



2024 ANALYTICS CONFERENCE:
FUTURE PROOF MARKETING ANALYTICS IN A PRIVACY-FIRST WORLD
WASHINGTON DC, MAY 7 - 8, 2024
HOSTED AT ROBERT H. SMITH SCHOOL OF BUSINESS - UNIVERSITY OF MARYLAND

MSI 2024 Analytics Conference: Future Proof Marketing Analytics in a Privacy-First World Conference Report

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Day 1 – May 7, 2023 | 10:00 am – 5:00 pm ET

Welcome and Introductions

Speaker:

John Lynch - *University of Colorado Distinguished Professor and Executive Director, Marketing Science Institute*

Overview:

John Lynch, Executive Director of MSI and Professor of Marketing at the University of Colorado Boulder, welcomes attendees to the MSI Analytics 2024 Conference. He gives an overview of the Marketing Science Institute (MSI), a nonprofit founded in 1961, connecting industry leaders and academics to advance marketing science through research dissemination. Lynch highlights MSI's platform for unbiased research, collaborations, and networking, emphasizing benefits for both academic and corporate members.

He outlines MSI's 2024 research priorities, focusing on four key areas: understanding stakeholders comprehensively, emphasizing organizational navigation and communication; marketing analytics, with a focus on AI, models and privacy; consumer experiences, exploring shifts in expectations and technology impacts; and innovation, covering new technologies and organizational growth.

Lynch underscores the collaborative nature of the conference, built on member input and expertise from academics and industry leaders. The event addresses pressing issues identified by members, with research insights from academics and practical solutions from industry leaders. He highlights the partnership with the University of Maryland, featuring Wendy Moe, a leading authority on online consumer behavior and an Amazon Scholar, and Laura Steeg, Department Coordinator. Lynch emphasizes the conference's live format, encouraging active engagement and open dialogue to enrich discussions and foster meaningful connections.

Decision-Driven Analytics

Speaker:

Stefano Puntoni - *Sebastian S. Kresge Professor of Marketing, University of Pennsylvania*

Overview:

Speaker Stefano Puntoni discusses the implications of AI on human labor and society as a whole. The central question behind AI is whether machines can perform tasks as well as or better than humans, leading to this prevalent human or AI mindset. Although this approach leads to significant advancements, Puntoni critiques this human or AI mindset and rather advocates for a human and AI mindset, where AI complements rather than replaces human

judgment and decision-making. Rather than data-driven decision making, Puntoni proposes a decision-driven analytics approach that starts with the decision, rather than the data. This process involves identifying the decision to be made, gathering a diverse set of perspectives, formulating clear criteria to evaluate potential actions, and finally using data to inform these criteria and guide the decision-making process. Doing so helps avoid common pitfalls where organizations focus on collecting data without having a clear understanding of its purpose or how it will be used.

Takeaways:

- Puntoni advocates for a **human and AI approach** where AI adds value to human judgment rather than the prevalent human or AI mindset.

A mindset shift

Data-Driven Decision Making	Decision-driven Data Analytics
Anchors on the data available	Anchors on the decision to be made
Find a purpose for data	Find data for a purpose
Start from what is known	Start from what is unknown
Focus on analysis/knowledge	Focus on action/impact
Empowers analysts	Empowers decision makers

- **Analytics programs often fail due to people-related problems** rather than technical shortcomings.
 - Issues such as lack of vision, unclear purpose, and poor strategy are frequently the root causes of these failures.
 - Shifting the approach from data-driven decision making to **decision-driven data analytics** can help avoid these common problems organizations face.
- It is important to **acknowledge what is not known and be open to new data** and perspectives.
 - This is in contrast to the purely data-driven approach that can create the illusion of certainty and overconfidence.

From Analytics to Business Architects

Speakers:

Mary Beth Jowers - *Vice President, Portfolio Strategy, Pernod Ricard*

Inna Kuvich - *Director, Demand Strategy, Pernod Ricard*

Overview:

Mary Beth Jowers and Inna Kuvich discuss building and using analytics programs to drive business performance and how their approach to analytics bring Pernod Ricard's portfolio of brands to life. Using the metaphor of 'building a house you want to live in' they express their analytics techniques in three stages: Plan, Build and Live. The Planning phase involves supporting critical business decisions and fostering cross-organizational engagement. Moving into the Build stage, securing C-suite endorsement and leveraging insights across brands are prioritized. Long-term success hinges on data stewardship and collaboration. In the Live phase, storytelling around data is emphasized, with various touch points for insights. The speakers highlight stakeholder involvement across the organization, particularly with the C-suite. They emphasize that considerations should go beyond data, stressing the importance of clear communication and comprehensive program planning.

Takeaways:

- Considering the metaphor, "**building a house you want to live in,**" Pernod Ricard approaches their analytics program in stages: Plan, Build and Live.

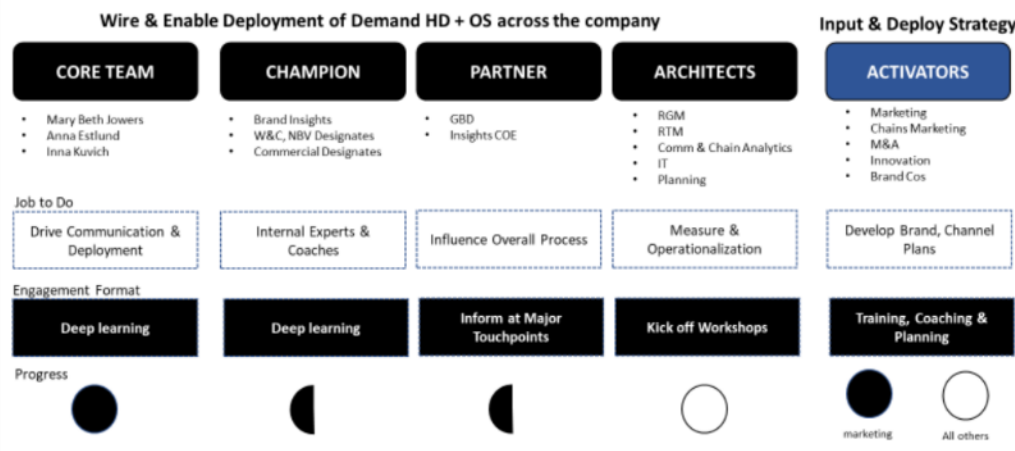


- **Plan:** This matrix segment facilitates crucial business decisions (e.g., budget optimization and enhancing marketing execution effectiveness). It prioritizes use case discussions, showcases marketing mix program examples and stresses cross-organizational focus for long-term sustainability.



