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**Adding value and
delivering change**

ISBA Priorities 2023

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Phil Smith
Director General

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Housekeeping

- Please be aware this session is being recorded.
- We need to ensure we know everyone who is on the call. If we can't, see your email address when you join, we might ask you to confirm your details.
- Please put yourself on mute if you are not speaking.
- We LOVE questions. Don't be shy, please drop any questions in the chat or use the raise your hand icon. You will also have the opportunity to ask questions at the end of the presentation.
- You will be sent a copy of the recording as a follow up so you can watch it again and again.
- For those who are new to ISBA or who don't know a lot about us please visit **isba.org.uk**
- If you are an ISBA member you can sign up to the member area and access exclusive content just for you. Just click the person icon on the nav bar.

Agenda

- **Welcome & overview of ISBA priorities 2023-** *Phil Smith, Director General,*
- **Empowering media, agency & digital supply chain relationships**

Origin - The Advertisers' North Star - *Bobi Carley, Head of Media*

Programmatic Supply Chain Transparency Study '22 – *Steve Chester, Head of Media on behalf of PwC*

- **Delivering positive societal & economic impact-** *Rob Newman, Director of Public Affairs*
- **Delivering thought leadership, actionable learning, advice & guidance**

ISBA's 101 Knowledge Sessions and Media Foundation Certificate - *Jane Pinn, Director of Membership*

The ISBA Partnership Programme & Agency Relationships- *Nick Louisson, Director of Agency Services*

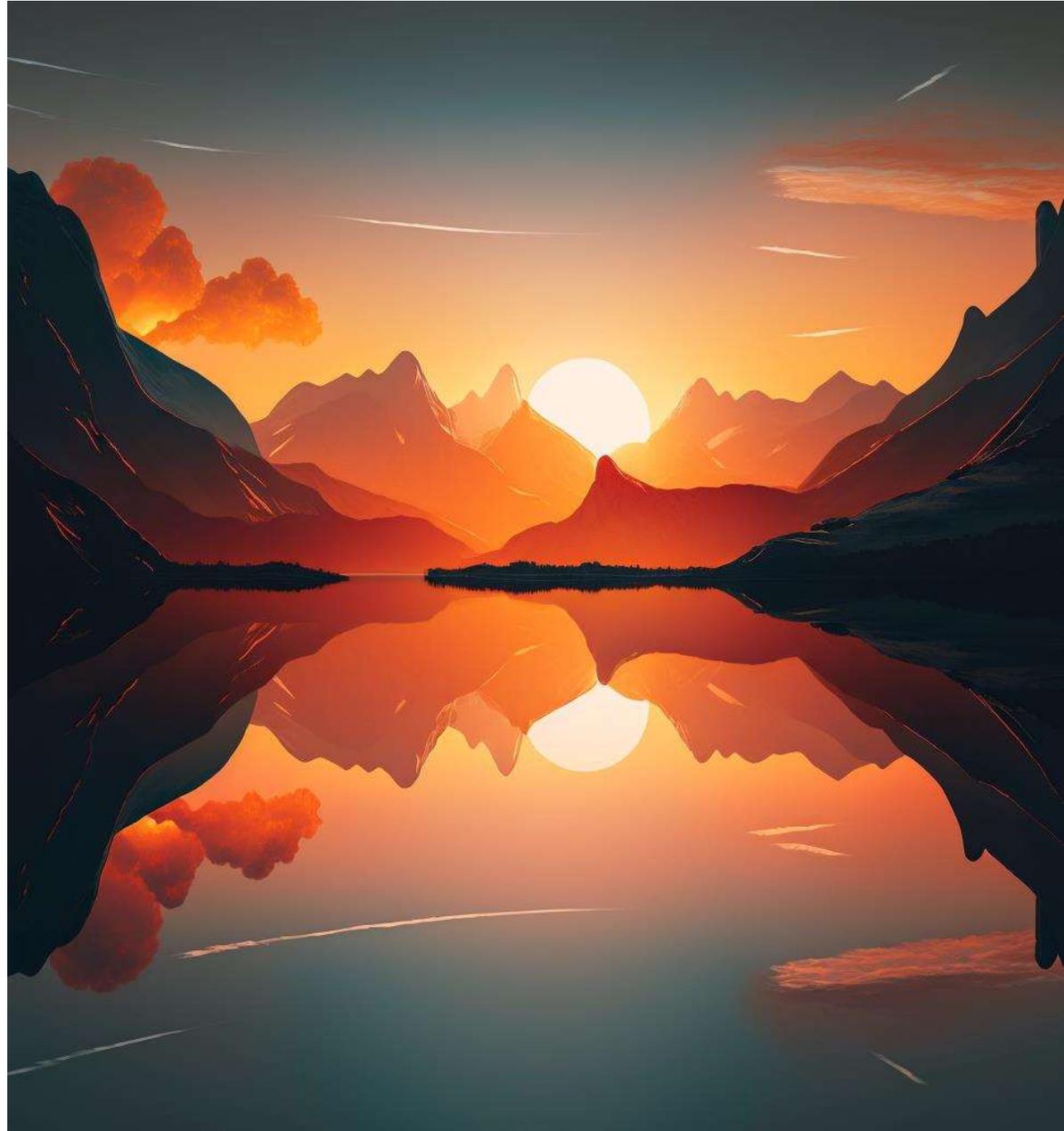
- **Questions**



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Purpose

To create
an advertising environment that is
**transparent, responsible and
accountable;**
one that can be **trusted** by the public,
by advertisers and by legislators



