



Thought Leaders
Pioneers
Networkers

We build interdisciplinary networks and create access to and communication with the relevant market partners. We offer exclusive information on actual topics – explained in simple terms and enriched with hands-on know how. For more effective and efficient management of your advertising investments.



OWM

DIE WERBENDEN UNTERNEHMEN

**Die starke Stimme der
werbenden Unternehmen
in Deutschland**

Foreword Chairman of the board

Uwe Storch
Chairman of the
OWM Board



Extraordinary times – like the coronavirus pandemic year – have the habit of revealing the good and less savoury sides to humanity. So not everything was entirely bad over the recent months of the Covid-19 crisis. Families, friends and relationships with colleagues and market partners, in particular, faced a challenging litmus test that they passed with flying colours. This once-in-a-lifetime crisis that has held Germany in somnolent lockdown for months, affects each one of us. It is an overriding concern for us, as social beings confined together. Men and women, working from home and often home schooling their children; many racked with worry about the economic consequences. All OWM members were faced with unprecedented challenges, primarily to protect the safety of employees and organise the transition to working from home, while still making sure that market operations were maintained to ensure the company's continued success. Many businesses, especially the hospitality and cultural sectors, were particularly hard hit.

But many of us learned new skills and achieved outstanding results during the crisis. Despite operating virtually from Berlin, the OWM Team nevertheless managed to offer more content and services than ever before to its members. Over 510 participants attended a total of 27 events. Webinars on marketing communication in the COVID-19 crisis or the legal pitfalls of special contractual conditions were incredibly popular amongst you. A heartfelt thank you for your interest!

However, companies could also leverage the Pandemic to place their already lived purpose with many activities even more visibly than before in the market. Specially these Brands, were gain relevance and became anchor and points of reference for consumers. In this context, the critical challenge for advertisers was to raise their game in terms of brand safety, hate speech and the risks posed by algorithms. As a consequence, the social networks finally lost their 'innocence'.

OWM held highly constructive talks with market partners, publishers, platforms and agencies to prevent market distortion and to keep the world's fourth largest advertising market as stable as possible. These talks – and the aftershocks of the economic damage wrought by the pandemic – will continue to keep us busy for some time in the future.

Like for ZAW, the growing monopolisation of the markets is one of our greatest concerns. After all, American companies dominating the market continued strengthening their positions during the crisis by capitalising more strongly on their functional advantages than their national competitors. Unilateral changes in their business policies, enacted at short notice to the detriment of the advertising industry – including Apple's new consensus-based solution, Google's HFSS advertising restriction and the Privacy Sandbox – are indicative of a dysfunctional market-based system that requires re-evaluation at European and national level. A critical review of current legislation is necessary in order to determine whether it is still fit for its purpose of safeguarding free competition. Precisely from this perspective,

“With its broad remit, OWM is perceived by the market as the voice of the advertisers, as the thought leader, pioneer and networker, acting always in the interests of its members.”

the entire market – not just OWM – has the crucial responsibility to ensure mandatory provider-independent market neutrality in trend-setting initiatives such as the House of JICs, the cross-media video ad measurement in accordance with the Golden Rules. Whoever sets the standards will also define the currency and with it also the costs for advertisers. We will therefore have to reach a consensus on this with all market partners.

In the upcoming federal election campaign in particular, we will have to keep a close eye on which policies the parties advocate on the issue of extended advertising bans. This creeping deprivation of the public in that they are only allowed to receive limited advertising for freely available products is an encroachment on fundamental rights, however well-intentioned the argument may be put. The topic of advertising is unfortunately polarizing advertising in public spaces, for children or in public broadcasting always triggers minority interests.