- **Be an engineer:** Understand stakeholder needs beyond data, outline consideration stages, identify crucial stakeholder types, emphasize a clear communication plan, and involve stakeholders beyond data and analytics in program planning and execution.

Now need to set up next phase of internal communication and deployment



- **Build:** Consider the role of C-suite members in endorsing and driving change, as well as garnering buy-in from across the organization.

Build

Architect Vision & Contractor Know-How

Architect
Leadership Vision

MANDATE

- Must' for true Org Change
- Deliver Change Narrative
- Way in: Address a X-Functional Tension

Contractor
Mid-level Operationalize

MOMENTUM

- Listening sessions before work
- "Snackable" Outputs to inform Business Process
- AMA sessions to embed

- **Applying insights from sampling tactics for another brand** can improve reporting capabilities and establish universal principles and data standards for future implementations across brands.
- **Long-term success** depends on knowledgeable data stewards who grasp data taxonomy and envision opportunities with collected data. Collaboration between marketing, insights and data governance teams is essential.

- **Live:** The importance of **storytelling around data should be emphasized.** There are various data touch points with different percentages and groupings, offering insights to derive from the data. This initial data serves as a starting point for analysis.

Live

Storytelling: Put on a Great Coat of Paint

Team

Organization

Go for B&W | Snackable | So What – Do What

Bridging the Ad Measurement Gap Between Marketing and Engineering

Speaker:

Robert Moakler - *Research Scientist, Meta*

Overview:

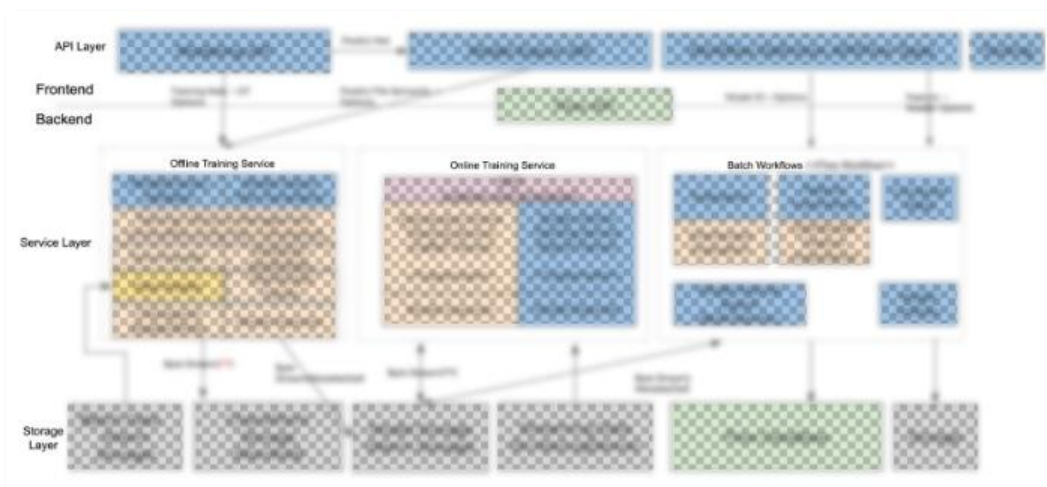
Meta Research scientist and MSI Trustee Robert Moakler examines bridging the ad measurement gap between engineering and marketing, particularly in the realm of digital advertising. Beginning his discussion, Moakler notes that while digital platforms offer exciting opportunities for marketers, they also present increasing complexities. He remarks that the process of ad delivery has become granular and intricate, with multiple factors influencing decision-making. The advertising ecosystem has evolved to include diverse devices, browsers and players, adding further layers of complexity. Understanding these technical challenges is crucial for navigating the dynamic landscape of digital marketing. Moakler addresses the technical perspective of marketing, focusing on three common ad measurement scenarios: the complexities of ad delivery, the use of offsite signals, and key metrics to consider. He points to the consumer demand for ad personalization, posing challenges in terms of ad delivery in "getting the right ad in front of the right person." He considers the intricacies and difficulties marketers face in measuring the online customer journey through offsite signals (e.g., identity resolution, device diversity and policy changes). Additionally, Moakler explores issues with the labyrinth of metrics available in digital and which potential solutions to address cost and data complexities.

Takeaways

- As digital advertising evolves, bridging the complexities between the tech stack and marketing efforts is becoming increasingly important. **Emphasis should be placed on understanding how things work and why is essential for everyone.**

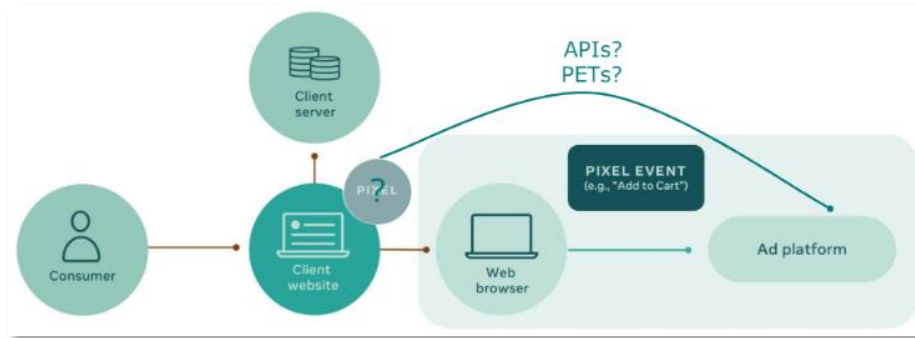
The complexities of ad delivery

- Digital ad delivery involves auctions reliant on large machine learning models, processing vast data sets with thousands to millions of features and rows. Critical decisions occur within milliseconds after a user clicks a link.
 - Effective ad delivery requires striking a balance between presenting an advertisement to a user as desired by the advertiser, while also ensuring that the user finds the ad appealing.



Using offsite signals

- **Identity resolution** relies on outdated technologies like cookies and pixels, which were not intended for their current use. Despite this, identity matching remains largely probabilistic. Often users in "walled gardens" do not regularly log in.
- The **diversity of devices** and operating systems creates challenges. Not all technologies work seamlessly across all platforms, resulting in disparities in signal quality.
- **Policy and platform changes** are influenced by global legal regulations and decisions by platform owners, enabling rapid alterations in what is feasible with minimal notice or discussion.



What metrics do you look at?