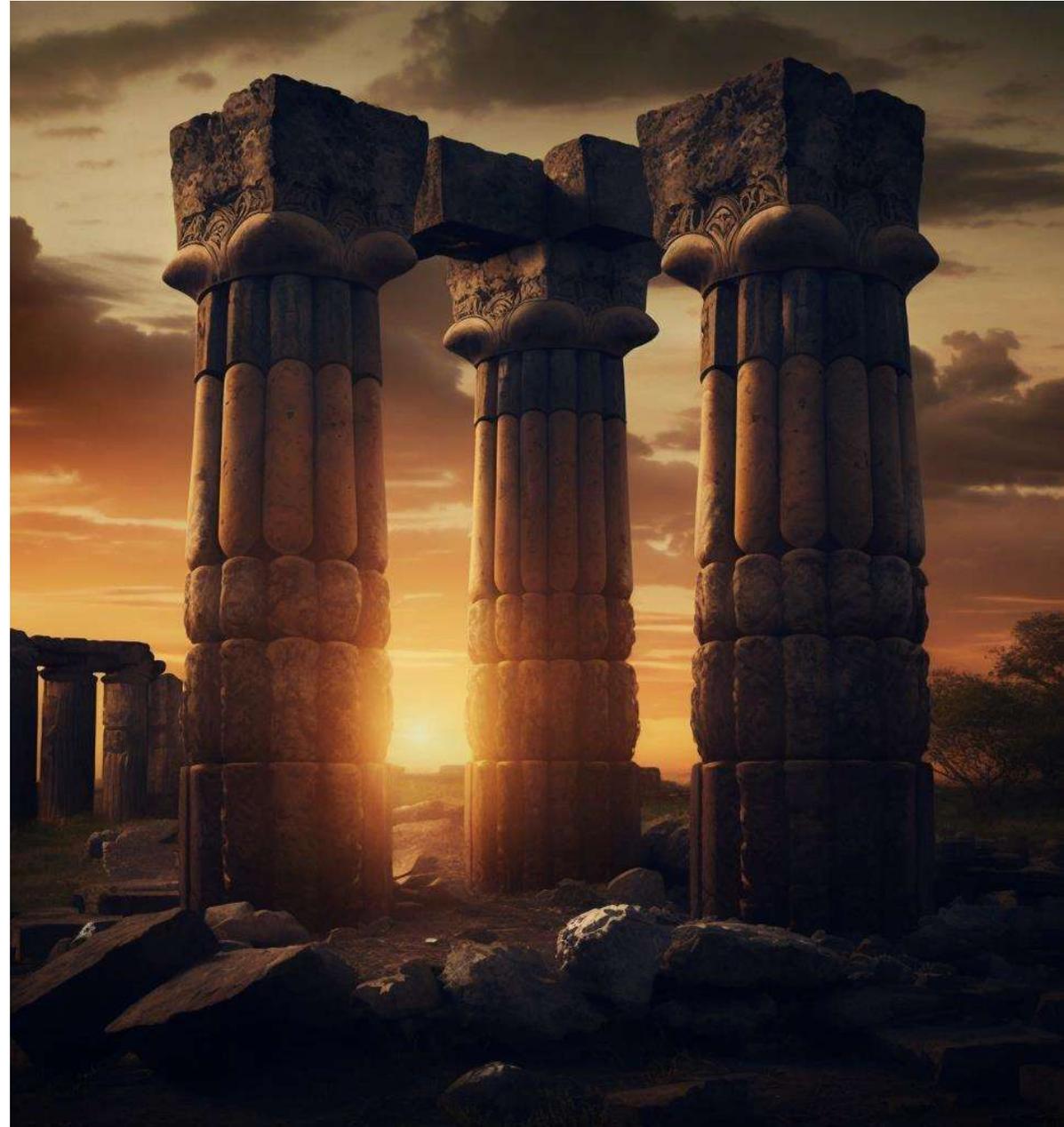
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Principles

Media, agency and digital supply chain relationships that deliver value for advertisers transparently and sustainably

