accenture | iab.

The Great Reset:

A new playbook for the
digital ad industry

In its 2021 Annual Leadership Meeting, IAB focused on "The Great Reset." It is an apt theme for the gathering of ad sales executives, given the tremendous upheaval and uncertainty that is pervasive across the ad ecosystem. In a follow-up event to that session, Accenture, IAB, and IAB members explored the key challenges facing the ad ecosystem and the strategies leaders are evaluating and implementing to navigate through this challenging time.

In this paper, we summarize the discussions, highlighting the key insights provided by session participants.

accenture | iab.

The 11 things ad sales leaders need to do now:

Given the current advertising environment, the Accenture- and IAB-led session articulated eleven actions that ad sales leaders should do now. More detail in the full report that follows:

Reimagine trust

01   Create a plan to analyze current non-authenticated users and model their behavioral and demographic profiles while cookies still exist.

02   Establish ad-buyer trust in your measurement and reporting metrics. Look for established solutions or partnerships that might accelerate your capabilities.

03   Layer trust into your customer experience by carefully considering your users' needs and establishing the right messages, images and journey in your product.

04   Build and prioritize a list of value exchanges you could have with your customers to ensure that they are receiving appealing return for authenticating with you.

accenture | iab.

Address sales workforce challenges

05 Create a checklist for when in-person interactions with clients make sense given the adoption and ubiquity of virtual tools.

06 Identify the surprising benefits of work-from-home interactions and incorporate them into your workforce experience.

07 Review your training and upskilling program and ensure that it includes skills needed in today's environment. Pay special attention to new skills needed due to virtual selling tools and emerging technologies.

08 Evaluate the versatility of your team to work across dynamic segments and channels and create a cross-training program. Identify gaps in collaboration between teams and work to close them.

Rethink sales tools

09 Evaluate your data-driven insights across teams and identify new opportunities to leverage customer or product data to enhance interactions with buyers.

10 Segment your buyers across multiple dimensions including category, size and behavior. Identify buying journeys for each segment and align them to high-touch and low-touch tools to ensure that each experience is right sized for the need.

11 Build a list of emerging channels (e.g. audio) and formats (e.g. shoppable content) and identify the right approach to each for your company. Consider how you will stay ahead of your competition as these technologies mature.

accenture | iab.

Big challenges:

No more cookies, blurring lines, and COVID-19 disruptions

While challenges abound across the ad ecosystem, three in particular rose to the top in our discussions.

accenture | iab.

Coming soon: a cookie-less future

Google's announcement in early 2021 that it would stop allowing the use of third-party cookies on its Chrome browser—and that it would not replace cookies with an alternative individual-tracking method—sent shockwaves across the digital advertising world.

accenture | iab.

Chrome joins Firefox and Safari, which already block third-party cookies by default, further reducing their usefulness to advertisers. This means ad sellers that rely on cookies will have to find another way to target users. Google has since given advertisers a temporary reprieve of sorts, as the company announced on June 24, 2021, that it's pushing out the end of the third-party cookie by two years. But that just kicks the can down the road, as this consumer privacy approach is inevitable.

How prepared are ad sellers for a cookie-less future? When asked to rate their level of preparedness on a scale of 1 to 10, where 10 was completely prepared, session respondents—leaders in the digital ad industry—demonstrated the wide range of feelings that have accompanied this change. Some, such as a VP of Advertising Solutions, rated themselves well-prepared (an 8). "We're excited because we actually believe fundamentally in what is happening from a privacy perspective. Everything we've always done at [our company] has been privacy centric, privacy by design... It's never been about a revolution in our industry. It's always about an evolution. And we've all made it through all those evolutions that pre-dated this one and we're going to be ok. It just may be an educational and arduous year for many of our partners and many of the platforms." Others felt flat-footed, with large strategic decisions looming in the near future.

"We're excited because we actually believe fundamentally in what is happening from a privacy perspective. Everything we've always done at [our company] has been privacy centric, privacy by design... It's never been about a revolution in our industry. It's always about an evolution. And we've all made it through all those evolutions that pre-dated this one and we're going to be ok. It just may be an educational and arduous year for many of our partners and many of the platforms."

—VP of Advertising Solutions

accenture | iab.

In a world of no cookies, first-party data becomes increasingly critical—and that means size and scale matter. Large websites or ecosystems of websites can collect significantly more first-party data—they handle a far greater volume of consumers than smaller outlets—so they can create their own private marketplaces for advertising. In addition, video streaming ecosystems become increasingly valuable due to the breadth of insight they have into their consumers. These properties are in a stronger position to approach major advertisers with robust knowledge about the audience that can improve targeting to their consumers.

