



## Spain Programmatic In-Housing:

Adoption Rate, Benefits, Depth, and Types of In-House Buying Functions Versus Europe

APRIL 2019

Sponsored by



Accenture Interactive

*This report was produced by the IAB. The final report, findings, and recommendations were not influenced by external sponsors.*

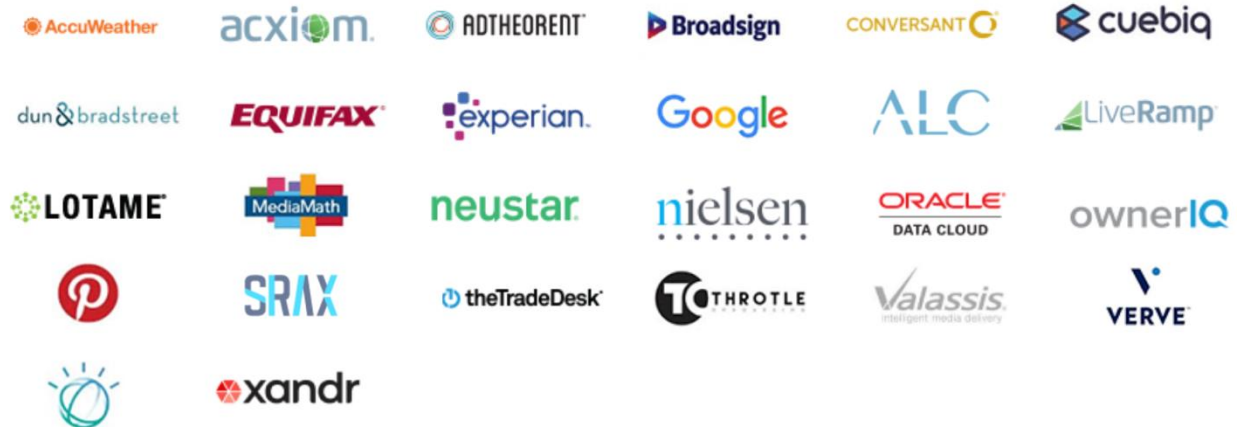


## ACKNOWLEDGMENTS

This report would not have been possible without oversight from the IAB Data Center of Excellence board members and the collaboration and financial support of our sponsor, Accenture Interactive.

The final report, findings, and recommendations were not influenced by external sponsors.

### Board Members



### Sponsored by

Accenture Interactive

Additionally, we extend our deepest appreciation to all the marketers, publishers, technology developers, and service providers that have contributed their time, insight, and enthusiasm in support of this report.

### The Author

Gerard Broussard, Principal  
Pre-Meditated Media, LLC

### IAB Contact

Orchid Richardson  
VP & Managing Director  
IAB Data Center of Excellence  
orchid@iab.com

## TABLE OF CONTENTS

<b>INTRODUCTION .....</b>	<b>3</b>
<b>Executive Summary .....</b>	<b>3</b>
<b>Background, Objectives, and Defining Programmatic.....</b>	<b>5</b>
<b>PROLIFERATION OF PROGRAMMATIC .....</b>	<b>6</b>
<b>DRIVERS OF PROGRAMMATIC IN-HOUSING .....</b>	<b>10</b>
<b>THE DEGREES OF PROGRAMMATIC IN-HOUSING.....</b>	<b>11</b>
<b>FIVE THINGS BRANDS SHOULD DO .....</b>	<b>13</b>
<b>NAVIGATING GDPR .....</b>	<b>15</b>
<b>APPENDIX .....</b>	<b>20</b>

## INTRODUCTION

### Executive Summary

- **Spain Programmatic In-Housing Report Overview** – This report provides survey results of brands' adoption rate of programmatic in-housing, in-housing drivers, type and depth of in-house buying functions, and GDPR impact focusing on Spain within the context of four other European markets: France, Germany, Italy, and the UK. It includes insights into the drivers and challenges of in-housing based on one-on-one interviews conducted among UK and other European-based brand advertisers actively involved in programmatic buying.
- **Digital Ad Spending in Spain: The Upward Trend Continues** – Digital ad spending in Spain, including display, mobile, video, and search, continues its steady ascent, and is expected to climb to \$2.57 billion by 2020, according to eMarketer. As digital marketing and advertising investments surpass other media forms, programmatic in-housing becomes attractive for brands that desire to more closely control their digital advertising strategy and outcomes.

### European Brand Discussion Insights

These key directional drivers emerged during brand interviews:

- **Brand Destiny** – Brands emphasized the merits of in-housing as a way to control their own strategic destinies that lead to growth acceleration
- **Globalization** – Brands with worldwide footprints are beginning to coordinate in-house efforts across markets as part of multi-year plans
- **GDPR Impact** – All brands have experienced nominal GDPR impact on their businesses; according to one brand, the regulations helped to improve its data quality
- **Expanding In-Housing Beyond Display** – Some brands have their sights set on adding search, digital video, or social to in-house capabilities, signifying a long-term commitment to expanding programmatic functions beyond display

These in-housing challenges surfaced during brand interviews:

- **Cross-Channel Strategy Disconnect** – One brand expressed concern about developing in-house silos where specific digital advertising channels are planned and executed in isolation (e.g. separate display and search) and across media (e.g., digital and TV)
- **Internal Resources** – For the most part, in-house staff for tactical activities such as optimization, placement, and results reporting is in short supply; media agency partners generally fill this gap