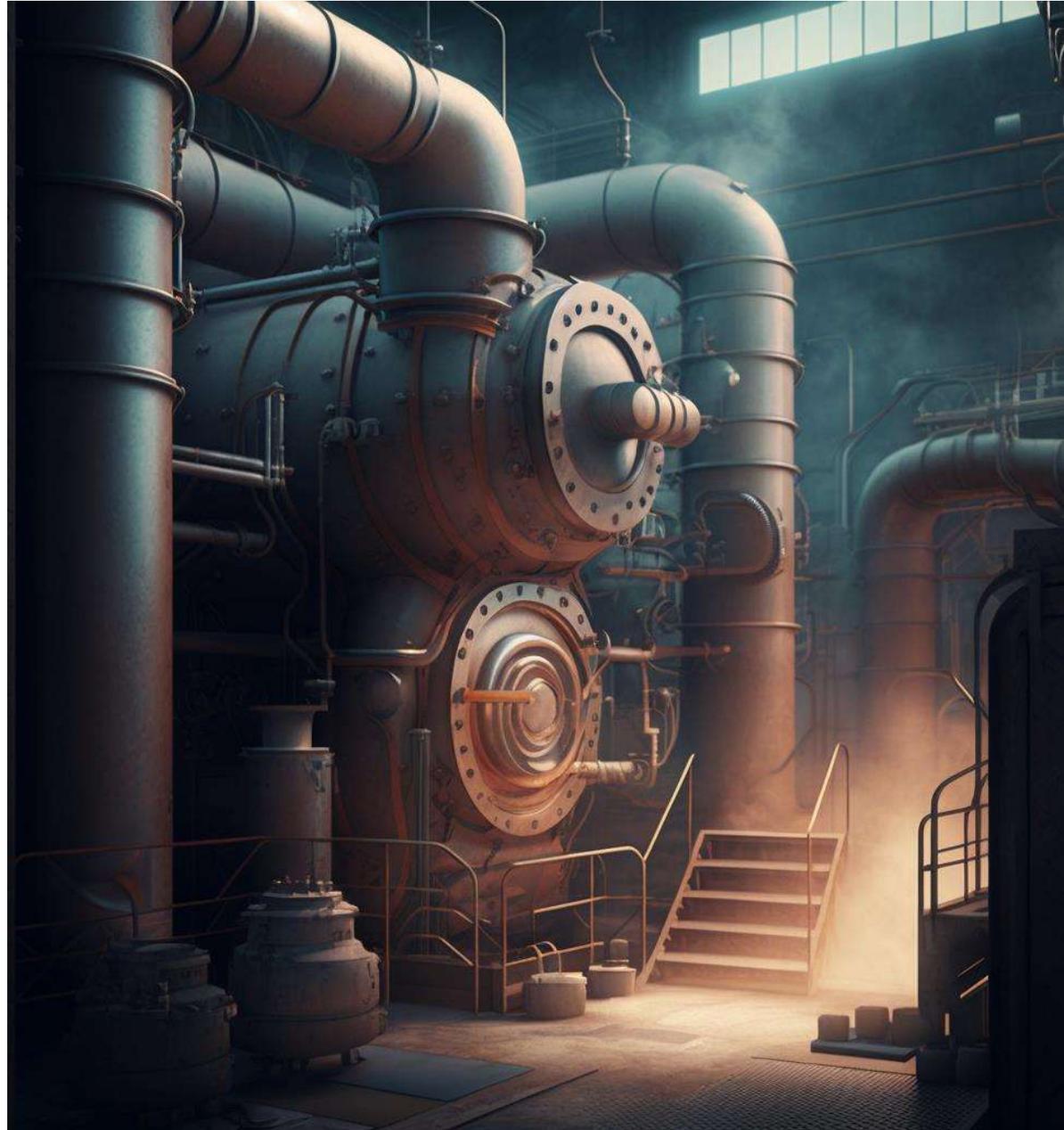
An inclusive and sustainable advertising environment that delivers **positive societal and economic impact**

Thought leadership and actionable learning, advice and guidance



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- **Origin cross-media measurement**
- **Programmatic supply chains**
- **Transparent advertiser contracts**



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- **Ad Net Zero**
- **All In**
- **Political Strategy**
 - **Online Safety Bill**
 - **Digital Markets Unit**
 - **Foods High in Fat, Salt or Sugar**
 - **Online Advertising Programme**
- **Age Assurance**
- **Global Alliance for Responsible Media**
- **Talent**



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- **Maintain high member engagement**
- **Build procurement community**



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Bobi Carley
Head of Media

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Why do we need Origin?



FRAGMENTING AUDIENCES



MULTIPLE AD-FORMATS



SILOED, MEDIA OWNED MEASUREMENT





How will it benefit brands?

Improved efficiency, reducing the wastage from **duplicated reach** and unwanted **frequency**.

Better audience experience reducing the sense of **bombardment** that we know undermines trust and favourability in advertising.

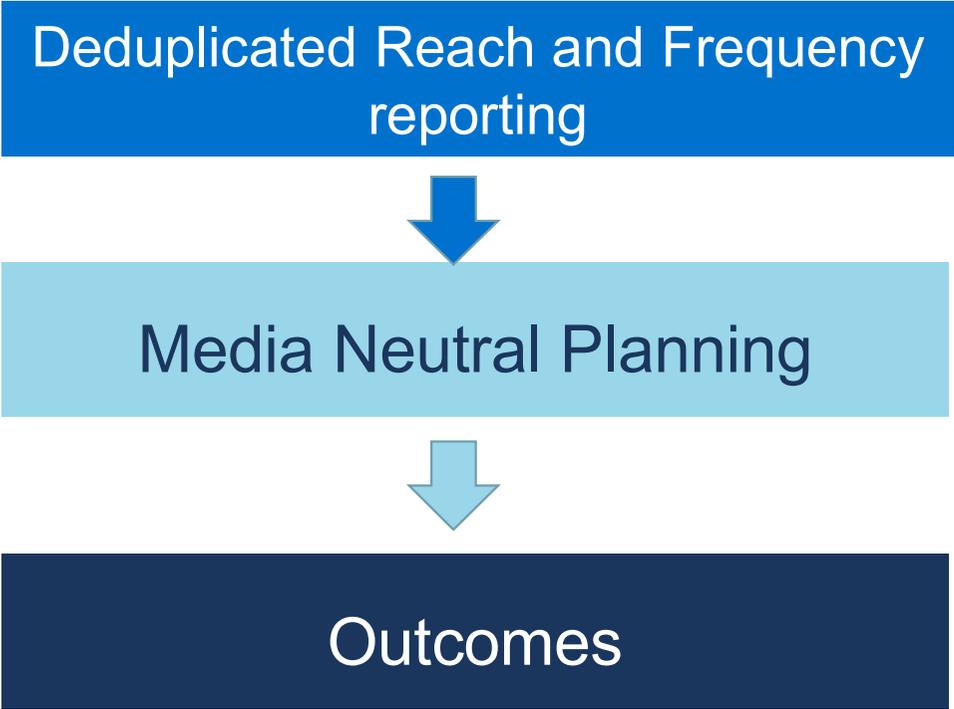
Increased effectiveness, by putting the tools in **brands** hands to power the media choices that need to be made to meet their campaign goals.