Using artificial intelligence sensors will allow companies to collect rich data about their users' experience, mindset ,and intention, gathering 500+ data points from their un-authenticated audience. We are seeing more and more advertisers exploring how best to leverage their first-party data, combined with sophisticated Machine Learning/Artificial Intelligence (ML/AI) enabled technology, to replace the targeting protocols of third-party data.

accenture | iab.

Blurring lines: what is a media company?

In today's digital world, the question of, "What is a media company?" has never been harder to answer, which makes it difficult for advertisers to figure out where they want a presence. Social media, Instagram, and YouTube influencers sit side-by-side with traditional ad inventory and create a complex landscape of reach, audience, and targeting data. Media mix and buying must adapt to this dynamic inventory and media environment—for example, by employing ML to model the landscape and determine where ads will likely perform the best.

accenture | iab.

COVID-19: accelerating change

The third big challenge ad executives are grappling with is the ongoing consequences of COVID-19.

accenture | iab.

Consumers have changed their behaviors, fast-tracking shifts in consumption of media to digital and on-demand platforms and creating new paradigms in work and home life.

On the advertisers' side, we see the pandemic-initiated disruption accelerating shifts in performance orientation, operating model efficiency, transparency, and virtualization. At the same time, marketers' and agencies' expectations will grow. And, marketers will become more hesitant to agree to long-term commitments and will place more conditions on reserved buys. Combined, these trends will put enormous pressure on traditional sales teams and will drive growth in self-service and data-driven programmatic buying.

On the media side, we expect a continued widening of the capabilities gap among sales, product, and tech resources, as digital natives double down on investments in AI, automation, and data. Furthermore, ad operations organizations that fail to invest in AI tools for margin growth and forecasting will continue to struggle with inventory management, yield management, and dynamic pricing in a multiplatform ads ecosystem. Finally, the demand for more personalized, relevant, multiplatform sales and delivery will become stronger in the face of unfolding privacy initiatives in Europe and North America and the imminent death of third-party cookies.

accenture | iab.

Critical responses are needed from ad industry players

With the challenges and uncertainty across the digital ad sales ecosystem, IAB and Accenture talked to ad sales leaders about how to transform their business to adapt. In our discussion, participants identified three critical ways they need to respond: reimagine trust, address sales workforce challenges, and rethink sales tools.

accenture | iab.

Reimagine trust: how can ad players gain users' consent?

Both users and advertisers consider trust and transparency critical. They need to know that companies they deal with are reputable, honest, and deliver what they say they will. And when it comes to digital, users in particular want a company to "know them" but, at the same time, feel confident their data is being handled safely, securely, and properly.