Even a layperson may approve of, or even welcome some of the attempts to impose restrictions. It is the responsibility of the OWM and other associations to point out that advertising is a key part of a pluralistic society and the foundation of a functioning democracy. Essential to this are the free exchange of information – including for advertising – constructive dialogue, competing arguments and rhetorical discourse that give rise to fresh insights and inevitably make a compromise possible. This would never be possible without genuine media competence. But restrictions on advertising mean restrictions on advertising competency, whose ramifications extend way beyond brand or product marketing. By harnessing the power and functionality of the algorithm, new digital media, in particular, have produced a seismic shift known as the ‘filter bubble’, which tends to group like with like to keep users in the system. And this filter bubble therefore changes everything: attitudes, plurality and the democratic rules of the game, producing the unstoppable polarity playing out across the globe.

In my estimation, the survival of liberal European societies will hinge on our ability to impart media competency – eminently important to us all in the 21st century – and not just advertising competency to adolescents and to train them and ensure their command of the necessary skill sets. This would certainly be more sustainable for society than pandering to minority interests by banning individual forms of advertising. With its broad remit, OWM is perceived by the market as the voice of the advertisers, as the thought leader, pioneer and networker, acting always in the interests of its members. I am therefore delighted that the OWM Management maintains continuity with its committed, high-profile and extremely market-oriented leaders. In this vein, Susanne Kunz has replaced Joachim Schütz, who is taking his well-deserved retirement after 15 successful years.

Interview with the managing director

Susanne Kunz
Managing Director



What attracted you to the position of managing director at OWM?

With its roughly 145 members investing around €9 billion in advertising, the OWM plays an enormously important role in the advertising industry. Germany is an extremely important market at global level. This industry sector is an important player and assumes a high level of responsibility in society. The members,

so the association as well, bear responsibility for jobs, entire business and market models and, last but not least, a sustainable ecological approach. I believe that we are currently in one of the most exciting market phases. It is a pleasure for me to work on design this phase with my OWM colleagues, the board and the OWM members.

Which topics will you focus on?

We need to adopt an international mindset in an increasingly global world and strengthen collaboration to tackle the challenges facing our industry. The focus of our work will naturally be grounded on the German market. But processes do not play out merely at local level. The players act globally, which means that all decisions on the German advertising market will inevitably influence the international situation and vice versa. We will continue to grow and strengthen our collaboration with WFA and other international associations. Many other issues are on the agenda as well, for instance, cross-media measurement. OWM will now also embrace the issue of sustainability. The discussions we held with market partners in spring have already given us some interesting approaches from the market in this regard.

What is your objective in terms of developing the OWM?

Requirements are becoming more diverse and specialisation is increasing, so we are facing the greater challenges of using our expertise to consider, process and clarify the effects of complex issues on advertisers, which will require more and more resources. We have an interesting and highly diverse membership structure across all categories, from smaller, medium-sized enterprises to large and international corporations. So there is no shortage of issues for us to address. I believe that the association has potential to grow in several sectors in which attracting new members would be beneficial to the association and to the companies themselves. Across the board, we see that expertise on the company side decisively improves the results for the

companies themselves, as well as for the market as a whole. A market that communicates with consumers effectively and efficiently will achieve better results and therefore attract more investment. It follows, therefore, that the market partners – and not just the companies – should be interested in expanding and continuously updating their expertise and specialist knowledge. What sets the expertise within the OWM apart is that it is built on the advertisers' own knowledge – unfiltered and rooted in practical experience. And that is unique.

Last year was a very unusual one due to the COVID-19 crisis. What can the members expect for 2021/22?

The pandemic is challenging for us all. Although it has led to highly heterogeneous developments in the market. Some industries were completely paralysed, while others returned record results. The findings of our OWM survey indicate that 36% of our members anticipate a deterioration in sales and advertising volume, combined with the increasing importance of digital channels. This perceived trend gives us food for thought. On the other hand, many companies remained successful using specially tailored COVID-19 campaigns. We can see in this that marketing and agility worked, which is an important and positive sign. Marketing has shown clearly over the past year that advertising works as a 'force for good', influences social perceptions and is therefore impactful. Last year, we transformed our OWM event schedule to digital formats very quickly and managed not only to maintain our content/programme but expand it. We registered a larger number of participants per webinar and received positive feedback for our choice of topics. We were delighted by this outcome, which reinforces our decision to



continue organising an extensive schedule of events. The Digital Forum and the Advertising Analysis and Standards Working Group met regularly to discuss the most relevant and current topics, with high attendance of our members. Naturally, though, we are all longing to meet and discuss in person, to gather for workshops and chat over a coffee in the break. I am therefore delighted to announce that this year's OWM Summit will take place, although the format will be dictated by the general conditions in place at the time. We can hardly wait to see you all again on 24 November!