Origin

The Ambition

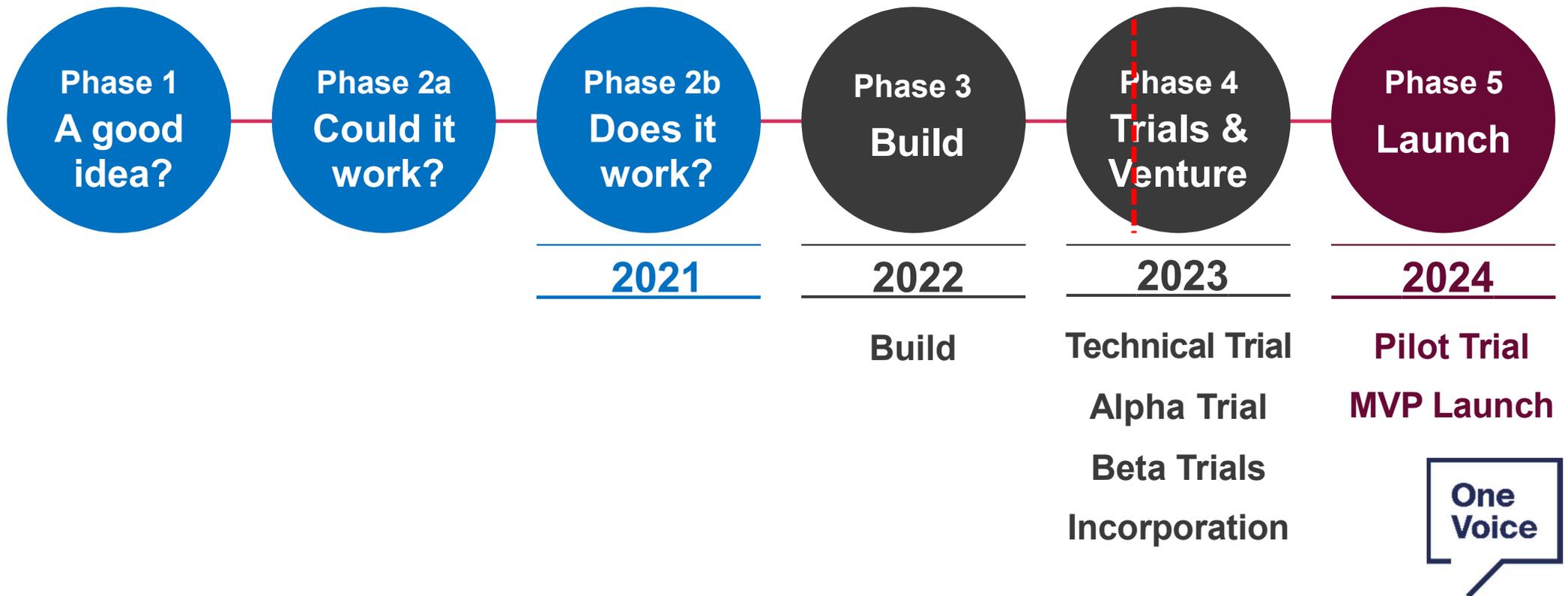


Who is involved?



Origin

Timings and Progress



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Steve Chester
Head of Media – on behalf of PwC

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ISBA Programmatic supply chain transparency study II summary: Test of the Taskforce Financial Audit Toolkit

January 2023



Recap: 2020 ISBA/AOP/PwC programmatic study

<https://www.isba.org.uk/system/files?file=media/documents/2020-12/executive-summary-programmatic-supply-chain-transparency-study.pdf>

Two years ago the UK advertiser body (ISBA) and premium publisher body (AOP) tasked PwC with solving this key business challenge: “What do my programmatic supply chains really look like?”

Previous studies had examined only buy-side data, so this was true groundbreaking innovation: the **first time programmatic advertising supply chains were mapped end-to-end (all the way from advertiser to publisher) anywhere in the world.**

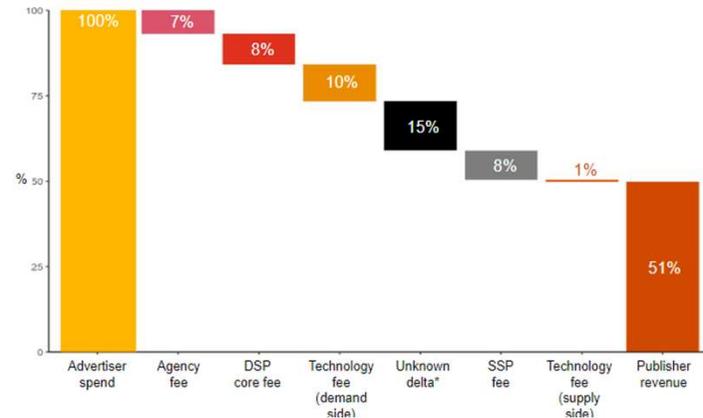


Data sources spanned the industry: data was collected for Q1 2020 from 15 advertisers, eight agencies, five DSPs, six SSPs and 12 publishers, representing ~£0.1bn of annual UK programmatic spend.

The study uncovered industry-changing issues of global importance:

- (i) major challenges with data access and quality; and
- (ii) 15% of spend going into an unattributable 'unknown delta'.

Overall supply chain from the 2020 study

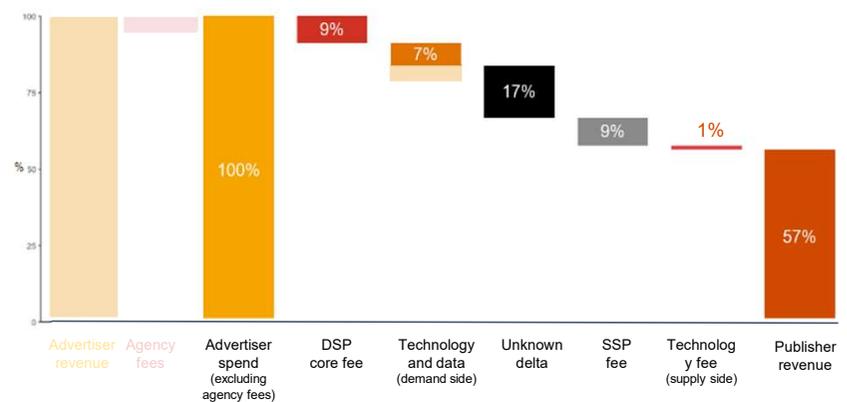


In response, a UK industry taskforce was convened, comprising ISBA, AOP, IAB and IPA, and individual members, with support from PwC. This Taskforce set out to resolve the data access and data quality issues, to be followed by exploration and reduction of the 15% unknown delta for the benefit of all the industry.

