

IDENTITY REPORT 2024 | USA

The Identity Innovators

Lessons from global marketing leaders who are creating the new identity fabric of the internet

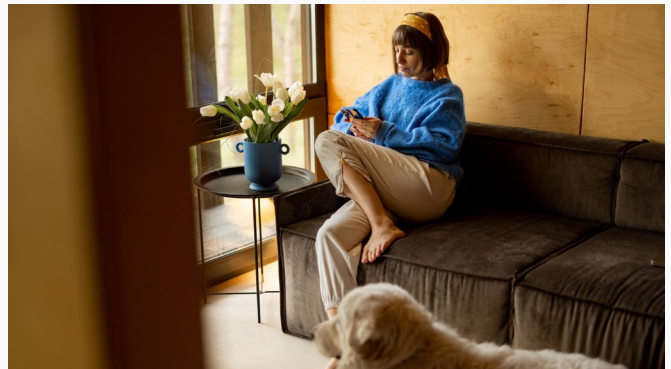
About this report

After nearly five years of planning to deprecate third-party cookies in its Chrome browser, Google has reversed course for the time being. But the industry is already moving toward a world without them. In part, that's down to new internet identifiers that work across channels, not just in display. It's also because of innovation in fast-growing digital channels, such as connected TV (CTV) and streaming audio, that never used cookies to begin with.

"The industry will likely end up in the same place," Anthony Katsur, CEO of the IAB Tech Lab, told *The Current*, referring to a world without cookies. "We're just taking a different, potentially longer route to get there."

Marketers can now take control of their own destiny and create a plan to future-proof their advertising regardless of what happens to cookies, or when. In this report, we share learnings from a recent study The Trade Desk Intelligence conducted with Hypothesis Group. Through a series of interviews, researchers explored the perspectives of global brands, agencies and their leaders who are ahead of the curve — a group we refer to as identity innovators. These experts — based in the U.S., U.K., Thailand and Hong Kong — have developed identity strategies, tested new solutions and put their learnings to work.

Above all, they are taking a proactive approach to building relationships with consumers and delivering valuable, relevant



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Brian DeCicco
President of Data Strategy
Choreograph North America

messages to them. These experts are motivated by the fact that marketers today have access to a range of tools to help drive relevance and addressability across channels in ways that cookies never could.

This study reveals that the identity innovators' approach is shaped by four critical tenets.

4 critical tenets

1

Embrace identity independence.

Recognize that an over-reliance on cookies limits marketers' ability to build relevant omnichannel strategies that are fit for purpose.

2

Power your plan with data.

Pair alternate identifiers with first-party data and supplement gaps with AI to find your ideal audience.

3

Test for what matters.

Test a range of solutions to understand what has interoperable staying power; then implement learnings and optimize to scale.

4

Align teams on the mission.

Champion an organizationwide shift to support a plan for identity independence.

Embrace identity independence

Recognize that an over-reliance on cookies limits the ability to build relevant cross-channel strategies that are fit for purpose.

The global marketing and agency leaders interviewed for this survey believe the uncertainty around cookies has benefited their business. They have seized the opportunity to build their data wealth and forge connections with consumers through omnichannel experiences. And they all say there are already enough signals without cookies to reach audiences with confidence.

In fact, nearly 80% of ad opportunities seen by The Trade Desk contain multiple identifiers.¹ And first-party data is playing a significant role in this step of the process.

“Clients understand that any first-party data that they can own will allow them to do much more than they are today,” says one of the innovators in our study, Anthony Scarola, VP of media and programmatic lead at VaynerMedia. “It’s a much more homed-in and valued user that will be a better source of truth.” Understanding your first-party data helps inform how you work with identity partners and providers to land the right IDs for your campaigns.

As Brian DeCicco, president of data strategy at WPP’s data and technology company Choreograph, suggests: “It’s about a future-fit strategy. One part of that is, yes, identity based. Another part of it is asking ourselves, ‘How do we think about other signals, and mechanisms to connect those signals together to form relevance that we can activate on?’”



The takeaway

Assess your cookie-related vulnerabilities, take stock of your first-party data and lay the groundwork for reliable identifiers to help build new approaches to authentication.

¹ The Trade Desk platform data, 2024.

Power your pivot with data

Pair new solutions with first-party data and supplement gaps with AI and alternative identifiers of your ideal audience.

When it comes to first-party data, brands are often grouped into “haves” and “have nots.” But this view is overly reductive. Most marketers sit on a spectrum between the two, and even “data-deprived” advertisers have options to expand their footprint.



57%

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However much (or little) first-party data you may have, it's critical to protect its utility in a changing data landscape. All the innovators recommend immediately activating first-party data from CRM databases, customer data platforms (CDPs) and other platforms in conjunction with new identity solutions. The goal is to understand how well those solutions can authenticate your audiences and enhance the efficiency of your buys across digital touchpoints.