## Spain Survey Highlights

- **Spanish, UK, and Italian Brands Lead European Programmatic** – Seven out of ten Spanish, UK, and Italian brands were currently involved in programmatic ad buying, well above the 65 percent norm across Europe. Meanwhile, German (48 percent) and French brands (63 percent) registered lower programmatic buying engagement, reflecting the heavy focus on consumer privacy in those two countries.
- **Non-Programmatic Brands in Spain and Italy are Most Likely to Explore Programmatic** – Seven out of ten Spanish (74 percent) and Italian (70 percent) brands not currently involved in programmatic are poised to investigate the programmatic process during the next 12 months, outpacing the 53 percent rate across all European brands by a wide margin.
- **86 Percent of Programmatic-Active Brands Have In-House Capability** – At 78 percent, the Spain in-house rate was lowest among the five markets. In-house setups are divided by brands having fully moved buying functions in-house (47 percent) versus those with partial capabilities (39 percent) involving media agency partners.
- **GDPR Nominally Affected Programmatic Ad Spending** – Across Europe, over two thirds of brands indicated that programmatic ad spending actually increased during the eight months following GDPR inception, suggesting that marketplace demand softened GDPR impact. 78 percent of Spanish brands indicated some increase in spending, the highest among all European brands.
- **GDPR Positively Affected Data Quality** – Nearly one third (32 percent) of Spanish brands felt strongly that data quality improved, the highest across all five markets and likely achieved through more precise verification of consumers who consent to be tracked and reported.
- **GDPR Had Moderate Impact on Data Loss** – Across Europe, less than one out of five brands (18 percent) felt strongly that their volume of data was compromised after GDPR rules were put in place. Spanish (13 percent) and UK (7 percent) brands expressed the lowest concerns regarding data volume loss.
- **Drivers of Programmatic in-Housing** – The primary motivations for programmatic in-housing cited by Spanish brands surveyed were found to be cost efficiency, audience targeting, and campaign effectiveness, all of which are wrapped in brands' desire to drive business by controlling their own destiny.
- **The Dynamics of Programmatic In-Housing** – Brands tend to prioritize in-house resource allocations for strategic programmatic activities but favor working with partners when executing tactical and technical programmatic functions, where full in-house capability investment requirements are substantial.
- **Strategic/Managerial Functions More Likely to Be Internal** – Across Europe, higher-level programmatic functions, including media strategy, audience planning, and validation, establishing KPIs, data science and direct control of contracts with DMPs and DSPs, tend to be positioned lower on the list of outsourced activities. Campaign

strategy topped Spain's list of outsourced functions, perhaps because Spanish brands are more prone to outsourcing in general, relative to other programmatic functions.

- **Brands Prefer to Outsource the Tactical Middle Ground** – The brands surveyed were moderately more likely to outsource trafficking, campaign analysis, and optimization than strategic/managerial functions. Many of these tactical activities could be shared with one or more agency or DSP partners.
- **Highly Specialized Technology Most Likely to Be Outsourced** – Not surprisingly, brands were more prone to outsource highly-specialized programmatic functions such as data management, technology build-outs, and training.

### **Background, Objectives, and Defining Programmatic**

Programmatic advertising execution has become the norm for targeting and placing digital advertising, at scale and with minimal overhead. During the past few years, marketers have increasingly brought programmatic ad placement functions in-house. In May 2018, IAB and Accenture Interactive issued “Programmatic In-Housing: Benefits, Challenges, and Key Steps to Building Internal Capabilities,” a U.S.-based report that provides key insights into a wide spectrum of core in-housing aspects: the prevalence of in-housing, benefits to brands, challenges, depth of in-house functions and the planning and building of an internal operation. The 2018 study found that programmatic strategy is most deeply integrated into their organizations, while tech stack, media tactics, and execution are outsourced to partners at data management firms, media agencies, and demand-side platforms (DSPs), respectively.

During February and March of 2019, a version of the U.S. survey was conducted in five European markets: France, Germany, Italy, Spain and the UK which also added questions about the impact of GDPR and future programmatic planning.

This report was conducted by the IAB Data Center of Excellence, in collaboration with Accenture Interactive, and aims to facilitate meaningful conversations among buyers, sellers, and vendors about the current landscape and evolution of brands' programmatic in-housing trend and promote informed evaluation and guidance related to this practice. The key objectives of this report are:

- To examine how programmatic in-housing has evolved to date in Spain
- To identify benefits/drivers of in-housing practices for brands
- To provide detail on the types and level of programmatic in-house buying functions

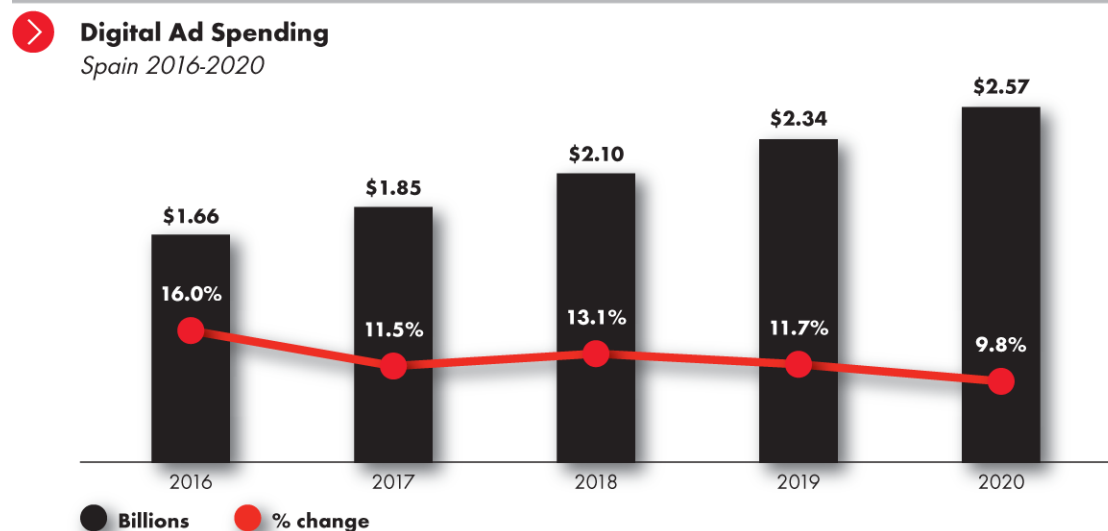
The insights in this whitepaper are based on a synthesis of perspectives from subject matter experts, gathered through one-on-one interviews as well as a quantitative IAB survey. Participants represented brands and presided over programmatic ad placement at their organizations.

**Programmatic Interpretation** – When asking about brands’ transactional activities, the survey questionnaire used the simple word “programmatic” which may be broadly interpreted by respondents given the continuing expansion of programmatic across display, search, video, etc. So, brands’ survey responses are likely to include any programmatic activity that fell within the digital media spectrum.

## PROLIFERATION OF PROGRAMMATIC

### Digital Ad Spending in Spain: The Upward Trend Continues

Digital ad spending in Spain, including display, mobile, video, and search, continues its steady ascent and is expected to climb to \$2.57 billion by 2020, according to eMarketer. As digital marketing and advertising expenditures surpass other media forms, programmatic in-housing becomes attractive for brands that desire to more closely control their digital advertising strategy and outcomes.