This new 2022 study was designed to test progress since 2020.

(* Note: our 2022 study excludes agency fees, verification tools and ad serving; so to allow direct comparisons, our 2020 results must be restated as follows: unknown delta 15% restated to 17%; publisher net revenues 51% restated to 57%.)

Restated 2020 overall supply chain



2022 study: objectives and participants

ISBA and its members were keen to understand whether programmatic supply chain transparency would be improved by the Taskforce outputs (the Toolkit) produced in response to the 2020 ISBA/AOP/PwC programmatic study.

This 2022 study set out to test the Toolkit (i.e. the Audit Permission Letter and Data Fields List) in five areas:

1. Does the Audit Permission Letter (APL) accelerate data access?
2. Does the Data Fields List (DFL) improve data quality?
3. Does improved data quality lead to improved impression match rates?
4. Is the unknown delta reduced?
5. Are there clear actionable next steps?
(for individual participants, and the industry as a whole)

Our PwC team of data scientists, data engineers, and programmatic specialists collected data from 40+ study participants:

- 11 advertisers
- 7 agencies
- 6 DSPs and 6 SSPs
- 10 publishers

2022 study participants included:

Advertisers	Agencies	DSPs	SSPs	Publishers
Arla Foods	Havas Media Group	Adform	Ad Manager	Bauer Media
Channel 4	GroupM	Amobee	Index Exchange	Future
Deliveroo		DV360	Magnite	Haymarket
Diageo	MIQ	MediaMath	OpenX	Immediate
Dominos	OMG	The Trade Desk	PubMatic	Independent
PepsiCo		Xandr	Xandr	News UK
Sky		IAB	IAB	Ozone
Tesco	IPA			Rightmove
Vodafone				Telegraph
[+ 2 others]				The Guardian
ISBA				AOP

2022 study: highlights (with comparisons to 2020)

Impressions analysed
Total volume of impressions analysed during the study period:
1 September 2022 to 31 October 2022.

Study duration
Time duration to execute the study:
onboard participants, access data, analyse, and report

Matchable impressions
Number of impressions served to study publishers via study tech vendors, available to analyse in both buy-side and sell-side data.

Matched impressions
Number of matchable impressions that were successfully matched from buy-side (DSP) data to sell-side (SSP) data.

Match rate
Proportion of matchable impressions that were successfully matchable from buy-side (DSP) data to sell-side (SSP) data.

Unattributable spend / Unknown delta
This represents discrepancies in the 'media cost' i.e. between amounts recorded as leaving the DSP and entering the SSP.

Publisher revenue
Proportion of advertiser spend that reaches publishers after applying the supply chain costs analysed in this study (including the unknown delta)

2020 study

1.3bn

18 months

267m

31m

12%

15%

(17% restated)

51%

(57% restated)

2022 study

1.3bn

9 months

104m

61m

58%

3%

65%

2022 study: key findings

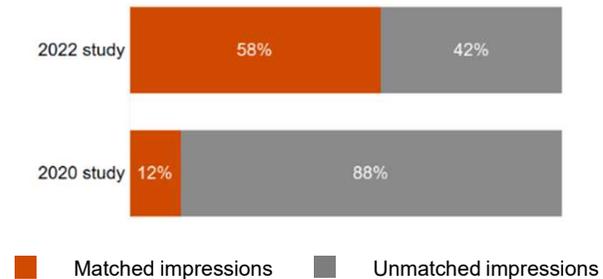
1. Does the Audit Permission Letter (APL) accelerate data access?

- The APL contributed to improved data access, which successfully **halved the study time to nine months** (vs 18 months first time).
- Where the APL was adopted and used as intended, it **operated effectively**. However, **APL adoption levels varied**, alternative bespoke solutions were often required.
- Although nine months is a **marked improvement on the 2020 study**, it is still short of the five months that we believe should be achievable.

1. Does the Data Fields List (DFL) improve data quality?

- The participants were able to provide log level data for each impression, a **significant improvement in data quality**.
- The **DFL proved to be a significant benefit** to the audit process, with adtech vendors on average sharing ~80% of the requested fields.
- **Some data quality limitations remain**: ~20% of fields were not shared, for either legal or technical reasons; and inconsistencies in data format (names, currency, device type, etc) and granularity continue to pose challenges in matching impressions end to end.

3. Does improved data quality lead to improved impression match rates?



Of the 1.3 billion impressions analysed, 104 million “matchable” impressions were served via our study adtech vendors to our study publishers, of which 61 million (58%, i.e. the majority) were matched from buy-side to sell-side.

This nearly-fivefold increase on the 12% match rate in 2020 was due to:

- **Higher quality** log level data and **essential data fields**, which together enabled more deterministic impression matching from DSP data to SSP data
- **Private marketplace (PMP) deals**, which comprised approximately one-fifth of matchable impressions, had a match rate above 70%, in part due to Deal IDs facilitating impression matching from DSP to SSP.

4. Is the unknown delta reduced?

The higher data quality led to the unknown delta being reduced from 17% in 2020 (restated **) to 3% in this study (and <1% for private marketplaces).