Team OWM

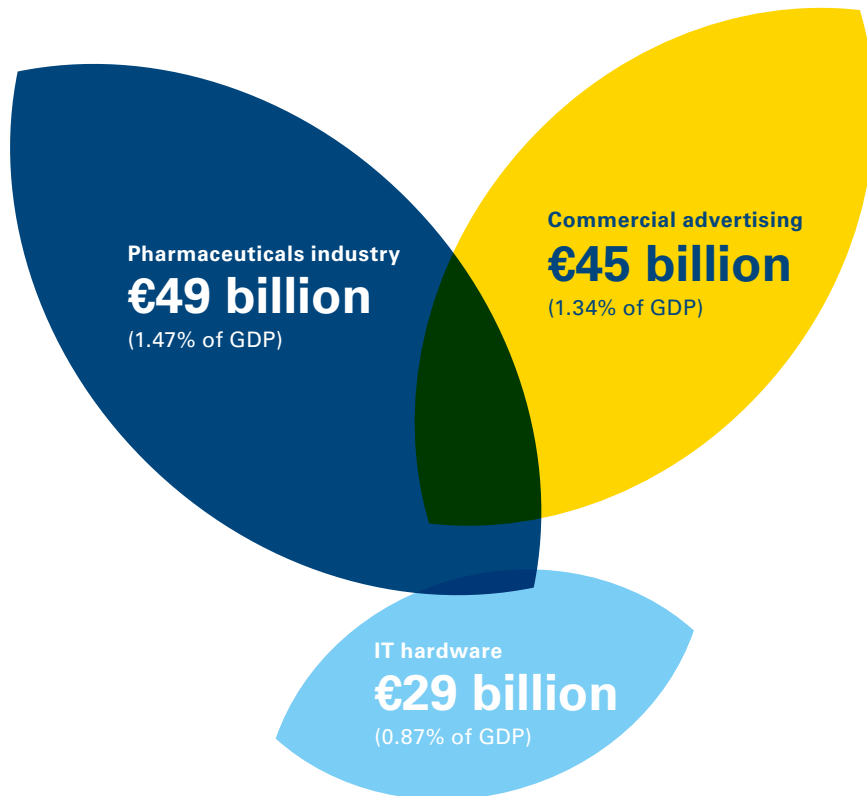
The executive board defines the association's strategic direction and is elected by the general assembly for a term of three years. The next elections are scheduled for 2022.