- There is a shift from relying solely on metrics like CPMs or CTRs to metrics that consider a broader range of outcomes, including various business metrics for advertisers and nuanced user behaviors.
 - **The challenge lies in reconciling these varied dimensions effectively.**
 - For instance, collecting attention metrics can be cost prohibitive and complex but a solution could come from sampling data from a smaller subset of users or group panels.

Estimating the Long-Term Impact of Major Events: Evidence from COVID-19

Speaker:

Daniel McCarthy - *Assistant Professor of Marketing, Emory University*

Overview:

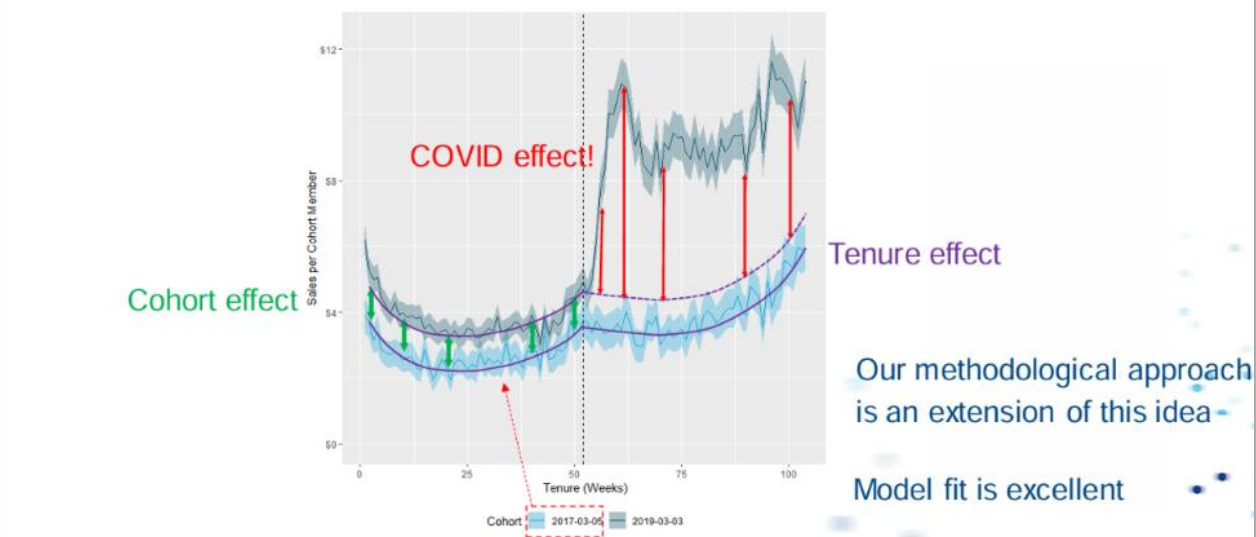
In his presentation, Daniel McCarthy explores the challenges and methodologies for estimating the impact of widespread events, particularly those that lack a traditional control group and when randomized experiments are not feasible, using the COVID-19 pandemic as the primary example. McCarthy proposes moving from traditional calendar time to cohort time and comparing the current cohort to older cohorts to establish a 'no-COVID baseline.' Specifically, McCarthy uses a comprehensive dataset from Earnest Analytics, which includes credit and debit card transactions from over 2 million panel members over several years, to track spending patterns across various purchase categories and timeframes. He finds variability in COVID-19's impact across different sectors. Overall, this presentation provides insights into the broader applicability of the methodology for studying similar events in various contexts, such as regulatory changes or significant corporate actions, which affect entire categories or populations simultaneously.

Takeaways:

- McCarthy provides a robust framework for **analyzing the effects of large-scale events** without traditional controls using a cohort approach.

Measuring lift for existing customers

Restaurant delivery sales per capita



- Using COVID-19 as the primary example and motivation behind this methodology, McCarthy is able to show the effect of **COVID-19 on various purchase categories.**

Source:

Estimating the long-term impact of major events on consumption patterns: Evidence from COVID-19

Source: Oblander, S., & McCarthy, D. (2024). [SSRN](#). [Posted: 29 Apr 2021 Last revised: 13 Apr 2024.]

Estimating the long-term impact of major events on consumption patterns: Evidence from COVID-19

Source: Oblander, S., & McCarthy, D. (2023 January 24). MSI Working Paper. [MSI](#).

Privacy-Compliant Durable Measurement

Speaker:

Divya Kaur - *Vice President of Marketing Science, Kinesso*

Overview:

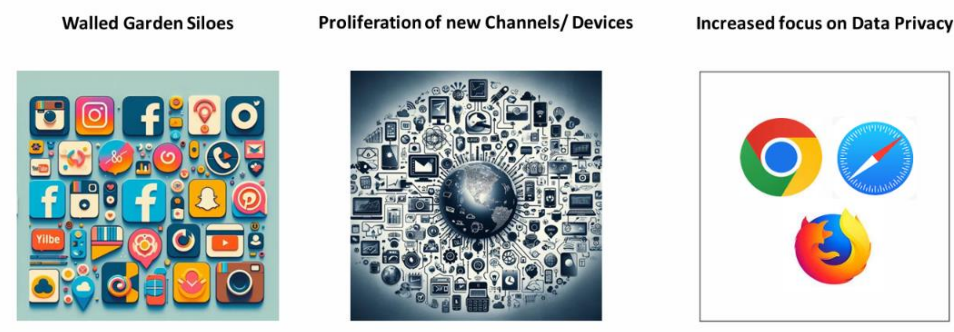
Divya Kaur, discusses the importance of durable measurement in a privacy-first environment, emphasizing a holistic approach to measurement, specifically, the ability to effectively measure outcomes or performance in a reliable manner. She underscores the

need to measure outcomes reliably, likening it to a tree analogy where measurement must be rooted in strategy (solid data as the trunk and analytical tools as branches and leaves). These elements generate a canopy of insights to address cross-functional business questions. She indicates that the pillars of successful measurement lie in data architecture, analytics and outcome strategy. Kaur acknowledges the rapid acceleration in the media marketplace, posing new challenges, specifically pointing to walled gardens, increases in new channels and devices and new privacy regulations. With these changes comes a forced reset in the industry, focused on new methods of measurement. She points to comfort levels with short-term and deterministic methods of measurement (e.g., attribution) to support large budgetary decisions as a hindrance in focus on newer metrics. Exploring the three pillars of success in detail (data architecture, analytics and outcome strategy), Kaur recommends adopting a multi-perspective, privacy-first approach to analytics and analytic architecture. She advises that it is important to begin with the end goal in mind and use it as the foundation for the measurement strategy, noting that breaking silos by involving cross-functional teams to identify short- and long-term learning priorities is crucial. Additionally, she provides several case studies to support her discussion.