Source: eMarketer, February 2019

### Digital Diversification

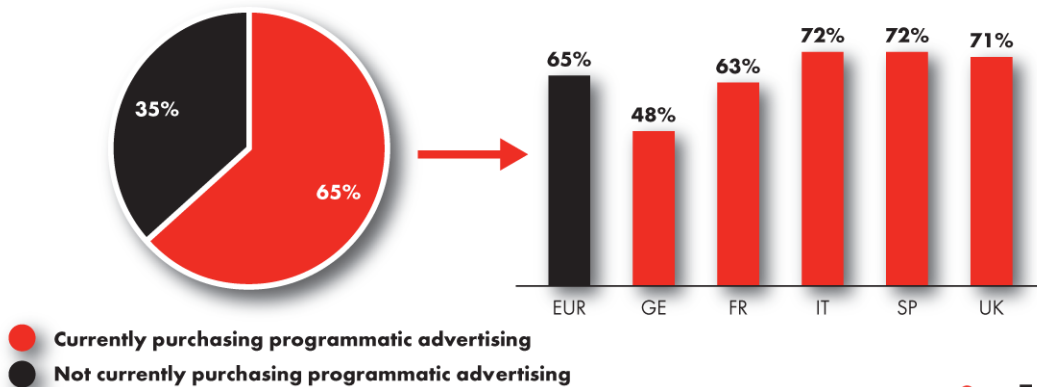
During our interviews with brands, one brand marketer sees programmatic in-housing starting with display and expanding to other digital marketing and advertising forms, such as search and social media buys. “We’re not just thinking about what all this (in-housing) looks like long-term programmatically, it’s what does it start to look like long-term digital,” a brand marketer said.

### Spanish, Italian, and UK Brands Lead European Programmatic

The Ipsos MORI survey of advertisers in five European markets found that seven out of ten Spanish, Italian, and UK brands were currently involved in programmatic ad buying, well above the 65 percent norm across Europe. At 48 percent, German brands registered the lowest programmatic buying engagement rate. The German Data Protection Act, considered one of the

strictest in the world, has been in effect for decades and may explain why reported programmatic activity is lower in Germany than in other European markets. France, another market with heightened consumer privacy, was about average in terms of brands' programmatic activity.

**Prevalence of Brands Purchasing Advertising Programmatically**  
Currently Purchasing Advertising Programmatically



Source: Ipsos MORI Omnibus, March 2019  
Base: Total; EUR: 950, GE: 200, FR: 200, IT: 200, SP: 150, UK: 200

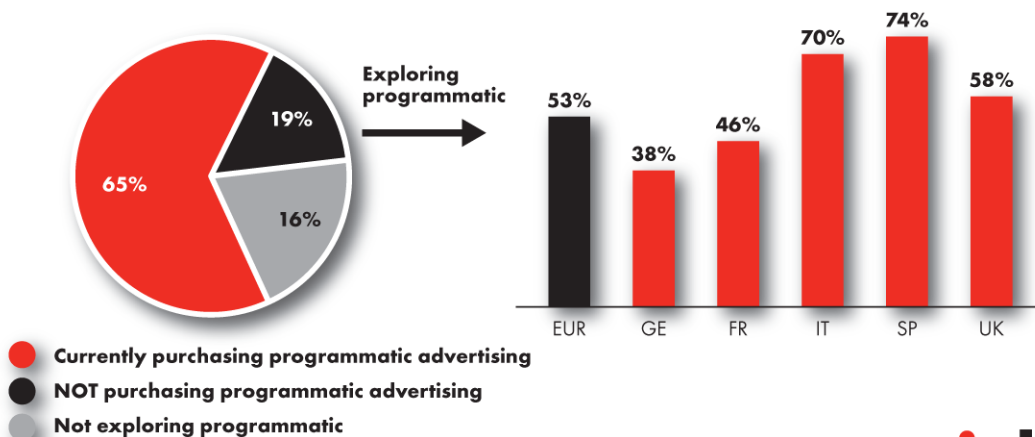
**Non-Programmatic Brands in Spain and Italy are Most Likely to Explore Programmatic**

Across the five markets, more than half (53 percent) of brands not currently buying programmatically are likely to investigate programmatic transactions within the next 12 months. Non-programmatic brands in Spain (74 percent) and Italy (70 percent) appear to be poised more than other markets to delve into programmatic. German brands (38 percent) and French brands (46 percent) expressed lower rates of interest in looking at programmatic, likely reflecting the degree of privacy concerns in those markets.



## ➤ Exploring Programmatic Advertising in Future

Is your company likely to explore programmatic advertising in the coming 12 months?



Source: Ipsos MORI Omnibus, March 2019

Base: Brands not purchasing programmatic advertising in-house; EUR: 336, GE: 104, FR: 74, IT: 57, SP: 42, UK: 59

## Depth of In-Housing Programmatic Varies

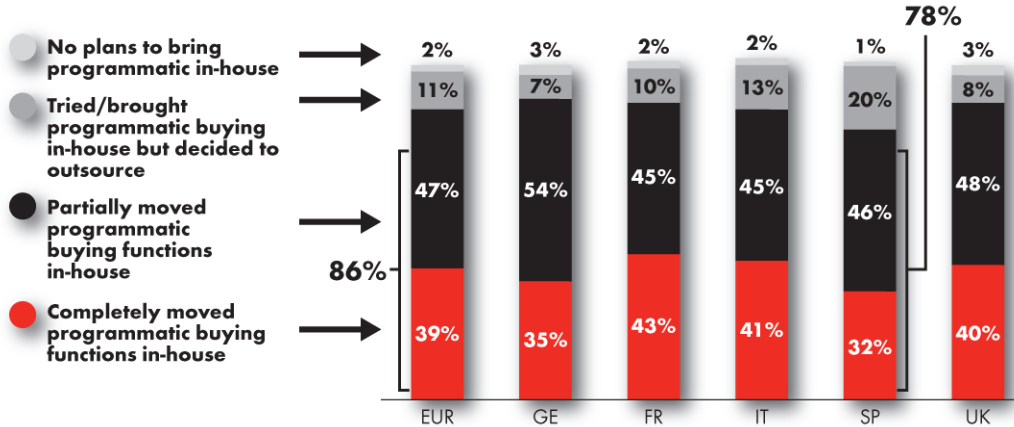
A fully autonomous in-house programmatic capability is one where the ad-serving tech stack is owned and/or operated by the brand and integrated with media strategy, ad operations, optimization, and stewardship – all internal functions. When defined in this way, full-bore in-house operations are atypical, given the commitment of time, resources, and expertise required for most companies. For this report, in-housing is defined as having completely or partially moved programmatic buying functions in-house, keeping in mind that IAB survey respondents may take a more liberal view of qualification criteria for an in-house operation, perhaps focusing more on strategic functions than tech stack, for example. So the level of in-house programmatic engagement runs the gamut from full immersion of functions to hybrid set-ups that combine both in-house and partners for ad execution.