If the audience reach available with first-party data activations falls short of a marketer's goals, innovators suggest using customer data to seed new audiences. More than half (57%) of experts interviewed mentioned using such lookalike audience approaches.

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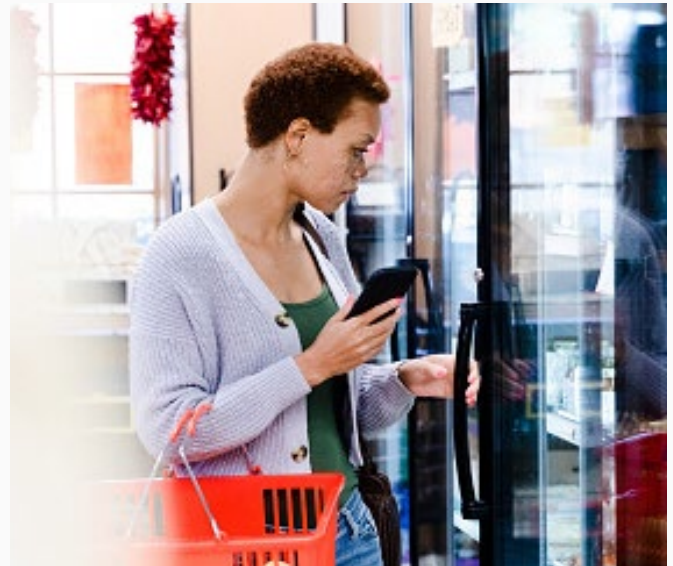
Innovators also highlighted AI's growing ability to extrapolate large audiences based on relatively small first-party data sets. At Blue Insurance, these advances have allowed the brand to query its own first-party data to develop lookalike segments using smaller data sets than were previously required to do the same task. "If the internal data on a specific product has only 1,000 conversions, AI can help us use those 1,000 conversions to do an internal lookalike to find within the audience who is more likely to buy this product," says Kevin Tsang, former VP and head of distribution and marketing at Blue Insurance.

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At the same time, another innovator in our study, Unilever Thailand, saw strong results when leveraging new cross-channel identifiers, such as Unified ID 2.0 (UID2). The CPG giant needed an audience-targeting solution to build awareness for its Sunlight brand, the region's popular dishwashing product. Looking to implement

an alternative strategy, the brand launched a global-first initiative with UID2 on The Trade Desk's platform, targeting encrypted phone numbers. The effort outperformed email addresses, with 13% higher viewability, and boasted a 1.9X higher click-through rate than second-party data targeting. Furthermore, the UID2 lookalike modeling approach achieved the campaign's video completion rate goal of 93%.



The takeaway

Lean into data-driven solutions and new identity innovations that enable relevant connections, prioritize privacy for customers and offer performance transparency.

Test for what matters

Test a range of solutions to understand what has interoperable staying power; then implement learnings and optimize to scale.

According to a recent [study from Statista](#), U.S. businesses increased spending on identity solutions by more than 3X from 2018 (\$3 billion) to 2023 (\$10.4 billion). This investment signals the importance of testing for the right solution, which innovators say is critical.

Experts recommend testing multiple alternative IDs, such as UID2, that have established scale within different types of inventory. For example, UID2 can scale within CTV and audio, where cookies don't exist at all. Ultimately, your alternative IDs work with your first-party data to reach ideal audiences across channels.

“The approach we take is first understanding which alternative solutions make sense

given the risk profile and preparedness level of a given client to navigate this risk,” says Choreograph’s DeCicco. “We build a bespoke action plan that allows us to build smarter test-and-learns that are informed by what the group is already seeing and doing. We can start to build some collective intelligence on how those tests are working.”

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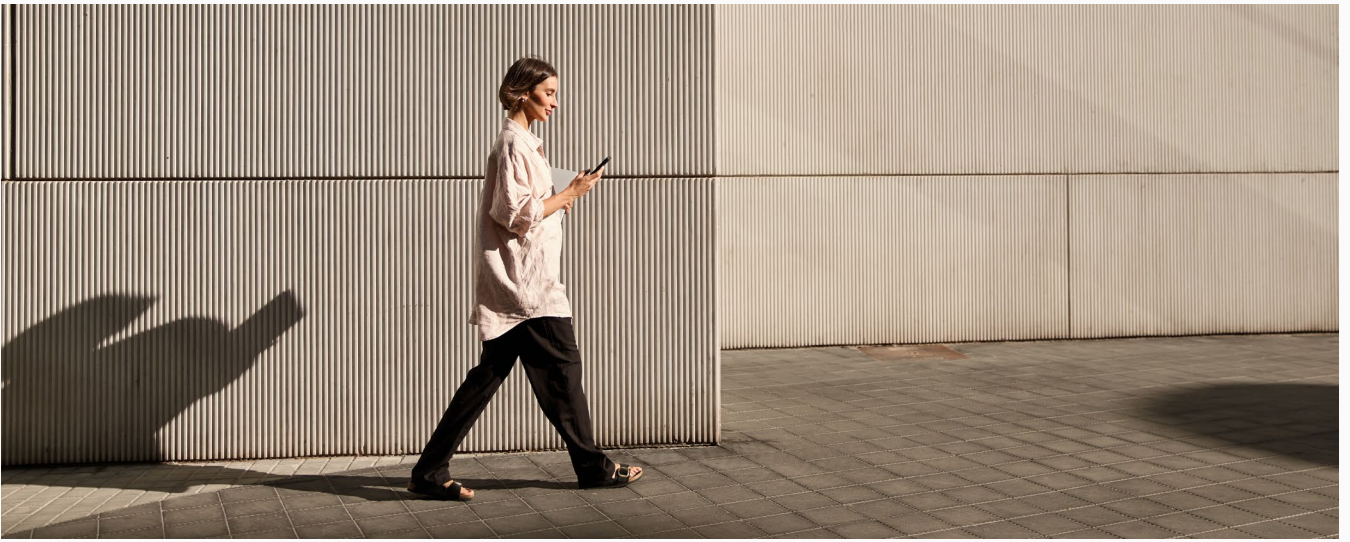
Ryan Eusanio

