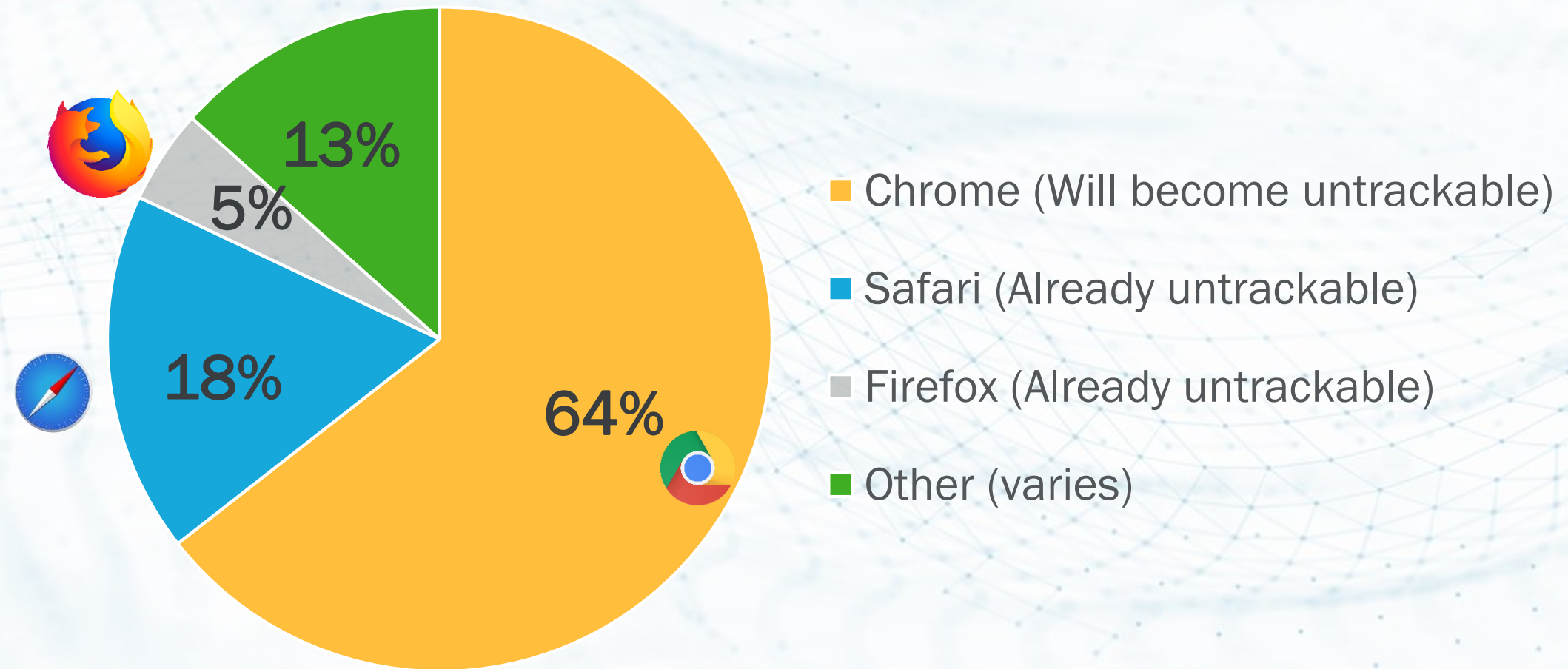
CROSS-SITE TRACKING: STATE OF THE UNION

RTB INVENTORY COMPOSITION, BY ENVIRONMENT



CROSS-SITE TRACKING: STATE OF THE UNION

WEB BROWSER MARKET SHARE



FUNCTIONALITY IMPACTED



AUDIENCE
TARGETING



FREQUENCY
CAPPING



CONVERSION
ATTRIBUTION





A PREDICTION

WIDESPREAD CROSS-SITE TRACKING
OF INDIVIDUAL USERS IS OVER.



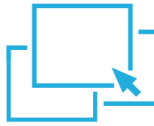
The scalable and durable approach is finding new ways to enable targeting, attribution, etc. without tracking individual users.



NON-SOLUTIONS

- ① Advertiser first-party cookies
- ② Advertiser first-party data
- ③ IP addresses
- ④ Fingerprinting/
other covert tracking

REAL SOLUTIONS

-  Alternative targeting approaches
-  PII-backed identity coalitions... maybe
-  Browser-endorsed mechanisms (Privacy Sandbox)

WHAT IS CENTRO DOING?

- ④ Cookieless conversion attribution
- ④ Expanding audience alternatives for targeting/reporting
- ④ Exploring PII-backed identity coalitions
- ④ Will adopt browser developments

**THE “HOW” WILL CHANGE, BUT FUNDAMENTALS
OF ONLINE ADVERTISING WILL NOT.**

QUESTIONS?
THANK YOU!