accenture | iab.
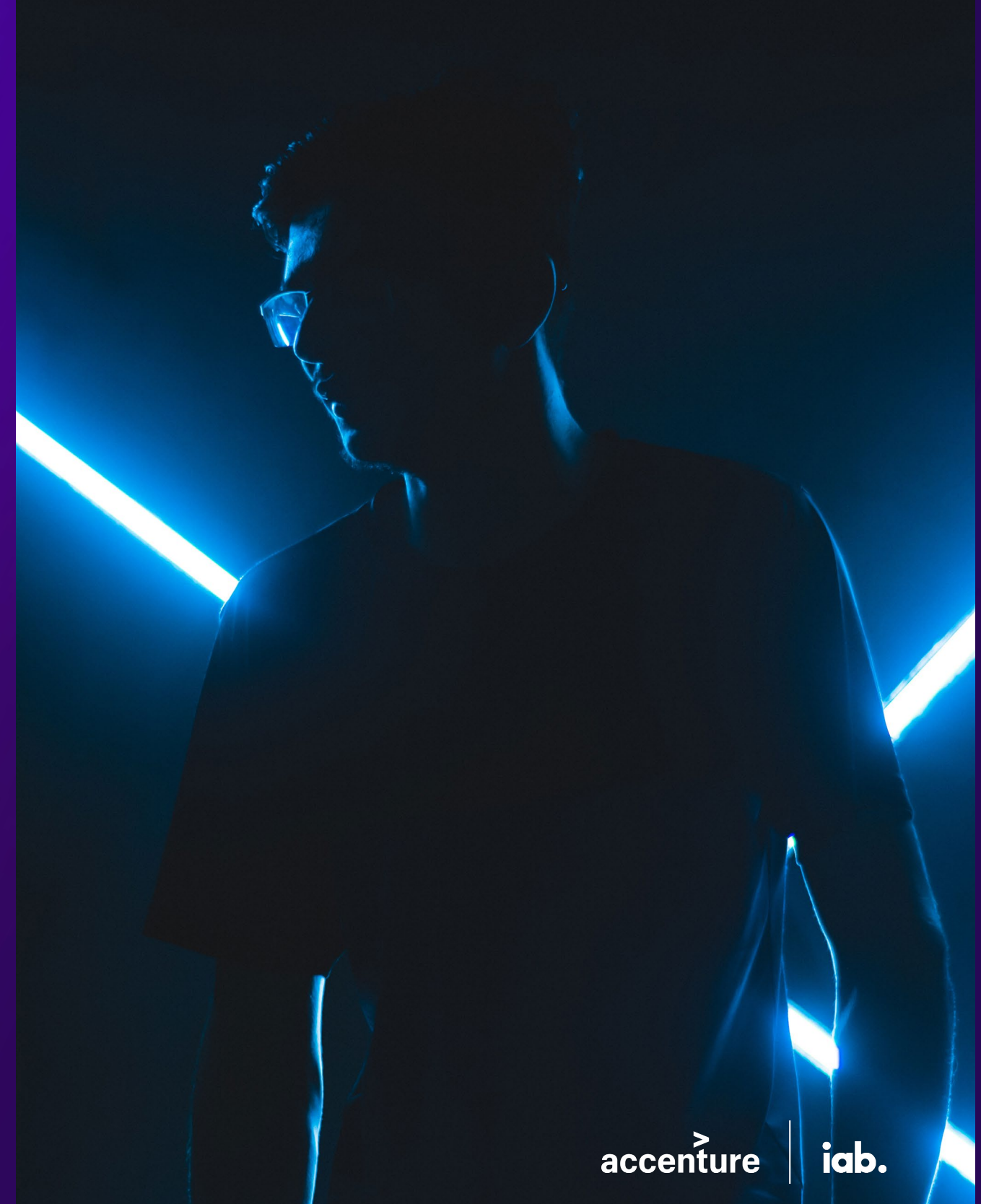
> # "Being able to maintain trust over time is how our brand is built. Every decision we make commercially has to bear that in mind." —**Publishing Executive**

Unfortunately, according to the participants in an IAB breakout session on the challenges associated with trust in a digital ad ecosystems, only 10% to 25% of their users are typically authenticated. This lack of information on people who visit their sites makes it difficult for publishers to build a trusted relationship with their customers. As a result, publishers are ramping up their efforts to create more authenticated audiences.

Lack of consistent standardization across third parties in data and consent collection, as well as the overall advertising experience, is another big challenge. For example, lack of consistency in creating a standardized taxonomy on how audiences are categorized across publishers makes scalable audience segments difficult to create and makes it harder for marketers to trust and compare audience segments across diverse media. Consequently, even with brand safety protocols in place the potential for pitfalls in the ad sales landscape, such as the risk of having one's ads placed near unsafe or offensive content by programmatic ad brokers, exists.

A third challenge is lack of transparency in how media content proliferates through various platforms. According to one participant in our session, compliance standards are not carried through systematically across various third parties. He commented, "Some DMPs (Data Management Platforms) and measurement companies...won't tell you what they're going to do with the data they're going to collect or won't explicitly agree to take responsibility for certain provisions that are required under the rules that we are all trying to become compliant with."

Complicating matters is that companies can no longer rely on consumer trust in a legacy brand. Industry leaders said clearly that customers expect trust to be earned through their experiences every day. Even for one century-and-a-half-year-old publisher represented in our session, trust remains a cornerstone between generations of customers and the business. "Being able to maintain trust over time is how our brand is built," said a person from the company. "Every decision we make commercially has to bear that in mind. Working with brands that understand we have to always put that trust first usually makes for better outcomes across the board."

accenture | iab.

So how can ad sellers earn trust?

Our participants said that, in the short term, sellers should test and learn about new approaches to identifying consumers and their preferences now while cookies still exist. Sellers need to leverage all they currently know about individuals from their browsing to build models that enable them to create a rich profile of users based on the signals they know they will still get when cookies disappear. One SVP of Sales commented, "What we're encouraging people to do while cookies are still here is test and learn" because you do still have the authenticated universe and we've been beta testing and now have fully gone into market with an ID-free solution." In other words, ad sellers still have an opportunity to test the insights and targeting of their first-party data and supporting analytical algorithms against their currently cookie-enabled analytics to evaluate the efficacy of their evolving new models. Even if only 10% of their customers have provided all the information sellers need about who they are, sellers can still use that kind of testing and modeling exercise to backward-correlate relevant information to new, unauthenticated users.