Within the 65 percent of brands reporting to be programmatically active, a significantly large portion, 86 percent across all five markets, have either fully or partially moved programmatic buying functions in-house and plan to continue this course of action. At 78 percent, the Spain in-house rate was lowest among the five markets. Following provides additional detail on the depth of in-housing:

- **Completely Moved In-House** – German (35 percent) and Spanish (32 percent) brands were least likely to have fully moved programmatic buying in-house, perhaps reflecting Germany's privacy concerns and Spain's penchant for outsourcing.
- **Tried but Decided to Outsource** – Overall, Spain was more likely to go the outsource route after internal testing: 20 percent of Spanish brands conducted in-housing trials and decided to outsource, nearly double the brand norm across the five markets.
- **No Plans to Bring Programmatic In-House** – Just 2 percent of brands across the five markets will continue to depend on media agencies and DSPs to execute their programmatic functions.

## Depth of In-Housing Programmatic Ad Buying

Programmatic Buying Practices



Source: Ipsos MORI Omnibus, March 2019  
Base: Brands that are buying advertising programmatically; EUR: 614, GE: 96, FR: 126, IT: 143, SP: 108, UK: 141

Our discussions with marketplace leaders depicted an evolutionary process of in-housing, whereby brands are situated at the crawl, walk, and run stages of development. A brand marketer, for example, will be testing in-housing in one or two markets to decide whether they would like to move forward. The test involved these key steps:

- **Industry Exploration** – This involved speaking to vendors and brands to identify how they had tested in-housing aspects of their media buying so we could establish a clear hypothesis for the test.
- **Internal Infrastructure Discovery** – This assessment was conducted by an independent consultant to identify potential internal process, resource, and capability gaps across the business.
- **Impact on Media** – This test looked to identify any impact on media efficiency and effectiveness programs and risks on brand safety and quality.

Another brand marketer, meanwhile, has just passed the 18-month mark for bringing programmatic functions in-house, most notably data management and media strategy activities. According to our brand marketplace leader, the first 12 months were spent putting automation in place that supports all of the buying activities, which has now freed up more time for focusing on advertising strategy. Executional tasks such as optimization and stewardship are carried out by media agency partners. The firm has pledged a long-term commitment to developing internal programmatic capabilities as the initiative is part of a larger plan to consolidate and globalize their website, a plan that is folded under the five-year corporate blueprint.

Both of these marketers mentioned four of the five core steps that brands need to take when in-housing, which were identified in last year's (2018) study of in-housing in the U.S.

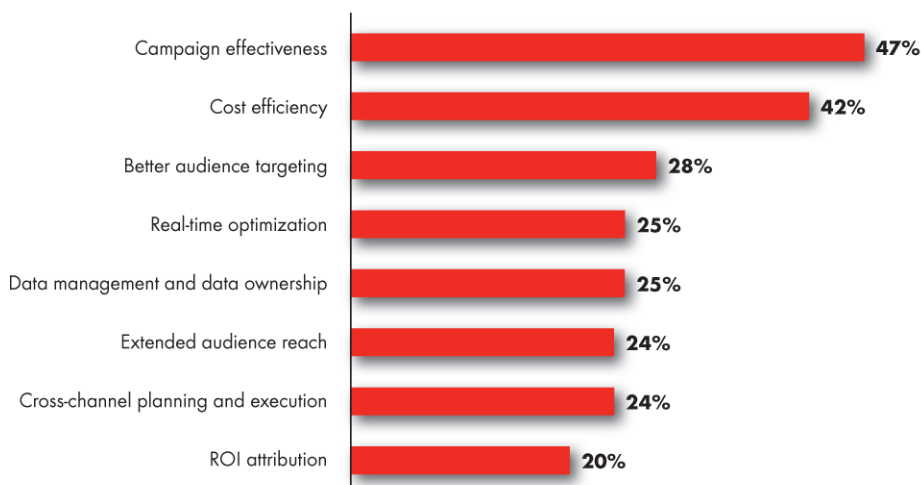
## DRIVERS OF PROGRAMMATIC IN-HOUSING

When brands are considering in-housing programmatic, the perceived benefits of internalizing the capability must be sufficiently attractive to justify the planning, investment and staff commitment required to go forward. When Spanish brands were asked to identify the top three benefits of an in-house operation, campaign effectiveness, cost efficiency, and superior audience targeting were high on the list, which figured closely with the European average and U.S. rankings from the 2018 study.



### Spain Drivers for Programmatic In-Housing

Top 3 Objectives for Programmatic Advertising (Currently Buying In-House)



Source: Ipsos MORI Omnibus, March 2019  
Base: 85 SP brands that are involved in programmatic in-housing

### Brand Destiny

Control of a brand's destiny is an underlying theme that ties together all drivers that motivate marketers to bring programmatic in-house. "We have now enough knowledge in our internal team to recognize how we want to work, what type of audience we want to focus on, we are managing all our campaigns, and so, there is absolutely no way and no reason why we would go back and re-outsource any of those capabilities," said a brand marketing leader. Another attractive aspect of in-housing is the notion that internal staff is much closer to the brand in terms of both resources and human allegiance. Presumably, a brand insider would be armed with more internal tools and possess sufficient corporate solidarity to be more productive than an outsider. One brand marketing leader asks the question: "How much would an FTE (fulltime equivalent) cost if we had them sitting at an agency versus if we had them sitting in our organization, much closer to our business?"