The OWM executive board

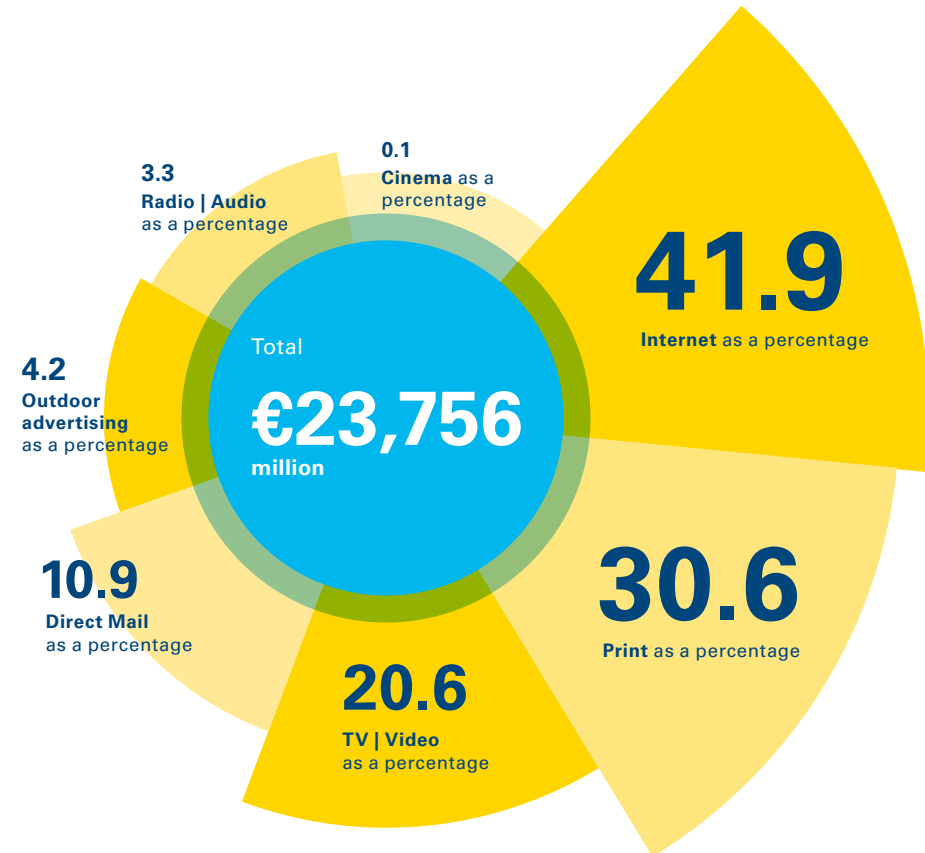
OWM Head Office

The German advertising market as an economic factor

Important contributor to the gross domestic product (GDP)



Net advertising revenues of reported advertising media in Germany 2020



Source: <https://zaw.de/wert-der-werbung/ueberblick-infografik/>

Multiple calculation of market shares: not for outdoor advertising, cinema, direct mail

Networkers

The OWM network is unique: its members include the largest advertisers, alongside medium-sized enterprises and small businesses. Marketing and media decision-makers from advertising companies in a variety of sectors meet at OWM and share their experiences.