Takeaways

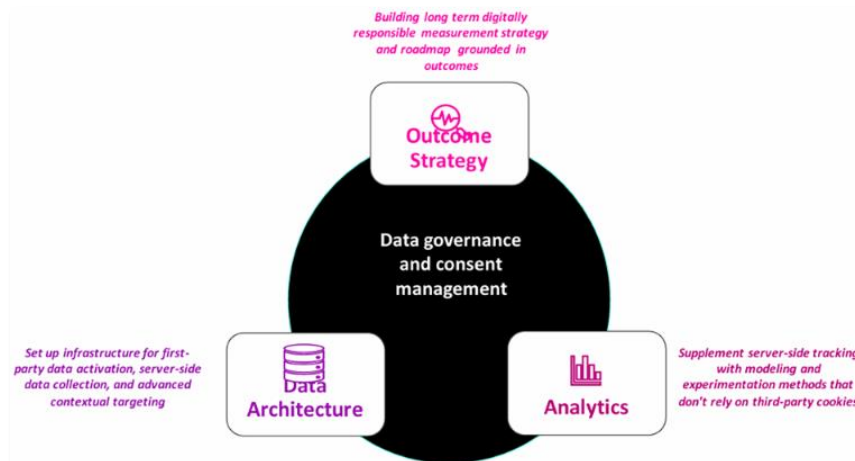
- **Durable measurement** is firmly rooted in strategy using solid data and a framework of analytical tools activated to answer cross-functional business questions, creating a variety of insights.
 - **The pace of change in the media marketplace has accelerated**, in the digital landscape with a heightened emphasis on data privacy (e.g., cookie depreciation).
 - Challenges from these rapid changes in the media marketplace have forced a shift in typically short-term and deterministic methods of measurement.

Media marketplace is constantly evolving



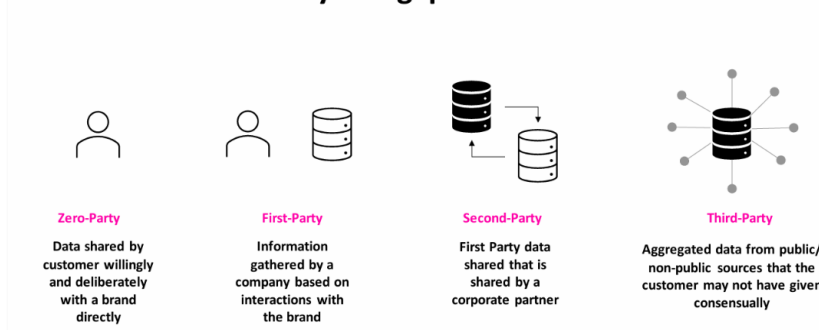
- **Increased anonymization has posed a risk to traditional measurement and optimization methods.**

- **Implications:** User level attribution is obsolete, deterministic customer journey tracking is not viable, hurdles for audience/targeted reach/frequency measurement and loss of historic benchmarks.
- **Durable measurement strategy relies on three pillars of success:** Data architecture, analytics, and outcome strategy.



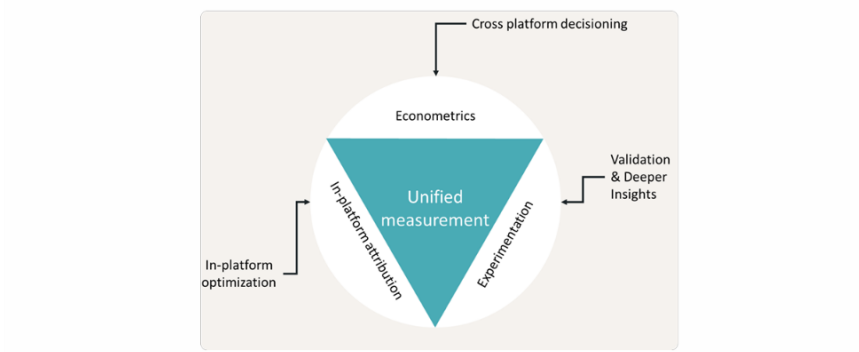
- **Data architecture:** establish a privacy-centric first-party data strategy and initiate the collection of server-side data, enabling the creation of a comprehensive dataset.
 - Focus on **decision-driven analytics** to determine the combination of technologies needed to activate the insights effectively.

Assess data availability and gaps

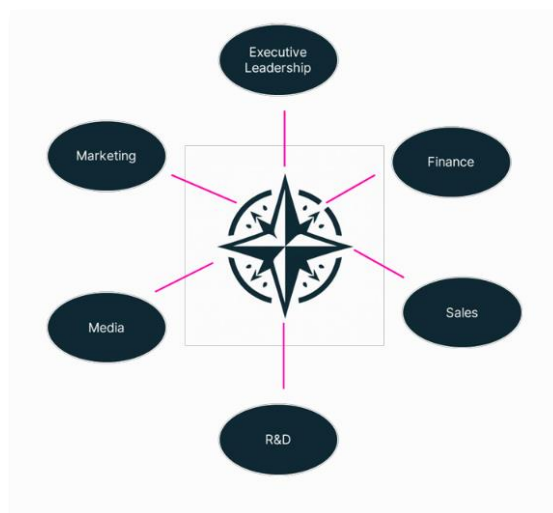


- **Analytics:** Success comes by utilizing a framework of approaches to get the correct insights (e.g., marketing mix modeling).

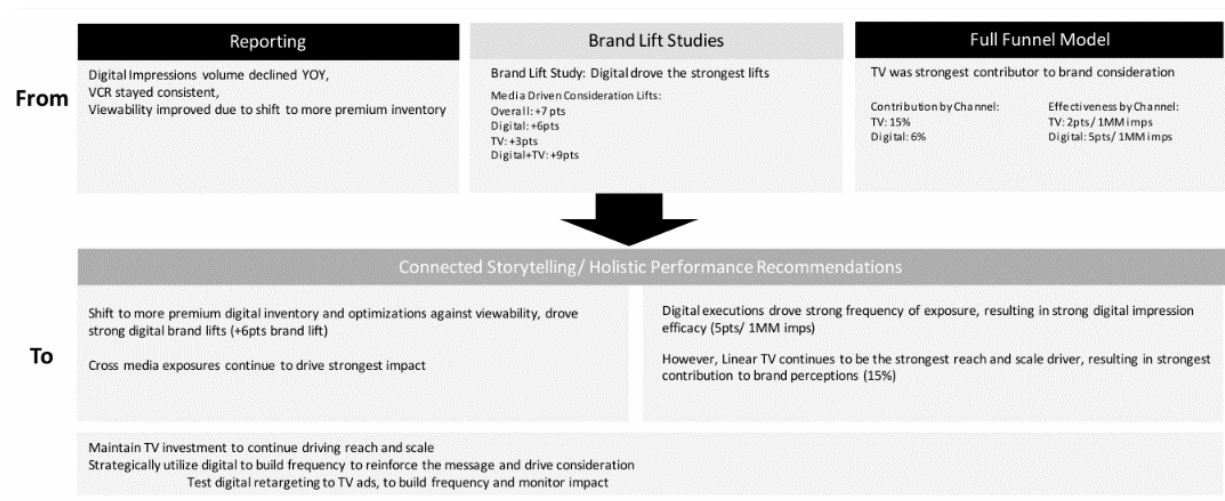
Take Multi-perspective approach for unbiased holistic performance view