### Globalization

Brands with worldwide businesses appear to be setting their sights on the globalization of programmatic in-housing, an insight that emerged during brand discussions. As mentioned earlier, one brand marketer is baking programmatic in-housing into its long-term global plans for

centralizing and consolidating website and digital advertising initiatives. Another brand marketer expressed the need to test locally but think globally, with an eye towards harmonizing reporting taxonomy across markets, for example. The ultimate goal is to understand test results within the wider context of global measurement to inform how to roll out and expand internal programmatic capabilities.

## THE DEGREES OF PROGRAMMATIC IN-HOUSING

Programmatic in-housing can be defined in degrees of programmatic capability immersion rather than absolutes. The quintessential in-housing setup, where an ad tech stack sits within the brand organization along with media strategy, ad operations, optimization, and stewardship is relatively uncommon. Instead, the level of in-housing is marked by a varied mix of programmatic capabilities that tie to internal subject matter expertise, resources, organizational complexity and digital and data acumen.

Evaluating the rate of outsourcing of specific programmatic functions provides an indication of types of activities that brands deem vital and handled in-house. Following are the key degrees of programmatic in-housing seen through the lens of outsourcing activities; these Spain findings fall in line with what was reported in other European markets and the 2018 US report, although campaign strategy topped Spain's list of outsourced functions, perhaps because Spanish brands work closely with their media agencies to develop strategy.

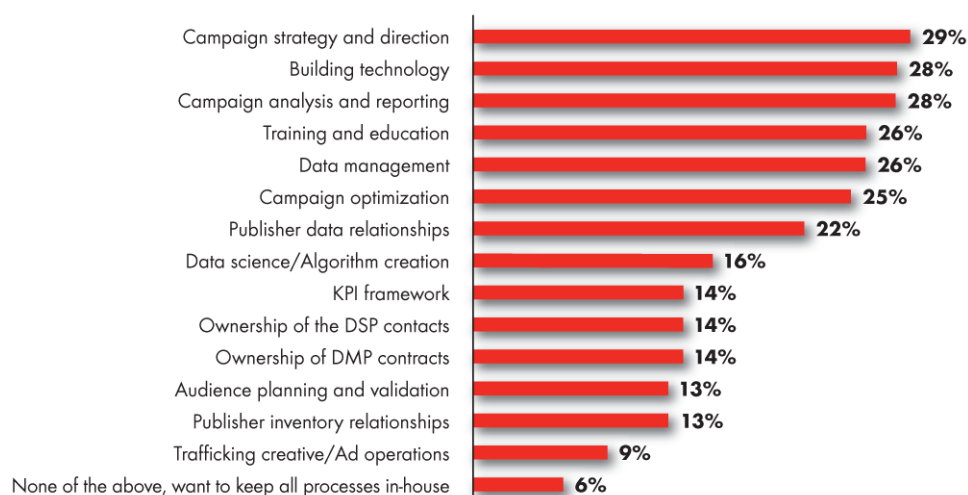
- **Managerial/operational functions are more likely to be internal.** High-level overseer programmatic functions, including audience planning and validation, establishing KPIs, data science and direct control of contracts with DMPs and DSPs, comprised the bottom half of the list of outsourced activities.
- **Tactical activities are shared or outsourced.** The brands surveyed were moderately more likely to outsource trafficking, campaign analysis and optimization than strategic/managerial functions. Many of these tactical activities could be shared with one or more agency or DSP partners.

- **Highly specialized technology is most likely to be outsourced.** Spanish brands were more prone to outsource highly-specialized programmatic functions such as data management, technology build-outs and training. Campaign strategy was the number one outsourced function, suggesting Spanish brands work closely with agency partners in developing strategy.



### Spain Programmatic In-Housing: Outsourced Functions

Outsourced Programmatic Advertising Functions (Currently Buying In-House)



Source: Ipsos MORI Omnibus, March 2019  
Base: 85 SP brands that are currently buying programmatic in-house

## Anatomy of Partnerships

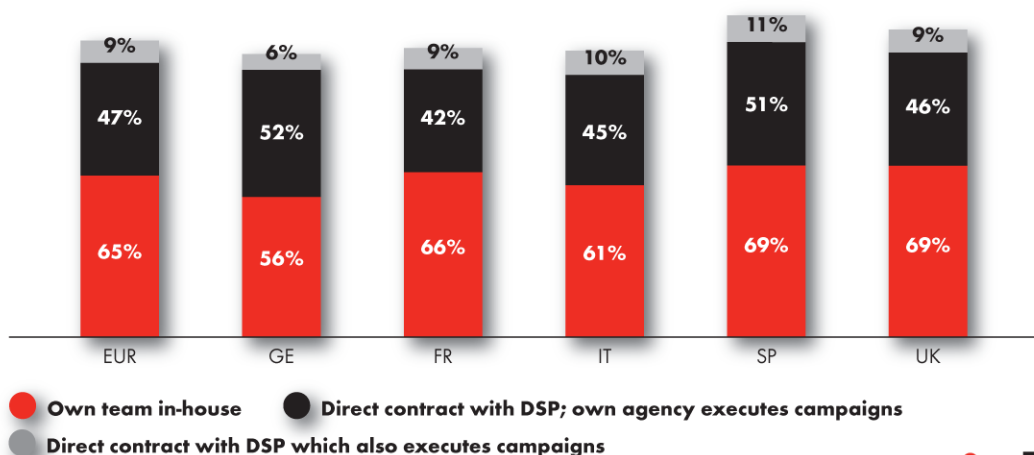
Across Europe, survey responses demonstrated brands' focus on gaining control of the more strategic aspects of the programmatic process with tactical and technical activities most likely to be outsourced. For example, a brand's DMP is arguably its most strategic source of marketplace leverage for developing distinct consumer segments and messaging strategies that drive incremental advertising productivity. But extracting full value from the DMP can be a collaborative process between a brand and outside partner. One marketer, for example, taps its DMP to develop consumer segments in collaboration with its media agency, who then manages the process of target activation with a DSP partner: "We set the audiences in the DMP with the relevant data we have. Then we talk with the media agency just to be on the same page and to decide the media strategy together, we establish the audiences, and then we create the audiences in the DMP and push them into the DSP." In this case, the media and targeting strategies evolve both internally (informed by DMP data) and with the media agency's input. Establishing a digital budget within the context of cross channel planning is another example of where brands may tap their media agencies for strategic input. "We're very reliant on the tools and the technologies from our agencies to give us the best steer on what that investment currently should look like," said one brand market leader.