In addition, organizations that sell linear video impressions need to find ways to establish trust in their measurement and reporting metrics—but this capability can be difficult to develop in-house. As a result, organizations should consider looking for opportunities to partner, invest in, or buy established capabilities. Doing so can help power impression-based ad sales and give advertisers comfort and confidence in the accuracy of the data, thus creating legitimacy and faster time to market. [For more information, check out IAB's recent blog on measurement]

Longer term, ad sellers need to build trust into their products—for instance, by establishing collaborative partnerships and making their content relevant to end users. A good example is a leading travel booking company. Knowing how important health and safety are to consumers today, the company is emphasizing how seriously their travel partners take those aspects of their business—and making customers feel comfortable booking trips through the company. "What we were talking about a year ago has completely changed this year to safety of health," noted one senior executive. "We're making sure that the product experience is relevant at the time and that they can always trust it."

"

We're making sure that the product experience is relevant at the time and that they can always trust it."

—SVP of Sales

accenture | iab.

There is also a big element of value in trust. Users are more willing to part with their data if they think they are getting value from a provider. Thus, ad sellers should think about how they offer users multiple opportunities to receive value in exchange for authentication to build a more robust first-party dataset. This could include personalizing offers, providing relevant discounts, and delivering exclusive content. One executive reported being optimistic about the roadmap when there is a clear value exchange in place. "We've spent a lot of time talking to our customers asking them if they'd be willing to authenticate...so that we can get intelligence," he said. "In some combinations, we're up over 60% of our customers saying yes, I'll check that box, because we trust the content, we value the content, and somewhere in the middle we trust that you'll do good by the data you collect."

"In some combinations, we're up over 60% of our customers saying yes, I'll check that box, because we trust the content, we value the content, and somewhere in the middle we trust that you'll do good by the data you collect."

—**Ad Sales Executive**

accenture | iab.

Address sales workforce challenges

Part 1: How can sellers create agile ad sales teams who are ready for what comes next?

The ad industry is changing, and ad sellers are changing along with it. One way to adapt to the changing environment is for ad sales executives to rethink their sales skills and workforce model to support their clients' shifting needs.

accenture | iab.
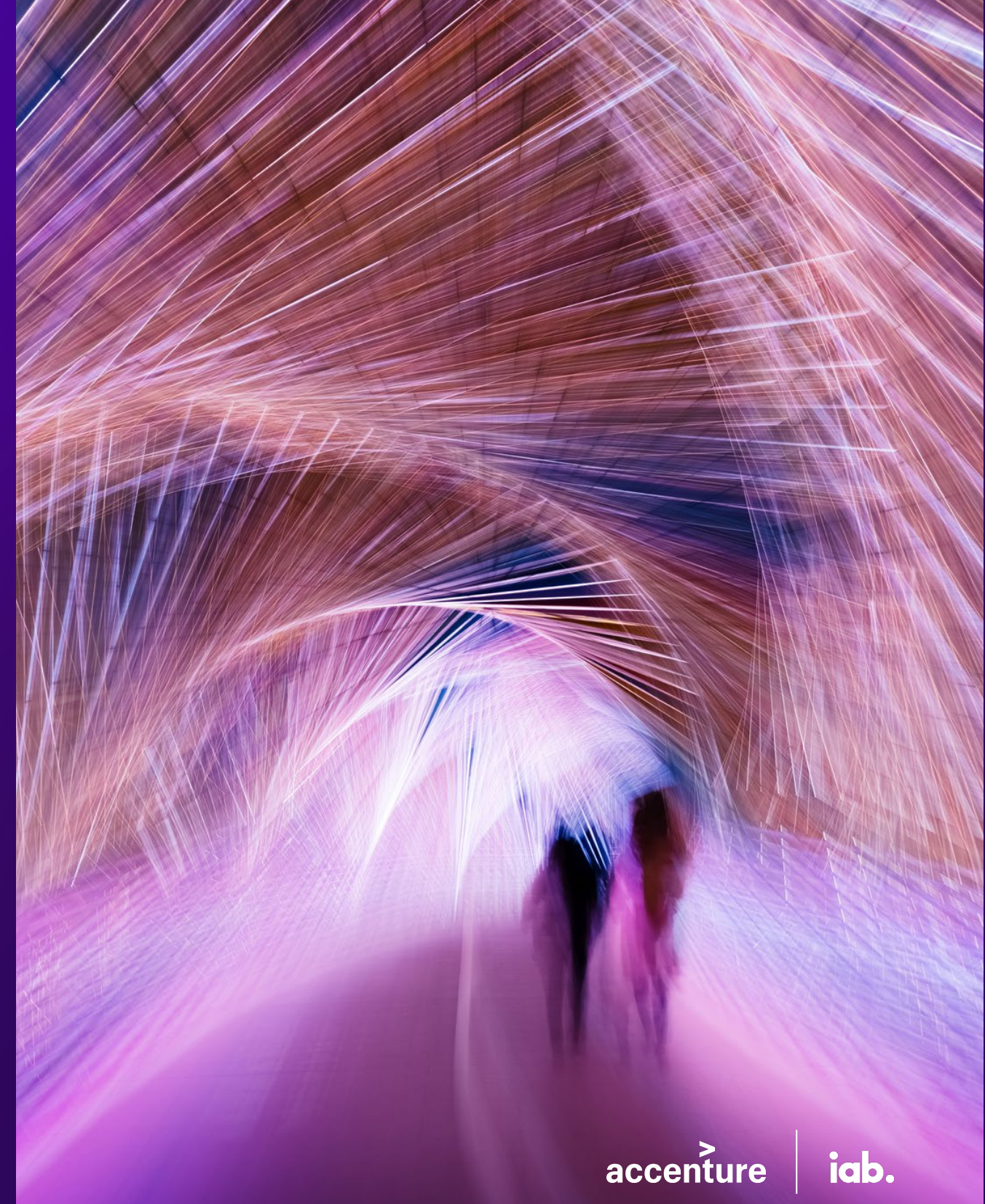
For example, leading ad sellers are fostering greater transparency and engagement across teams and moving away from the traditional regional or channel-specific sales model. "It's all about packaging, it's all about maximizing yield," said one session participant. "It's thinking about unique, strategic partnerships...It's about pulling levers and you're tinkering on every account." Doing so will enable sellers to develop more holistic solutions for advertisers that take advantage of how consumers interact across a seller's entire ecosystem, not just within one channel. Video broadcasting and programming companies, in particular, should think hard about how they sell audiences across channels and programs. The dynamic interplay and synergy among properties defined by their audience creates strong impressions.