- **Engage with media partners to evaluate how attribution reporting will evolve.** Focus on first party data connectivity, conduct new methodology testing for attribution and contextual analysis, reset benchmarks and revamp dashboards.
- **Outcome strategy:** craft an outcome-driven strategy by developing a roadmap to ensure accountability among all stakeholders.
- **Begin at the end:** Use organizational **north star goal** as the foundation for measurement strategy.



- **Break the silos** by bringing Bring cross-functional teams together to identify short- and long-term learning priorities.
- **Build a short- and long-term roadmap** to track momentum towards the established goals and leverage the power of **connected story telling**.



Privacy-Compliant Incrementality Testing with Data Clean Rooms

Speaker:

Isaac Dinner - *Director of Marketing Analytics, Indeed*

Overview:

Isaac Dinner explores data complexities and clean rooms crucial for facilitating data sharing, particularly with publishers for incrementality testing. He outlines Indeed's objectives: prioritizing measuring the incremental impact of advertising on KPIs over mere metrics like ad serving and CPM, and establishing continuous reporting for actionable insights while upholding consumer privacy globally.

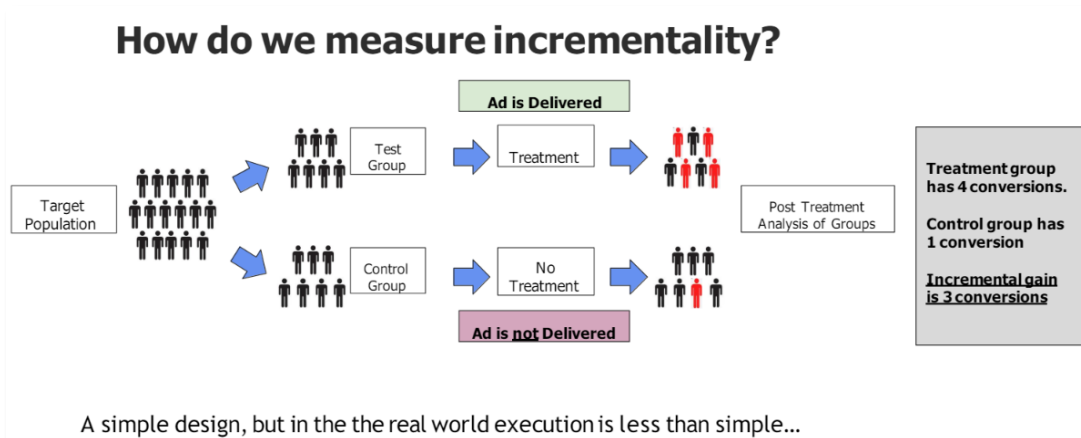
Indeed's experimentation approach involves several key considerations: a focus on attracting new customers, addressing challenges posed by cookie depreciation, and adopting a privacy-forward approach, demonstrated by the avoidance of visible consumer data. Additionally, the ability to verify advertiser data is crucial for assessing delivery and effectiveness, reducing dependence on 'walled garden' platforms.

Dinner discusses Indeed's methods for measuring incrementality, addressing bias in online experiments through different strategic experimental designs. He navigates the nuanced application of measuring incrementality by exploring diverse testing scenarios and various control group methods. Additionally, he examines the idiosyncrasies when analyzing data from different sources, potentially complicating interpretation. Dinner concludes with case studies illustrating the incrementality measurement process.

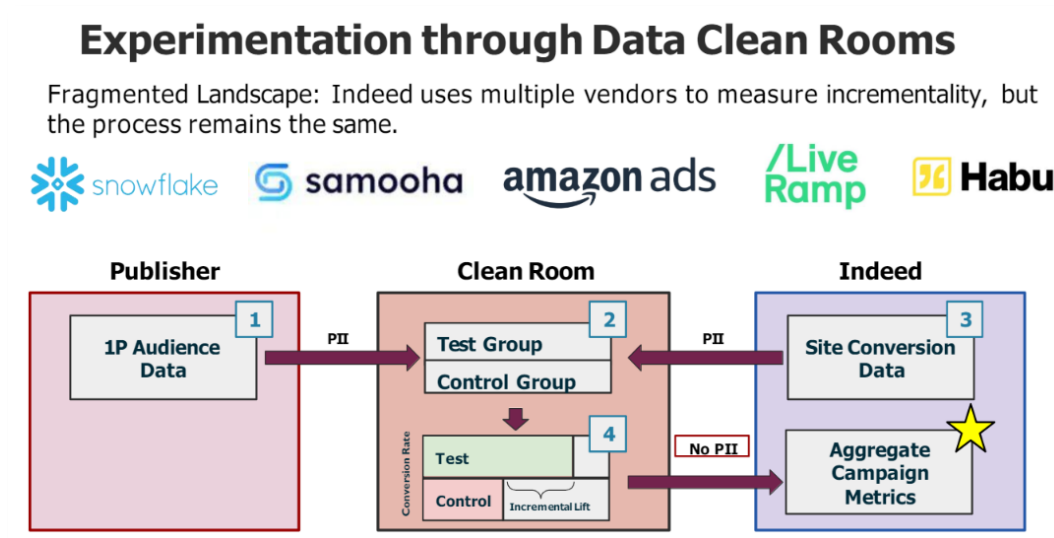
Takeaways

Measuring for incrementality

- Incrementality measurement involves comparing the behavior of a test group that sees ads with a control group that does not, to understand the true impact of advertising efforts, though **the actual application is more nuanced.**