2022 study: key recommendations

5) Are there clear actionable next steps? (for individual participants, and the industry as a whole)

Our key recommendations for next steps are:

- Data access:** we believe the Taskforce should refine its Toolkit by updating the APL and DFL in response to this study, and then encourage leading adtech vendors to commit to the Toolkit's adoption and use
- Data retention and data transfer:** we believe the Taskforce should seek to establish audit protocols for (a) temporary data retention, and (b) data transfer processes, including real-time checking during transfer periods
- Auditors** should invest in their technical capabilities for ingesting log-level data, including all the main types of cloud storage buckets
- Auditors** should work with advertisers and agencies to activate data retention only for supply chains with spend levels that warrant it
- Advertisers, agencies, adtech vendors and publishers** should consider investing more in well-curated PMPs, given their higher impression match rates and publisher revenues (and, although outside this study, lower risks in fraud, viewability, brand safety and data leakage)
- Advertisers and agencies** should agree separate DSP seats for each advertiser, to avoid the complexities of isolating data when multiple advertisers are combined within a single seat
- Agencies** should appoint centralised, well-trained contact points for APL approvals and for extraction and reporting of buy-side log-level data
- AdTech vendors** should continue to invest in their ability to filter, retain and share log-level data, covering all of the Taskforce DFL
- Publishers and adtech vendors**, working with the IAB, should agree consistent taxonomies and naming conventions for ads.txt, and drive adoption and use of both ads.txt and sellers.json
- Advertisers** should consider private supply chain audits chain every 1-3 years: proactive management can be a source of competitive advantage.
- Publishers** should consider working with fewer SSPs, and consider private audits of them every 1-3 years

[pwc.com](https://www.pwc.com)

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Rob Newman Director of Public Affairs

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ISBA



Creating an inclusive and sustainable advertising environment that delivers positive societal and economic impact”



Rob Newman
Director of Public Affairs

RobN@isba.org.uk





Public Affairs

ISBA represents brand owners advertising in the UK, and the Public Affairs team acts as our voice to government and Parliament.

We work to:

- raise ISBA's profile and influence policy in Government, with opposition parties, in Whitehall and in Parliament,

Contact us



- The external face of ISBA to those who make the rules that govern our industry
- **Raise our profile and influence policy**
- Pursuit of trusted, responsible advertising environment
- **Demonstrate our collective commitment to positive outcomes for society**
- Give a single voice to advocacy for improvement of our industry

isba.org.uk/public-affairs

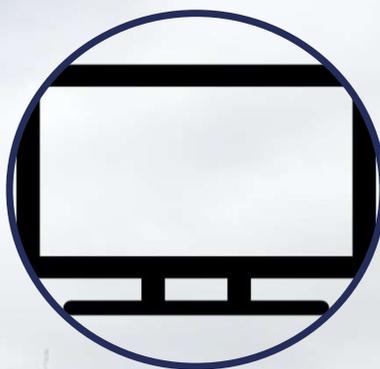
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HFSS



Channel 4



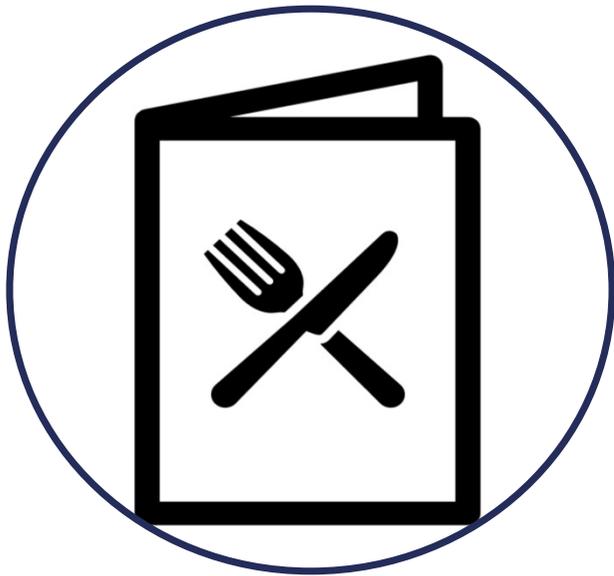
**Online
advertising**

isba.org.uk/public-affairs

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Government consulted on far-reaching restrictions – trade bodies marshalled



Engaged in passage of legislation; key win on future consultation. Navigated political instability



Labour Party moved to greater understanding of industry position



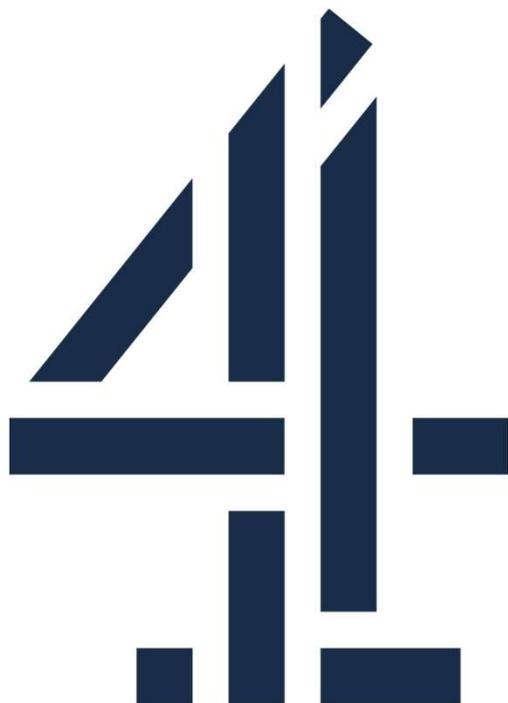
Huge win for industry with delay in implementation until October 2025