Ad sellers need to make their sales resources more versatile, enabling sales teams to share their knowledge, sell across all inventories (i.e., creating a unified proposal for ad buyers), educate clients, and create ties with product and operations colleagues teams. As another participant noted, "Our teams sell across terrestrial, digital, audio, and custom, and we're building the muscle of our digital operations people because targeting and attribution are so critical. We're spending 25% of our time educating agencies and clients on these new tools."

Furthermore, participants stressed that education and training should continue to be a big focus area for sellers. For example, turning best practices into a repeatable playbook that is socialized across the organization, as well as with clients and partners, can help sales teams become more proficient and effective. And investing in educating sales teams on ad storytelling, especially on social platforms (such as Instagram, YouTube, and TikTok), will make it easier to bring consumers through the sales funnel. "You have to be really amazing storytellers once you start to expand your content onto social platforms," noted one participant. "You really need to work with your sales team on how to tell that story, create a story that really demonstrates that you can drive consumers down the funnel."

"

It's thinking about unique, strategic partnerships...It's about pulling levers and you're tinkering on every account."

—**Ad Sales Executive**

accenture | iab.
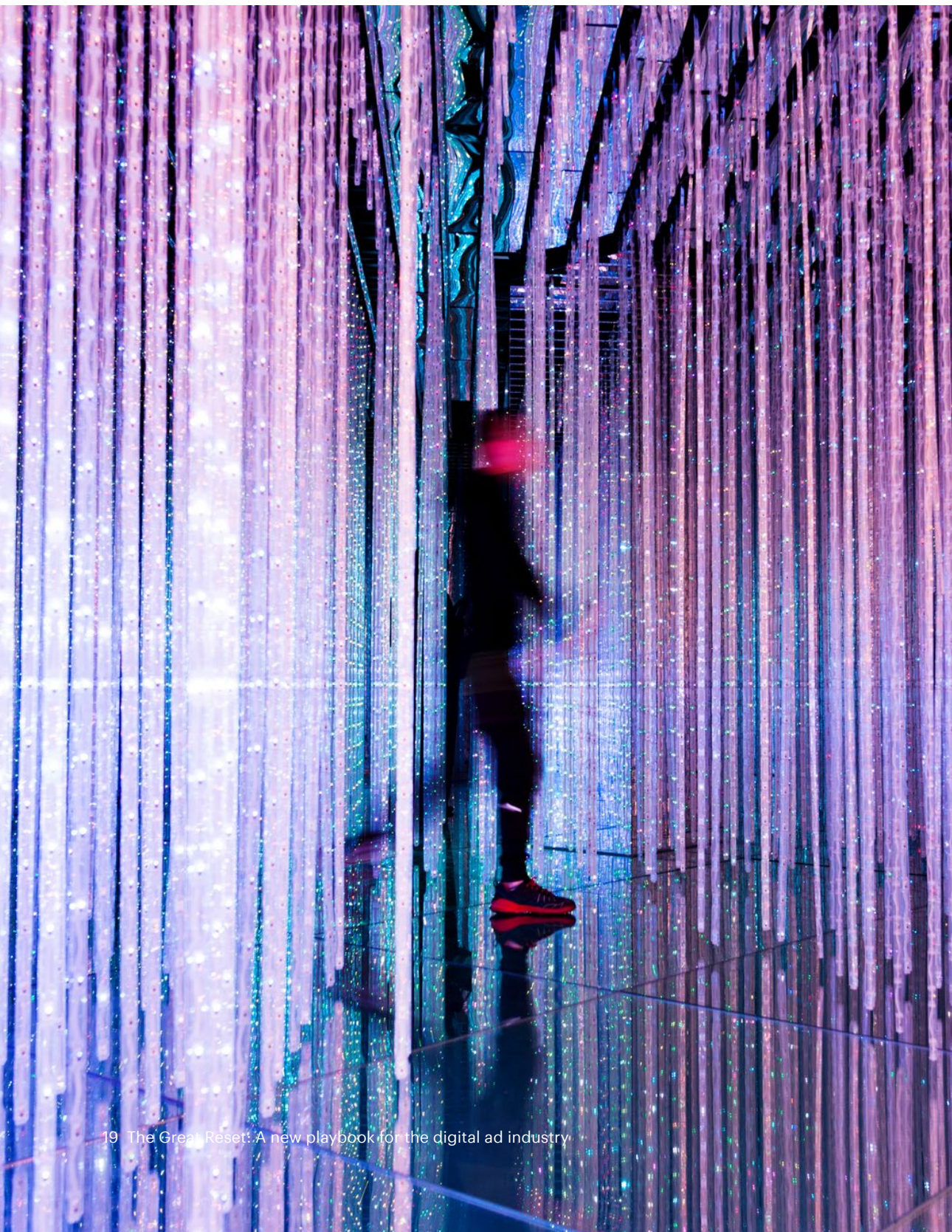
Part 2: How can sales teams adapt to the current moment?

Another issue for ad sales executives is the current uncertainty and inconsistency in return-to-work efforts. Not only is there not one way to institute in-person work after eighteen months of virtual interactions, but the emergence of new variants of COVID-19 has made the future less certain than it was even two months ago.

An even more challenging question is how much time ad sellers will spend with clients in a post-pandemic realty. One participant commented, "I think legal is going to play a big role in all of this moving forward. No one is going to be told that they have to go in...There are going to be a lot of necessary legal steps that we're all going to have to adhere to." Participants also stressed that regardless of how much work ends up still being done from home, it is important to ensure that fun and empathy remain in their virtual culture to foster team camaraderie and engagement.