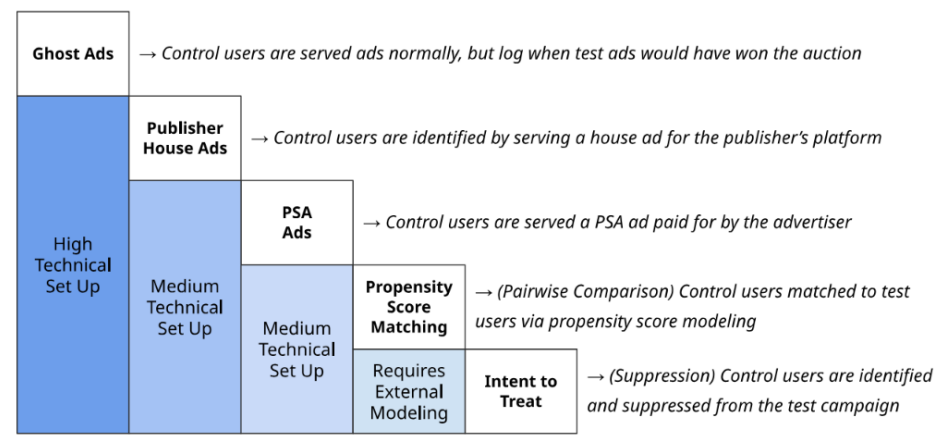
- Indeed, uses multiple vendors to measure incrementality in a fragmented landscape,** though the basic process remains the same. Each publisher brings its own unique set of idiosyncrasies and advantages.
- Success is evaluated by examining conversion rates within different groups,** with the hope of seeing a higher conversion rate in the test group compared to the control group. The **primary metric of interest is the overall lift** (aggregate metric).



- Ghost ads are ideal in an experiment** but are not always a feasible option.

Experimental Design: Five Variations

Creating of the control group can be achieved in multiple ways



Some existing biases in online experiments

- **Online experimentation faces challenges due to biases in the complex marketplace.**
 - **Ad context bias** occurs when ad servers optimize for specific behaviors, potentially skewing results by serving different ads to control and test groups.
 - **Activity bias** arises from differences in user activity levels between groups, leading to measurements of activity rather than ad effects.
 - **Base rate bias** occurs when baseline conversion rates vary among methods, causing inaccurate lift estimates against test populations.

Comparing the results

- A comparison of the results from each incrementality testing method shows that while **each scenario can be useful depending on data availability, there are pros and cons to consider.**

Comparing the Options: There is No Free Lunch

Experiment Design	Ad/Context Bias	Activity Bias	Base Rate Bias	Pros	Cons
Ghost Ads	✓	✓	✓	<ul style="list-style-type: none"> • Best mimics real world for control users • No cost to advertiser 	<ul style="list-style-type: none"> • Few publishing partners have this capability • Low control over the analysis
Publisher House Ads	✗	✓	✓	<ul style="list-style-type: none"> • Partially accounts for activity bias 	<ul style="list-style-type: none"> • Requires publisher support • Unknown behaviour of control users receiving house ads
PSA Ads	✗	✓	✓	<ul style="list-style-type: none"> • Partially accounts for activity bias 	<ul style="list-style-type: none"> • Additional cost to advertiser • Unknown behaviour of control users receiving PSA ads
Propensity Score Matching	✗	tbd	✓	<ul style="list-style-type: none"> • Potentially strips away noise in unexposed users 	<ul style="list-style-type: none"> • Requires additional data to model high quality matches
Intent to Treat	✓	tbd	tbd	<ul style="list-style-type: none"> • Clean analysis IF there is access to unexposed test population data 	<ul style="list-style-type: none"> • Requires publisher support • Lower statistical power due to additional "noise"

↑ Set Up Complexity

- Analyzing data across various publishers and clean rooms pose **interpretability difficulties** such as low conversion rates, particularly in saturated markets and narrow definitions of matches, leading to variability.
 - Tracking advertising effectiveness, especially across different user identities and devices, poses further difficulties. Additionally, comparing experiments with different control groups yields disparate results.

Day 2 – May 8, 2023 | 9:00 am – 12:15 pm ET

Opening Remarks

Speaker:

John Lynch - *University of Colorado Distinguished Professor and Executive Director, Marketing Science Institute*

Overview:

John Lynch opens day two of the MSI 2024 Analytics Conference by reiterating his appreciation for Wendy Moe and the MSI team. He acknowledges new attendees and provides a recap from day one. Lynch reaffirms the key research priorities for 2024, emphasizing the critical role of placing humans at the center of analytics projects to avoid strategic failures. He advocates for prioritizing decision-driven data over data-driven decisions to ensure analytics efforts align with strategic goals.

Lynch highlights key presentations from day one, including Stefano Puntoni (Wharton) on decision-driven analytics, emphasizing starting with the end decision in mind and using backward market research. He mentions Mary Beth Jowers and Inna Kuvich (Pernod Ricard), who compared analytics programs to building a house, stressing alignment, planning, and quality execution. Lastly, he notes Rob Moakler (Meta) discussing the challenges in digital advertising, particularly the ad measurement gap between marketing and engineering, and navigating a multi-device ecosystem with evolving regulations. Additionally, Lynch indicated that privacy and compliance emerged as focal points, with discussions on incrementality testing and data clean rooms by Isaac Dinner (Indeed) and privacy-compliant measurement by Divya Kaur (Kinesso).

Lynch concluded the opening remarks with a brief overview of the presentations for day two of the conference. He noted that day two would focus more on privacy, specifically the purchase journey, the involvement of AI, privacy restrictions in web browsers and their effects on platforms, navigating a landscape void of cookies, and Google's privacy sandbox.