ISBA a key voice in forthcoming work by CAP and BCAP to put together the new rules



Channel 4 Privatisation



Government proposed sale of Channel 4 in order to 'help it compete in modern market'



ISBA members overwhelmingly opposed; we organised to lobby government to drop the sale



Built case that C4 offers advertisers a unique audience, and that there were competition concerns



Activity succeeded in case being quoted by senior MPs on both sides of the Commons – and contributed to stopping the sale



Media Bill to follow; ISBA groups such as Media Leaders and Broadcast Taskforce relevant





DCMS consultation on the future of paid-for online ad regulation

Taxonomy of potential harms caused by content or placement of ads ranging from 'legal but harmful' (HFSS, gambling) to illegal behaviour

Proposed new regulatory options across supply chain – including possibly abolishing the ASA

We responded expressing strong opposition to the ASA's abolition and with criticism of taxonomy

Government has stepped away from throwing the regulatory system up in the air

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Sustainability



Supporting our members to navigate the social, economic and moral challenge of the climate emergency



Founding partners of industry initiatives to get our own house in order – Ad Net Zero & AdGreen



Challenge of how brands talk about their sustainability activity and promote consumer behaviour change



ASA rulings on HSBC ‘greenwashing’ in run-up to COP26 have had a reported chilling effect in some sectors; we’ve engaged with the regulator to report and challenge



New guidance to come in Q1; also focused on green claims guidance from CMA. ISBA Working Group to convene



Strategic Policy Action Group (SPAG)



- Our public affairs forum, takes a step back from individual issues to look at macro trends affecting our industry
- **Have welcomed politicians and opinion formers from all sides of debates**
- Next session in person on 30 March with former Scottish Labour Leader Jim Murphy and CBI public affairs team

isba.org.uk/public-affairs



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Jane Pinn
Director of Membership

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Delivering thought leadership, actionable learning, advice & guidance

Our Priority

Work with our community of members and with partners to deliver thought leadership and actionable learning, advice and guidance.

Through

- ISBA's programme of 101 Knowledge Sessions
- CPD Accredited ISBA Media Foundation Certificate
- Helping members understand, share & Influence industry change.
- Knowledge Hub - library of objective, expert content addressing topics that matter to advertisers



101 Knowledge Sessions

A programme of virtual sessions designed to help marketers enhance their knowledge and skills.

In 2022, there **842** attendees over the course of the programme and **724** on demand viewings.

For 2023 our programme consists of

6 Modules

- Insight & innovation
- Media Process
- Creative Process
- Channels
- Social & digital
- E-commerce & customer experience



ISBA Media Foundation Certificate

- Following the success of the 101 Knowledge Sessions, and working with the ISBA Media Leaders Group we developed the ISBA Media Foundation Certificate
- The programme formally recognises marketers at all levels looking to develop, or refresh their skills and knowledge.
- The programme consists of 25 hours of online learning across 9 months culminating in a practical, face to face session.
- Over 100 marketers will complete Cycle One
- Cycle Two starts April 2023



ISBA

Understand, Share, Influence

- 13 ISBA Committees & Groups
- Online and face to face meetings
- Discussion, expert speakers,
- Yearly planning sessions to identify priorities
- Over 800 individuals participating



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Understand, Share, Influence

Budget Splits?

What percentage of budget do other members typically split between brand/long term and sales/short term in a given year?

Agile Structure?

I would like to hear from other members who work in an agile structure, e.g. media experts in squads vs central expertise

Audience measurement?

As we target niche audiences how do you ensure the effectiveness of your agencies' targeting?

Internal buy-in to increase spend?

We are struggling to convince commercial and finance teams to invest in brand awareness activity. How best to achieve wider company buy-in?



Impartiality of Agency econometrics?

What solutions do other members have in place to verify impartiality of their media agencies econometric analysis?

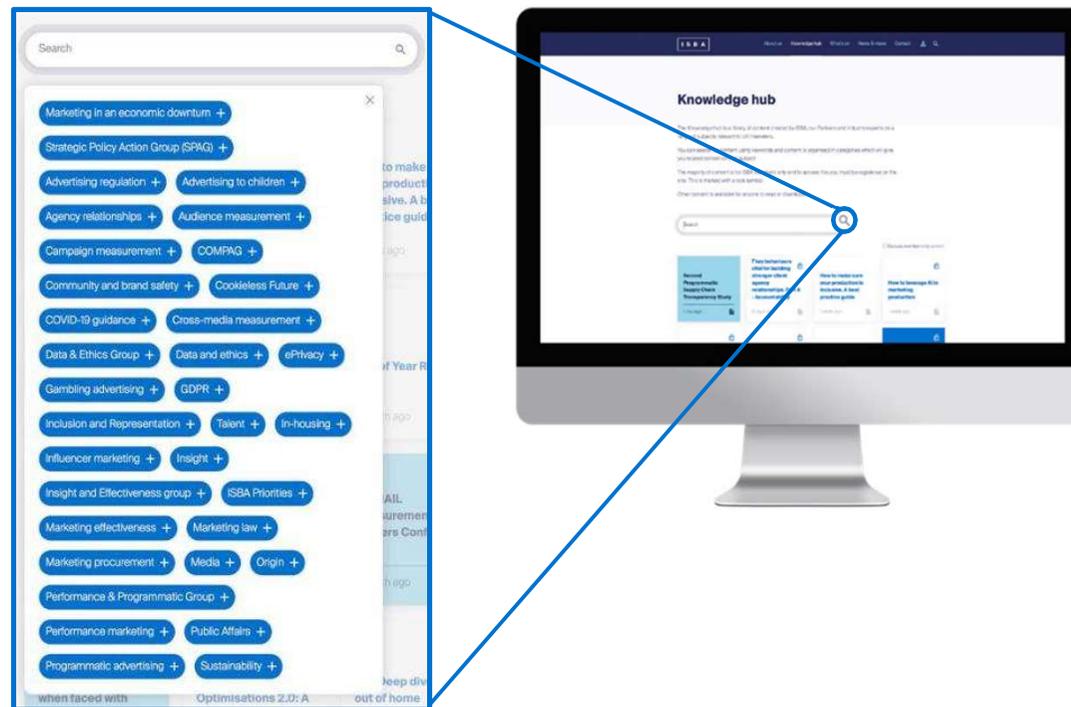
Inventory media?