SVP of Video and Programmatic
Omnicom Media Group



The takeaway

Before you implement suggested test-and-learn strategies, have a goal in mind beyond scale and IDs. Whether it's your ability to scale in a specific channel or against desired premium inventory, be clear on how scale supports your KPI.



How HP activated its first-party data with a new ID

One of our identity innovators, global IT company HP, recently matched its first-party data to digital and CTV audiences using UID2.

Using device registration data from its CDP, HP reached authenticated audiences on Disney+ and Hulu. While UID2 is available through multiple third-party demand-side platforms, HP managed this campaign on The Trade Desk.

Once it had successfully matched its first-party data to CTV audiences, HP divided the matches into segments, such as students, IT workers and freelancers. Messages and product offers were then directed to each of these cohorts — for instance, laptops for students and scanners for IT employees.

“The core foundation around which UID2 was built is based on a human, not a cookie that can just get refreshed. It was

a huge shift in how we’ve been thinking,” says Kumar Ram, VP and global head of marketing data sciences at HP.

The CTV campaign helped boost unique engagement, reaching 8% of an estimated 12.5 million targeted households. Better exposure data also allowed the brand to more tightly manage frequency, helping to free up more budget to find previously unreachable audiences.

Furthermore, HP reduced its reliance on walled gardens.

“With a majority of our spend going to Google, we realized we needed some neutrality,” Ram says. “UID2 offered an approach for us outside of Google, outside of Meta and outside Amazon that allows us to transcend platforms.”

Align teams on the mission

Champion an organizationwide shift to support a plan for identity independence.

Now that you've chosen which solutions to test based on factors such as the quality of your first-party data, current reliance on cookies, media and channel mix, and platform interoperability, create a plan for scaling across lines of business and campaigns to maximize learning and optimizations.

Innovators recommend that marketers customize IDs and strategies to each initiative and desired outcome, because identity is not one-size-fits-all, even within the same brand. This is especially true for agencies.

Furthermore, 71% of the innovators we talked to agree that garnering buy-in from clients and internal teams is a challenge. That's why they believe it is crucial to arm teams and decision-makers with insights and incentives that drive consensus across the organization.

"We're not making one big bet, and we're doing that on purpose. We're spreading our resources across solutions knowing that we're going to have to build a portfolio-based solution for our clients," says another expert in our study, Matt McIntyre, SVP of product strategy at Choreograph.

The indecision over cookies underscores the importance of identity independence. Innovators who embrace these principles

can employ a range of solutions to reach audiences with more precision and confidence.

"I think of [a cookieless approach] as having a multitude of signals that you can dial up and down based on the specific environment or channel," says Ryan Eusanio, Omnicom Media Group's SVP of video and programmatic.



The takeaway

New approaches to data and advertising that center consumer preference are gaining traction in the digital advertising industry. Building a portfolio of options for authentication provides the strongest opportunity for cross-channel relevance and addressability. Start by leaning on your marketing partners for help testing and implementing omnichannel campaigns to maintain consistency and quality of content. Early action offers the advantage of compounding data wealth and building a strategy that's right for your business.



A media platform built for the open internet

The Trade Desk helps brands and their agencies advertise to audiences across millions of ad-supported apps, websites and streaming providers all around the world. Our media buying platform is focused solely on the buy side and empowers advertisers with the data, transparency, and precision they need to reach and grow their audiences everywhere. We help power the content that fuels the free and open internet.

For more information, contact us [here](#).

As part of this research, The Trade Desk Intelligence and Hypothesis Group conducted extensive interviews with seven brand and agency leaders based in the U.S., U.K., Thailand and Hong Kong in Q1 2024. Following the news of Google's latest proposal on third-party cookie deprecation, our researchers checked back in with these leaders for updates on their perspectives.

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