Understanding Purchase Journeys Using AI

Speaker:

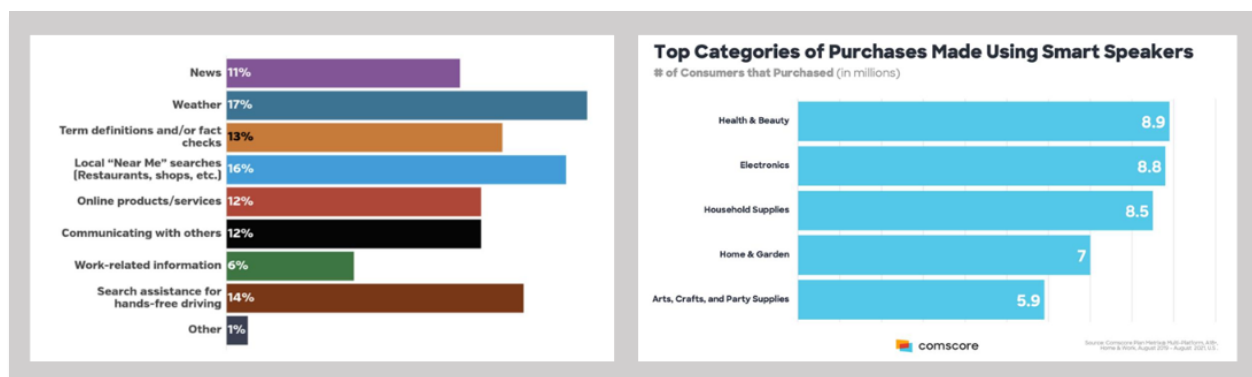
Liye Ma - Associate Professor of Marketing, University of Maryland

Overview:

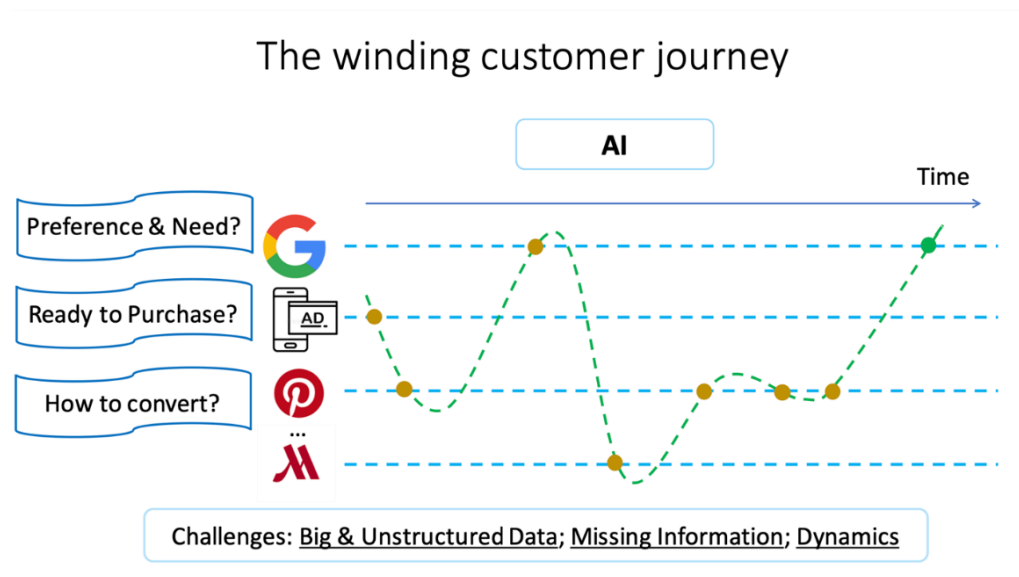
In this session, Liye Ma (University of Maryland) discusses research with Ziting Liao and Wendy Moe (both of University of Maryland) on how artificial intelligence (AI) offers promising solutions for the vast and unstructured digital footprints left by consumers, compounded by increasing privacy regulations that limit data availability to companies. Specifically, he proposes that leveraging AI assistants—such as Apple Siri, Google Assistant, and Amazon Alexa—can help predict consumer purchasing behavior. As consumers' search topics evolve throughout their purchase journey, this research aims to predict purchase intent based only on the textual content of utterances in consumers' interactions with AI assistants. Using the MASSIVE/SLURP dataset of in-home robot assistant interactions, the researchers create network embeddings to calculate the similarity of words in the interaction to predefined purchase-related benchmarks. This purchasing score is then validated to reveal that the specific, targeted model performs better in predicting purchase intent from limited data compared to a larger language model (BERT).

Takeaways:

- **Consumers are using their AI Assistants for a variety of purposes.**
 - Fifty-eight percent of U.S. smart phone users use voice to search for information.
 - In terms of **purchases**, 30% for use AI assistants for shopping/ordering items, 17% for food delivery/takeout and 16% for flight/hotel research.



- Consumers' interactions with **AI assistants can be used to fill in missing consumer** information and effectively predict consumer purchase intent.
 - There are **multiple touchpoints** in which a consumer's data, at different stages of their purchase journey, can be collected by a firm.



- **AI assistant interactions** can help firms and advertisers **better understand the purchase journey and create better personalized messages.**
- This work demonstrates the potential for **small, context-specific models to outperform larger models in certain contexts.**

Balancing User Privacy and Personalization

Speaker:

Malika Korganbekova - *Doctoral Student, Kellogg School of Management, Northwestern University*

Overview:

Malika Korganbekova (Northwestern University) presents joint research with Cole Zubern (Wayfair), which examines how privacy regulations impact ecommerce for consumers, platforms, and sellers. Using data from Wayfair, a large U.S.-based online retailer, the study investigates the consequences of privacy restrictions on consumer, seller, and platform outcomes. Korganbekova explains that privacy restrictions imposed by browsers like Safari and Chrome limit the quality of individual-level data used in personalization algorithms. While European and U.S. regulators argue that personalization can manipulate consumer choices without their awareness, leading to more expensive purchases, the study reveals that platforms' profits largely come from repeat purchases rather than higher-margin items. Privacy restrictions degrade the consumer experience by offering poorer product matches, whereas personalized recommendations reduce search costs and lead to faster and more frequent purchases. To address these issues, the researchers propose and evaluate a

probabilistic recognition algorithm that links devices to user accounts without using exact user identities.

Takeaways:

Results from the research

- The researchers developed a **probabilistic identity recognition** algorithm with 85% accuracy using device-level data, which **can help mitigate the impact of regulations on small sellers** without using IP addresses.
- **Personalized recommendations reduced the number of products scrolled** through (-83) products and filters used (-1.9%), shortened purchase times (-2 days), and increased purchase volume (+1.4%).
- The **personalized group had higher purchase prices** (+0.5%), fewer product returns (-10%), and more repeat purchases (+2.3%).
- **Platform revenue and profit increased** by 2% and 1.3%, respectively, mainly due to repeat purchases.
- **Small sellers saw significant benefits** under personalization, with revenue increases of 29-87% and visibility up by 15%, compared to big sellers' 2.7% increase.

Source:

Balancing user privacy and personalization [Working Paper]

Source Korganbekova, M., & Zuber, C. (2023 October 12). [The Wharton School](#), University of Pennsylvania.

Balancing user privacy and personalization.

Source Korganbekova, M. (2023 December 6). MSI Webinar. [MSI](#).