Taking a closer look at partner relationships, brands reported having direct contractual ties with DSPs, however, they were apt to have their media agencies assume an intermediary role with

DSPs for campaign execution. Across all markets, 65 percent of brands reported that their in-house team presides over ad execution; Spain and UK in-house involvement was highest at 69 percent while Germany's 56 percent marked the low. During brand discussions, one marketer conveyed the goal of gaining more direct control of the DSP relationship during the next 18 months, both in terms of contract and data management.

### Programmatic In-Housing: Partner Ad Execution

Programmatic Buying Execution (Currently Buying In-House)



Source: Ipsos MORI Omnibus, March 2019  
Base: Brands that are involved in programmatic in-housing; EUR: 528, GE: 86, FR: 111, IT: 122, SP: 85, UK: 124

## FIVE THINGS BRANDS SHOULD DO

We asked our industry experts what key things brands should do when considering in-housing programmatic. Here are the five recommendations that stood above the rest:

### 1. Conduct a two-level internal assessment.

- **Media Performance** – Brands should assess how digital advertising is making a contribution to their marketing objectives and how programmatic in-housing may help to improve that performance. Even if the brand is outsourcing programmatic buying, it pays to check the quality of the placements. A CPG advertiser told us that brands should be asking what portion of people exposed to a campaign received the desired ad frequency rather than the average frequency across all viewers: “The difference is huge, and savings on frequency control alone can pay for an in-house program.”
- **Internal Cost-Benefit Analysis** – After taking stock of media performance, brands should invoke a fiscally-disciplined assessment of how in-housing could impact costs and revenues. A financial services leader advised the following: “A good first step is just a matter of doing an economic assessment of viability of in-house versus using an external party, whether it’s a managed service DSP, a traditional media agency, or

channel specialist agency. The economic assessment evaluates internal resources required to cover for all essential agency-provided services.”

2. **Create a ramp-up plan.** The in-housing process requires at least a full year to achieve operational readiness, including months of planning, organizational consensus, talent acquisition, and platform testing. One industry leader recommends an extra-time allowance to help get the operation on track: “We opened up a center of excellence where we were given more runway than the traditional organization would have to innovate and test and learn.” Make a time and resource commitment by creating a structured plan that lays out key timelines and milestones that everyone can follow.
3. **Practice data centrality and integrate multiple data sources.** An organization must cultivate a state of “data centrality,” where people, platforms, partners and processes are brought together to apply audience data as an actionable insight (The Data-Centric Organization, IAB 2018). At their extremes, data-centric practices can be either insular to the organization (first-party data only) or blend in third-party sources. Either way, success depends heavily on developing data management platform (DMP) vitality and a steady, consistent dialogue between DMP managers and marcom and media team end users for best results. A financial services brand, for example, recommends holding tight internal reins on customer data to achieve superior results: “Make sure you own the data, that is crucial. Marketers have a lot of data in-house and they cannot share all of it with external partners. Giving the digital marketing team access to everything provides more data points and allows them to understand how their advertising efforts are really driving business growth whereas, with external partners they won’t have full access.” Another marketer points out the benefit of integrating all sources of data to achieve success: “We wanted to have the ability to have full control of that data flow but really the introduction of our first-, second-, and third-party data into the DSP has been a real game changer.” A truly data-centric organization understands the trade-offs of working primarily with internal data versus blending with third-party sources.
4. **Establish a tech stack.** Assess whether to stand up an internal operation and/or outsource to a partner. Ensure potential partners are a good match for the brand’s advertising strategies:
  - **Technical Ability** – Flawless execution is ideal but keeping ad serving foibles to a minimum is more the reality. According to one industry leader, “The ad operations team, along with clean business practices, are the two chosen hallmarks when I look at a company to partner with.”
  - **Testing for Proof Positive** – Prospective partners should be tested prior to inking an agreement. One financial marketer put it this way: “We’ll test them first on a managed service and have their team run it and then if we see performance in the first month

that's when we'll get it to the compliance and contracts to bring that DSP in for self-serve. I always want to be testing. Always want to be learning."

- **Media Inventory** – In the words of one marketer: "Technology partners need to have access to unique media inventory that others don't; outside of Google, Facebook and Amazon, there are not many that can offer inventory at scale."
- **Support Commitment** – Partners should clearly understand the expected level of support. According to one marketer: "I always tell vendors that if I'm losing sleep at night because a program isn't operating as it should be. I want to make sure that they're also losing sleep at night."

5. **Attract and retain talent.** Brands looking to in-house programmatic should assess who can quickly be trained internally, whether their company is located in an area that can attract talent and whether in-house or external recruiters have the proper skill set to get the job done. One marketer we interviewed stresses the importance of getting talent selection right: "Make sure you hire the right talent because building a tech stack and capabilities in-house is just half of the battle. If you don't have the right talent then it's not going to work." Another interviewee emphasizes the importance of talent retention: "So, I think that the one no brainer is staffing. Are you able to attract the right talent and also are you able to retain that talent? A CPG brand marketer adds, "If you bring someone in-house and they leave, the intellectual capital goes out the door and who's going to run your media for you?"

## NAVIGATING GDPR

May 25, 2018 marked the day that General Data Protection Regulation (GDPR) laws went into effect in Europe, triggering massive compliance for firms to give consumers more control over the collection and use of their personal data. For advertisers and publishers, GDPR requires gaining consent for all types of tracking mechanisms used in targeting including IP address, cookies, location coordinates, and device IDs. The onset of GDPR heightened the possibility that European brands' targeting abilities would be blunted by consumers withholding consent for tracking.