The OWM mission

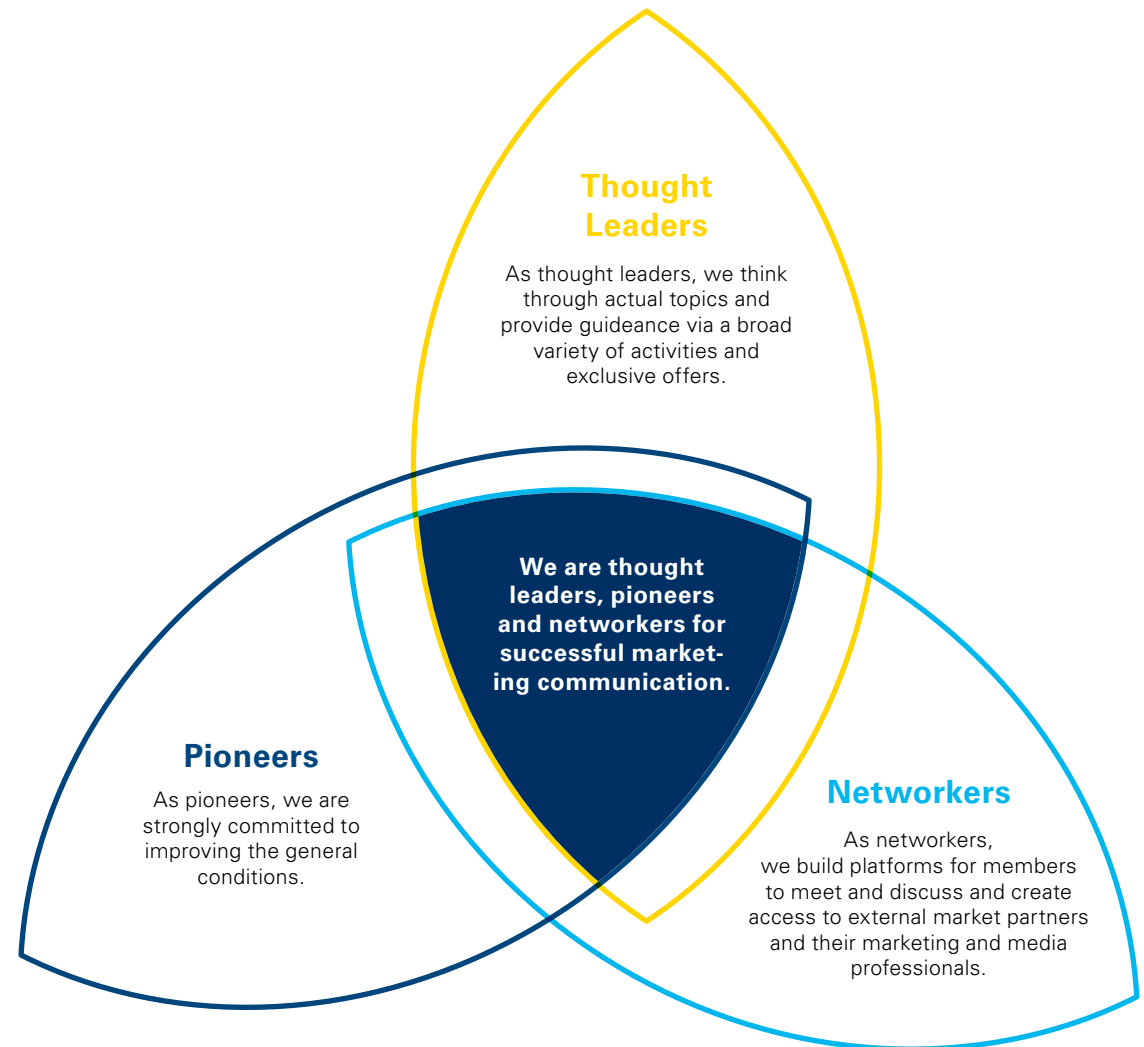
Our mission is to represent the interests of advertising companies in Germany in dealings with all relevant market partners on the most relevant topics of marketing communication.

We are committed to the freedom of communication, transparency between market partners as well as fair competition on the merits in liberal advertising markets. We therefore advocate general conditions that allow our member companies to engage in advertising more efficiently and effectively.

Our focus is on important current issues, such as brand safety, reaching target groups across all channels, online advertising without third-party cookies or cross-media measurement.

The OWM network

On the national market, OWM works closely with numerous partners such as ZAW, the JICs, BVDW or GWA. At international level, OWM represents the interests of advertising companies in the World Federation of Advertisers (WFA) and in its sister associations in Switzerland, France, Austria, the United Kingdom and Belgium.



Five good reasons for being an OWM member

Protected exchange

01

Protected exchange exclusively for members in working teams, forums, at events and in webinars

Exclusive studies

03

Exclusive studies and surveys on future topics that provide you with guidance in the market

Access and special rates

05

Access and special rates for webinars organized by our sister associations or invitations to key important industry events

Relevant information

02

Uptodate information on topics that drive the industry, addressed in the form of webinars, discussions with market partners, forums, alerts and publications

Practical know-how

04

Practical know-how through handbooks, overviews, presentations of new market developments, for example, in response to changes in the law or policies, as well as specific legal advice from our partner law firms



A strong network: voice of our members



“Intersnack is an OWM member to ensure that it remains abreast of the latest developments in the German media market and can collaborate with other advertisers to promote our shared interests in dealings with the media and agencies.”

Robert von Treuenfels
(International Media Manager)
Intersnack Group GmbH & Co. KG



“Our cooperation with and within the OWM enables us to speak with one voice about important goals in brand communication, such as transparency and measurability. I benefit from the relevant information and seminars, especially in the labyrinth of online media. Talking shop with the other members is just as important and helpful, and also a lot of fun.”