Navigating the Post-Cookie Landscape at Google

Speaker:

Abhi Gupta - *Senior Agency Measurement & Analytical Lead, Google*

Overview:

Abhi Gupta (Google) presents on the impact of cookie deprecation on Google's advertising ecosystem via their Chrome browser and how to navigate these changes. Gupta indicates that as the third-party cookie deprecation (3PCD) approaches in 2025, the advertising industry is evolving to meet consumer privacy demands and regulatory changes. Chrome's Privacy Sandbox initiative aims to reduce cross-site and cross-app tracking while maintaining access to online content and services. Gupta notes that Google is adopting a multi-tiered approach to ad privacy, investing in first-party data solutions, AI-based modeling, alternative user-level identifiers, data clean rooms and privacy-preserving

technologies. He acknowledges that consumers increasingly worry about online privacy, and seek assurance that their personal data is secure and not misused. Despite these concerns, they still expect personalized and helpful online experiences. He indicates that Chrome will gradually deprecate third-party cookies starting with 1% of browsers in January 2025, facilitating real-world experiments to assess readiness. Google's ad platforms will use Privacy Sandbox APIs alongside other privacy-preserving signals to maintain ad relevance and performance, with global testing ensuring broad applicability. This shift aims to balance consumer privacy with effective ad delivery and measurement, preparing for a future without third-party cookies.

Takeaways:

- Consumer Demand for Privacy and Control: **80% of consumers are concerned about online privacy.** Despite privacy concerns, consumers still expect personalized and helpful online experiences.
- Chrome's **Privacy Sandbox** aims to **reduce cross-site and cross-app tracking** while maintaining content access, featuring high-level interest categories, protected audience remarketing and attribution reporting.
- **Google is adopting a tiered approach to ad privacy**, including investing in first-party data solutions, AI-based modeling, alternative user-level identifiers, data clean rooms, and privacy-preserving technologies like the Privacy Sandbox.
- **Privacy Sandbox KPIs will support interest-based ads, remarketing, attribution reporting, and conversion measurement**, integrated with other privacy-preserving signals to maintain ad relevance and performance.

Playing in Google's Privacy Sandbox: Privacy-Centric Marketing After Cookies

Speaker:

Garrett Johnson - *Assistant Professor of Marketing, Boston University*

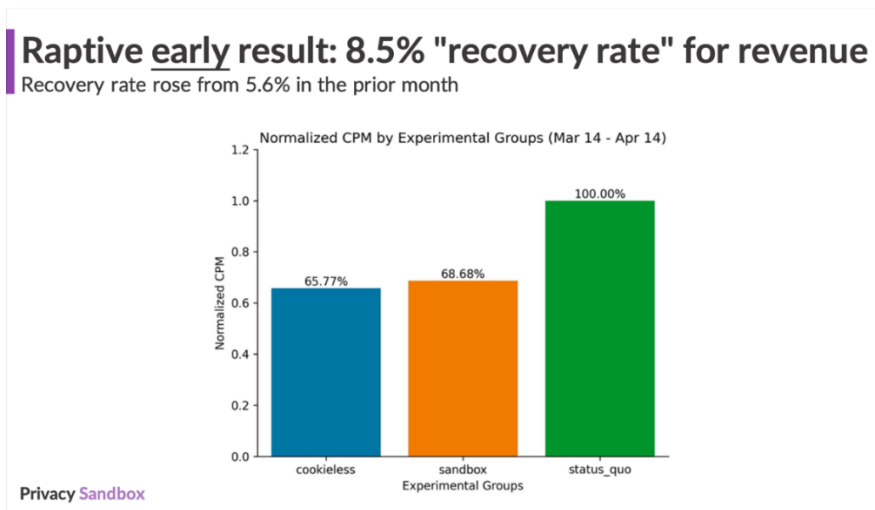
Overview:

In his talk, Garrett Johnson discusses the data and insights that can come from the adoption of privacy-enhancing technologies (PETs), which aim to balance consumer privacy with the benefits of targeted marketing. Johnson particularly focuses on the ongoing industry testing of Google's Privacy Sandbox, a collection of technologies designed to maintain the advantages of modern marketing while offering superior consumer privacy. Given the impending deprecation of third-party cookies, the Privacy Sandbox offers the ability for experimentation to measure the effectiveness of various PETs, and compare performance metrics such as revenue, clicks, and conversions. The setup of the Privacy Sandbox offers valuable insights for both publishers and advertisers. Johnson's initial results show drops in revenue for publishers without third-party cookies but recovery for both publishers and advertisers using the Privacy Sandbox technologies. With the adoption and optimization of

Privacy Sandbox technologies still in progress, their performance will likely improve and better bridge the gap between privacy and effective advertising.

Takeaways:

- Privacy-enhancing technologies like Google’s **Privacy Sandbox are crucial for balancing consumer privacy and effective modern marketing.**
- With the rise of consumer privacy regulations, **Privacy Sandbox offers an arena for experimentation of various PETs** and the resultant performance metrics.



- Johnson’s initial results showcase the **recovery rates in an advertising world without third-party cookies** for both publishers and advertisers.

Early result: ~30-50% "recovery rate" for advertisers

	<u>Cookieless vs Status quo</u>	<u>Sandbox vs Status quo</u>	<u>Recovery rate</u>
Clicks	-85.1%	-41.2%	52%
Post-click conversions	-79.4%	-40.3%	49.3%
Conversions	-5.99%	-3.61%	28% (noisy)

Privacy Sandbox

- **Privacy Sandbox is in growing use. Early experimental results show:**
 - Proof-of-concept for privacy-centric advertising.

- Significant scope for increased industry adoption and adaptation to improve publisher- & advertiser-side outcomes.
- Expect changes for 1%→100% cookie deprecation.

MSI 2024 Research Priorities

Disruption frames new MSI research agenda: Artificial Intelligence, marketing changes from privacy policies, marketing's role as a firm investment, interaction with stakeholders outside marketing, and the fragmented customer journey.

Four broad priority topics will guide MSI research activities and programming over the next year.



MSI 2024 Academic Research Priorities

- **Stakeholders** – Holistic Stakeholders, Navigating Organizations, and Intra-Organizational Education/Communication
- **Marketing Analytics** – AI, Models, Measurement, and Communication, Analytics for Privacy
- **Consumer Experiences** – Changing Expectations, Customer Journey, & Technology
- **Innovation** – New Technologies, Research & Development, and Organizational Development

MSI's research priorities come from interactions with member companies and discussion sessions at MSI's annual Summit conference and consider both the changing marketing landscape and the future of marketing.