### Importance of GDPR Compliance

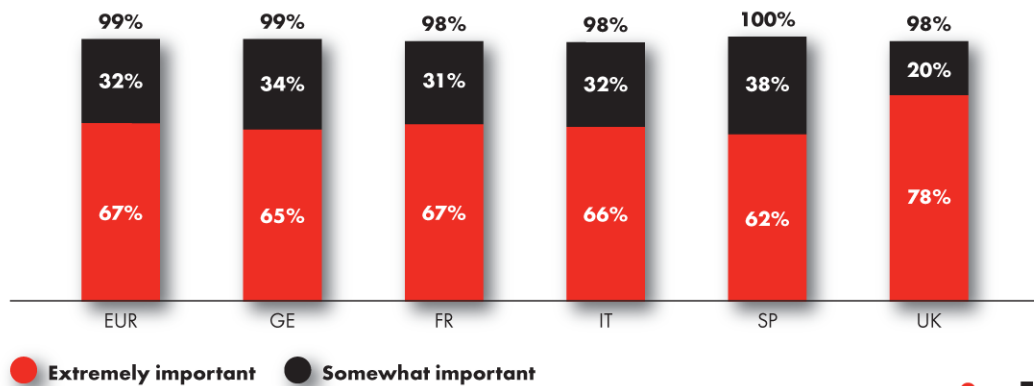
Our survey of brands collected vital information on the importance and impact of GDPR eight months after its inception. Virtually all brands (99 percent) considered GDPR compliance to be critical, with 67 percent expressing extremely or somewhat (32 percent) important. During interviews, one marketer conveyed the need to maintain GDPR compliance during programmatic transactions. "There's an element of fear when you're doing in-housing, that you don't have the agency to fall back on when something goes wrong. So GDPR and brand safety are two fundamental in-housing elements that need to be developed"





## Programmatic In-Housing: GDPR

Importance of GDPR Compliance



Source: Ipsos MORI Omnibus, March 2019

Base: Brands currently purchasing programmatic advertising in-house; EUR: 455, GE: 86, FR: 111, IT: 122, SP: 85, UK: 51

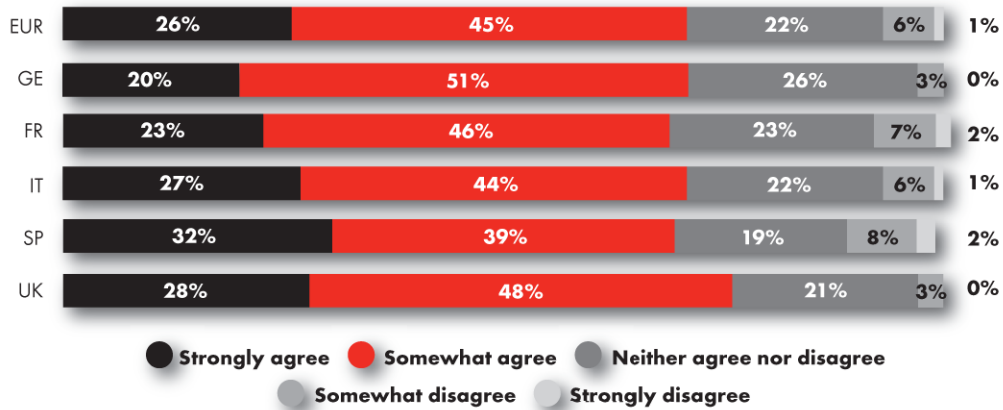
## GDPR Impact on Data Quality

Prior to GDPR, the advertising industry was concerned about the potential loss of targeting capabilities, given legal requirements that advertisers and publishers gain consent for tracking and reporting consumer digital activities, as well as permissible uses of customer data. For the most part, GDPR's impact on data and reporting was nominal on a number of measures, while actually accruing some benefits:

**Improved Data Quality** – 32 percent of Spanish brands felt strongly that data quality improved, the highest across all five markets and likely achieved through more precise verification of consumers who consent to be tracked and reported. According to one brand marketer, GDPR had a positive impact on data quality because “it allows us to get access to more qualified categories of people for our loyalty programs, those who are using our service on a regular basis.”

**GDPR: Impact on Data Quality**  
Impact on Data Quality 8 Months After GDPR

My data quality has increased since GDPR

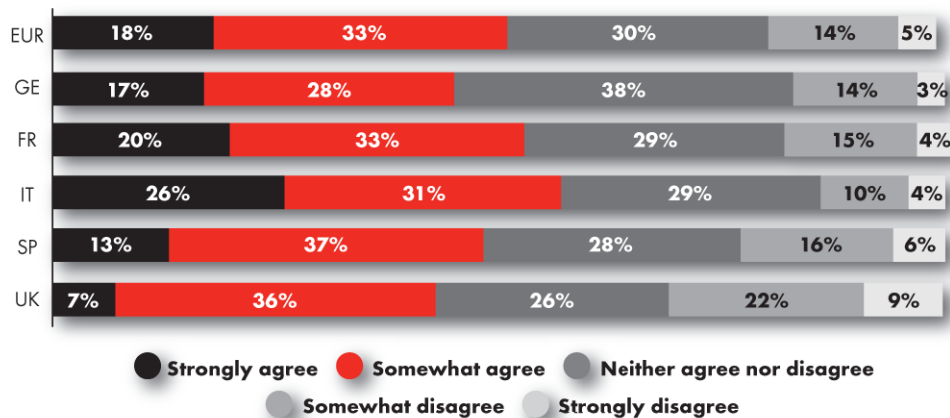


Source: Ipsos MORI Omnibus, March 2019  
Base: Brands that have brought programmatic advertising in-house; EUR: 521 GE: 93, FR: 123, IT: 140, SP: 107, UK: 58

**Nominal Data Volume Loss** – Across Europe less than one out of five brands (18 percent) felt strongly that their volume of data was compromised after GDPR rules were put in place. Spain (13 percent) and UK (7 percent) brands expressed the lowest concerns regarding data volume loss. On the opposite side of the spectrum, Italian brands more acutely felt their data loss with 26 percent of Italian brands reporting as such.