Sellers also should consider a new approach to talent. With remote work becoming normalized, hiring the "closest" talent—i.e., regional hiring—is not as relevant. Our session's participants indicated hiring should return to the fundamentals: bringing on the best candidate for the position, regardless of boundaries. "Region has become zero—it's just time zone at this point," said one participant. "Hire the best people wherever you can find them, and there's a lot of good people out there." Channel partnerships and external, freelance talent can also inject needed skills in a flexible way, complementing a sales team's full-time employees.

accenture | iab.

Rethink sales tools: how can sellers leverage technology to boost performance?

Our session participants agreed that sellers need to take greater advantage of the wide range of technologies available to streamline the sales team's work and provide insights that help boost their effectiveness.

accenture | iab.

> "It goes back to client segmentation—where we're spending the time on the most effective things…"

For instance, sales teams should use AI and ML to sort through the rich cache of data they have on their advertisers to generate real insights that go beyond analysis to empower high-value actions.

Consider WordStream, which provides an AI-based tool that uses machine learning to quickly and efficiently analyze a company's ad campaigns, then pairs it with the ability to make changes across ad campaigns on Facebook, Google, and Bing with a few clicks. AI-powered tool Phrasee takes things a step further by actually writing Facebook and Instagram ad copy for a company, from scratch, and designs ads to convert into clicks based on what has worked in the past. OpenAP, a consortium of linear broadcasters built and run on Accenture's ad platform, brings improved targeting tools and inventory to a very traditional ad marketplace, making it dynamic and appealing to a larger audience of ad buyers.