How are other advertisers using, or not using, inventory media?

Creative Testing?

What is considered best practice ? What reaps the clearest, most accurate results?

- Over a 200 pieces of content
- Driven by ISBA group workstreams from
 - Media Leaders
 - Insight & effectiveness
 - Data & ethics
 - TV & Video
 - Performance & programmatic
 - Influencer Marketing
 - Inclusion Network



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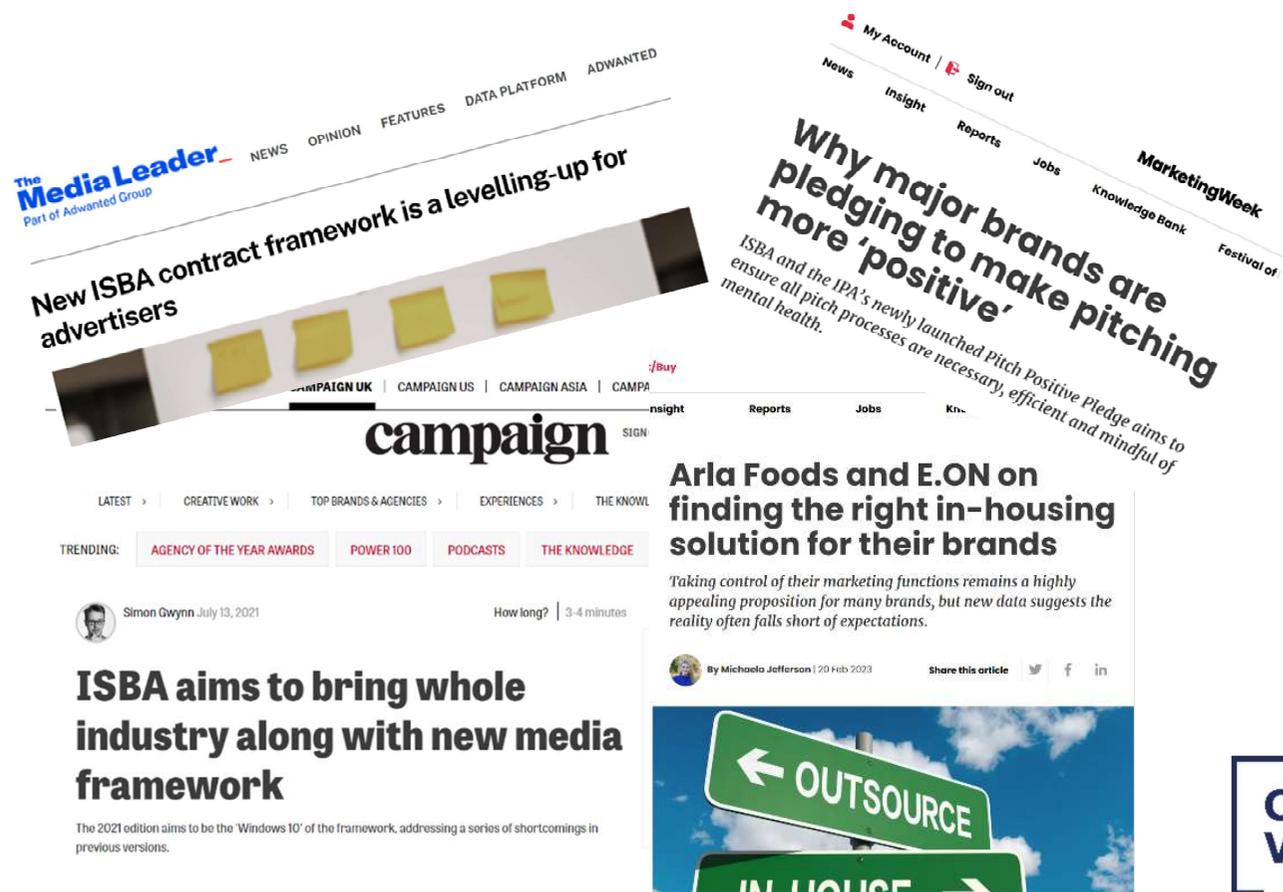
Nick Louisson
Director of Agency Services

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Guidance & support to build supplier relationships that deliver long term value

- Delivering Commercial benefit & Transparency
- How ethical behaviours drive improved outcomes
- Planning for success



ISBA

Our Partnership Programme

Alchemists

aprais

//CRC | CLAIRE
RANDALL
CONSULTING



ebiquity

Ekimetrics.

ENTROPY

Financial
Progression
Marketing Contract Compliance

FREEWHEEL
A COMCAST COMPANY



ingenuity

KEP
LER

LEAD

measure
.monks

MEDIA
MONKS

MediaSense®

Observatory
International

pwc

tag.

Teads

THE APERTO
PARTNERSHIP



ISBA

Guidance & support to build supplier relationships that deliver long term value

Key Priorities 2023

- **Improve transparency of advertiser contracts with media agencies**
- **Reinvigorate ISBA's Marketing Procurement Community**
- **Support the broader priorities via ISBA's partner programme**



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Questions?

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