**GDPR: Impact on Data Volume Loss**  
Impact on Data Volume Loss 8 Months After GDPR

I have lost data volume since GDPR



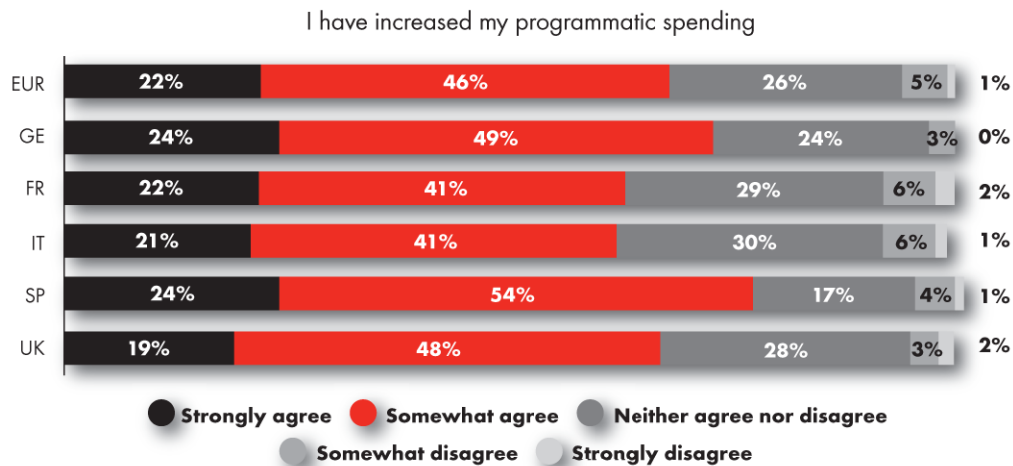
Source: Ipsos MORI Omnibus, March 2019  
Base: Brands that have brought programmatic advertising in-house; EUR: 521 GE: 93, FR: 123, IT: 140, SP: 107, UK: 58

## GDPR Impact on Programmatic Ad Spending

It appears that marketplace advertising demand played a role in quelling the potential drag that GDPR would impose on programmatic ad activity. Across Europe, over two-thirds of brands indicated that programmatic ad spending actually increased during the eight months following GDPR inception; 78 percent of Spanish brands indicated some increase in spending, the highest among all European brands.

### GDPR: Impact on Programmatic Spending

Impact on Programmatic Spending 8 Months After GDPR



Source: Ipsos MORI Omnibus, March 2019  
 Base: Brands that have brought programmatic advertising in-house; EUR: 521 GE: 93, FR: 123, IT: 140, SP: 107, UK: 58

## GDPR Impact on Consumer Trust

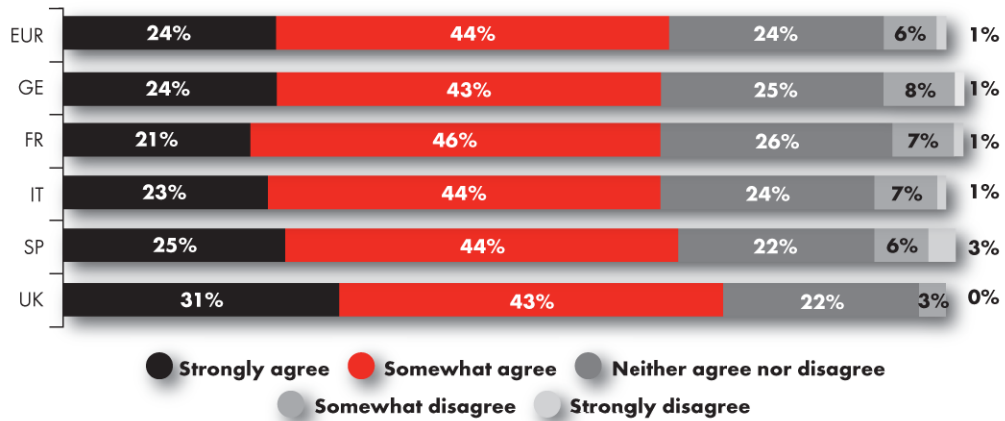
Across Europe, 68 percent of brands indicated an improvement in consumer trust. Spanish brands (69 percent) fell in line with this five-market benchmark, and placed second to the UK, where 74 percent of brands reported a gain in trust.



### GDPR: Impact on User Trust

Impact on User Trust 8 Months After GDPR

I have gained more user trust since GDPR



Source: Ipsos MORI Omnibus, March 2019

Base: Brands that have brought programmatic advertising in-house; EUR: 521 GE: 93, FR: 123, IT: 140, SP: 107, UK: 58

## APPENDIX

### Methodology

#### **IAB Programmatic In-Housing Survey**

- The quantitative results are based on Ipsos MORI Omnibus Survey fielded in March 2019.
- 950 European-based brand representatives participated in the survey. The respondents represent media decision makers across all job titles and 16 major ad categories.
- All are qualified as involved in making digital, television, mobile, radio, and/or print media decisions.

#### **IAB Programmatic In-Housing Thought Leadership Interviews**

- Gerard Broussard of Pre-Meditated Media, LLC conducted 4 one-on-one thought leadership interviews with advertisers and consultants that oversee and manage programmatic media buying and selling capabilities.
- The interviews lasted 30 minutes long and were conducted in March to April 2019.

#### **IAB Programmatic In-Housing Report Development**

Pre-Meditated Media, LLC authored the study by integrating insights from the Ipsos MORI Omnibus Survey, executive interviews, and industry research.

## ABOUT US



The Interactive Advertising Bureau (IAB) empowers the media and marketing industries to thrive in the digital economy. Its membership is comprised of more than 650 leading media and technology companies that are responsible for selling, delivering, and optimizing digital advertising or marketing campaigns. The trade group fields critical research on interactive advertising, while also educating brands, agencies, and the wider business community on the importance of digital marketing. In affiliation with the IAB Tech Lab, it develops technical standards and best practices. IAB and the IAB Education Foundation are committed to professional development and elevating the knowledge, skills, expertise, and diversity of the workforce across the industry. Through the work of its public policy office in Washington, D.C., IAB advocates for its members and promotes the value of the interactive advertising industry to legislators and policymakers. There are 43 IABs licensed to operate in nations around the world and one regional IAB in Europe. Founded in 1996, IAB is headquartered in New York City.



The IAB Data Center of Excellence is an independently funded and staffed unit within IAB, founded to enhance existing IAB resources and to drive the “data agenda” for the digital media, marketing, and advertising industry. IAB Data’s mission is to define boundaries, reduce friction, and increase value along the data chain, for consumers, marketers, and the ecosystem that supports them.

For more information on how to get involved, please contact [data@iab.com](mailto:data@iab.com).

## Accenture Interactive

Accenture Interactive helps the world’s leading brands transform their customer experiences across the entire customer journey. Through their connected offerings in design, marketing, content, and commerce, they create new ways to win in today’s experience-led economy. To learn more, follow them @AccentureACTIVE and visit <https://www.accenture.com/us-en/services/interactive-index>.