Other emerging but extremely promising technologies are augmented reality and audio advertising. Ad sellers can use the former to, for example, enable users to virtually try on products in an ad or see how an appliance or couch would look in their homes. For the latter, sellers need to get ambitious about how audio advertising can play a role in their offerings to buyers. Consumers are spending significantly more time using their ears—listening to podcasts and audiobooks, and using connected audio devices and assistants like Sonos and Amazon Alexa. This opens up new opportunities to position brands with unique sound-based signatures, provide voice-search results that include advertising placement, and work with established device and service providers like Amazon or Apple to include branded opportunities. [For more information, check out the IAB's AR Buyer's Guide]

Technology can further help sellers boost ROI from existing ad products by delivering a full-funnel solution more efficiently through automation (i.e., pure self-service) and existing manpower (i.e., mediated service). As one participant said, "The future is many points of demand in addition to your sales team…which can be flexed and freelanced." Or, they can enjoy the benefits of technology by tapping into business process outsourcing (BPO) with providers that can automate highly repetitive tasks (such as sales support, customer service, and ad operations).

Sellers also need to use technology to infuse a greater degree of automation in sales processes—for example, by helping sales teams create different models for different clients. All clients expect and demand a relationship and support—they do not like to stare at a spreadsheet to make buys. But that does not mean every client should get the same kind of support.
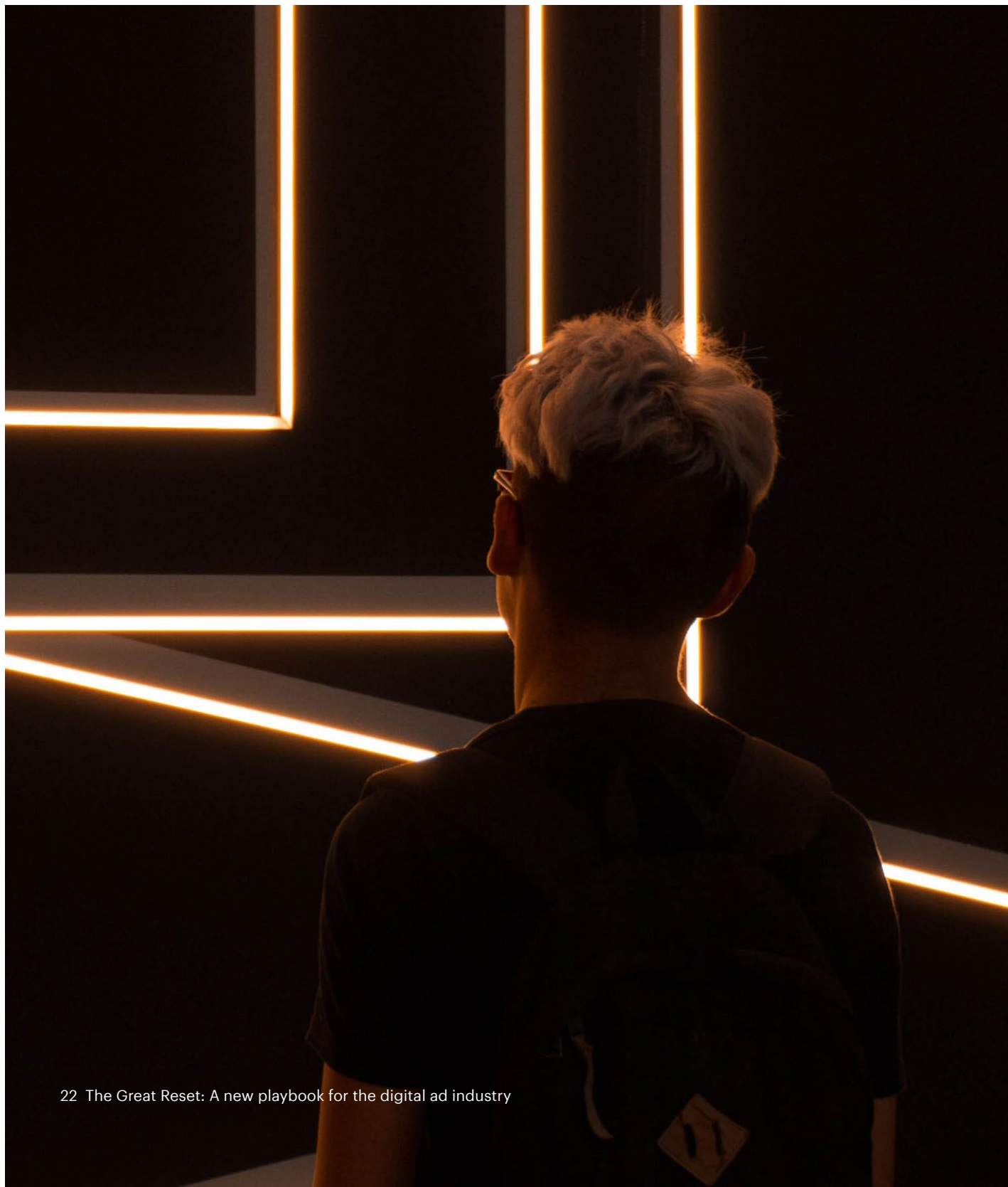
accenture | iab.

"It goes back to client segmentation—where we're spending the time on the most effective things," according to one participant. Small- and medium-sized business (SMB) clients are best suited to technology-driven self-service support, while large, valuable clients should still get the full high-touch treatment if they want it. Similarly, light spenders (i.e., less than $1,000 per month)—which usually comprise 20 to 40% of a company's total sales yet drive more than 80% of an account executive's book of clients—are also prime candidates for a self-serve option. This would free up sales teams to focus on heavier spenders to drive greater revenue and lower costs.

Ad sales leaders in our session suggested many clients need high-touch onboarding and change management, and would take advantage of an "off ramp" to low-touch self-service tools once they feel comfortable with the relationship and how their ads are displayed. Medium to large clients could be offered a mediated and managed service model on top of the self-serve model to provide the best of both worlds.

Finally, advertising today demands creativity and staying ahead of the competition with better experiences. Technology can help ad players experiment with new ad products such as multiscreen, shoppable social content, and live stream commerce while continuing to explore how to capitalize on growing social platforms such as TikTok, Clubhouse and Facebook Live Audio Rooms. Importantly, as they do, sellers need to educate customers on new ad formats and how differently they are being consumed.

accenture | iab.

Where do we go from here?

The current advertising environment is unlike any of us have experienced before. The confluence of the death of the cookie, blurring media company lines, and disruptions from COVID-19 has made life challenging for all players in the ad ecosystem: media companies, brands, and the technology firms responsible for selling, delivering, and optimizing digital ad marketing campaigns. In other words, "If you're not nervous, you're not paying attention," said one participant. In this world, "business as usual" must give way to agility, flexibility, and creativity. Ad sellers, in particular, face a wide range of challenges and intense pressure to change not only the kinds of skills they employ in their ad sales workforce, but how sales teams are structured and operate.

However, this time of uncertainty creates opportunity for the ad sales leaders that can build trust with their users, transform their workforce and build new tools and capabilities. The future of digital advertising is bright.

"The best way to predict the future is to create it."

—Peter Drucker

accenture | iab.

Authors:

Sheryl A. Goldstein
EVP—Member Engagement &
Development, IAB
sheryl@iab.com

Peri Shamsai
Managing Director—
Communications and Media, North
America, Accenture
peri.shamsai@accenture.com

Sonia V. Gupta
Managing Director—Media and
Entertainment, Accenture

Mark Flynn
Global Research Lead—
Communications & Media,
Accenture

Contributors:

Louise N Barrere
Managing Director,Accenture

Suzanne Broadley
Marketing, Accenture

Justin Cadiou
Business Strategy Consultant, Accenture

David Cohen
President and CEO, IAB

Lisa Davis
Communications, Media & Platforms
Global Industry Marketing Lead, Accenture

Matt Fanno
Managing Director, Accenture

Deleela Jones
Senior Director Marketing, IAB

Carryl Pierre-Drews
SVP Marketing and Communications, IAB

Alexus Smith
Program Management, IAB

Jonathan Weitz
Managing Director, Accenture

About IAB

The Interactive Advertising Bureau empowers the media and marketing industries to thrive in the digital economy. Its membership comprises more than 650 leading media companies, brands, and the technology firms responsible for selling, delivering, and optimizing digital ad 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, IAB develops technical standards and solutions. IAB is 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., the trade association advocates for its members and promotes the value of the interactive advertising industry to legislators and policymakers. Founded in 1996, IAB is headquartered in New York City.

About Accenture

Accenture is a global professional services company with leading capabilities in digital, cloud and security. Combining unmatched experience and specialized skills across more than 40 industries, we offer Strategy and Consulting, Interactive, Technology and Operations services—all powered by the world's largest network of Advanced Technology and Intelligent Operations centers. Our 569,000 people deliver on the promise of technology and human ingenuity every day, serving clients in more than 120 countries. We embrace the power of change to create value and shared success for our clients, people, shareholders, partners and communities. Visit us at www.accenture.com.