Katja Granieczny
(Media Manager | PR)
Conditorei Coppenrath & Wiese KG



“OWM makes an important contribution to ensuring that advertisers do not lose touch in a highly dynamic environment.”

Matthias Tigges
(Global Media Lead)
E.ON SE

A strong network: our members

An exclusive network:
more than

145

members and friends



More than 110 leading brand companies from the consumer goods and automotive industries, the financial and insurance sectors and the telecommunications industry have joined forces within OWM.

The OWM sponsor group brings together more than 30 companies from different sectors such as consulting, market research and media. They support the work of OWM in a variety of ways as partners and in doing so contribute significantly to the success of many studies, projects and initiatives.

More than

€8.5

billion in
annual advertising volume



Member companies represent an annual advertising volume of more than €8.5 billion. The following members have joined OWM since last year: Deutsche Kreditbank AG, ECE Marketplaces GmbH & Co. KG and Hengstenberg GmbH & Co. KG.

A strong network: our members



A strong network: our events in 2020/2021

As exclusive, interdisciplinary networkers, we provide a variety of platforms for our members to share information and experience, make substantial contributions to all important industry gatherings and organise the most prestigious events in the advertising and communications industry.

Know-how transfer for OWM members

Our exclusive webinars provide members with extensive know-how on current trend topics. We expand the programme continuously to meet the wishes and needs of our members and organise a large number of talks on various key topics. In addition, we offer exclusive communication platforms for marketing and media managers at our member companies in our forums (Digital Forum and CMO Forum) and the OWM Advertising Analysis and Standards Working Group. The annual General Meeting provides interesting insights into life within the association. Besides that, we complement our programme with studies and guest talks. The event was held digitally for the first time due to the pandemic restrictions.



OWM Events

27

digital events

510

Participants

Webinars on topics such as:

- Marketing communication in the COVID-19 crisis
- Brand safety
- Post-cookie era
- Future video models

Strategic collaboration in our quarterly events by the working groups on issues such as:

- Ad fraud
- Beyond cookies
- Brand safety
- Cross-media measurement of advertising impact
- Demands placed in the video market
- Billing models for video advertising

A strong network: OWM at industry events

What we stand for and call for is printed in numerous trade media and heard on many digital platforms. We make substantial contributions to all major industry events that reflect prevailing trends.

Advertising Impact Summit

Norman Wagner, OWM executive board member, discussed the topic “Do we need to rethink advertising impact altogether?” at the Horizont magazine’s digital Advertising Impact Summit 2020.

Total video

OWM Executive Board Member Kirsten Latour was a panel guest at the Horizont Total video conference event and discussed the topic “One market – one currency. Is there an urgent need for binding standards?” with some high-ranking guests.

Horizont Restart

OWM Executive Board Member Kristina Bulle joined with top marketing managers at the Horizont Restart digital event to discuss how COVID-19 impacts marketing and which messages and channels are gaining importance.

Munich Media Days

Andrea Tauber-Koch, deputy chairperson of the OWM executive board, took part in the 34th Munich Media Days, where she participated in the panel discussion on “The Data Cartel – Is the German Advertising Market Facing a Complete Takeover by the Digital Giants?”

DMEXCO

OWM hosted a panel during DMEXCO 2020, at which OWM Executive Board Member Arne Kirchem discussed the findings of the OWM study “Online Advertising in the Post-Cookie Era” with market partners.

A strong network: OWM in the media



Thought Leaders

We conduct numerous surveys and studies on relevant developments that provide guidance for our members. Despite being in crisis mode during the pandemic year, we were able to provide guidance in the form of webinars and surveys and by publishing a topical newsletter. All of the information was tailored to meet the specific requirements.

OWM in the coronavirus year: Effects on our members



“Many of us welcomed the learning curve and achieved outstanding results during the crisis. Brands, in particular, were able to improve communication of their true meaning as anchors and points of reference for consumers.”

Uwe Storch
Chairman of the board
Head of Media, Ferrero
Deutschland GmbH



“Like with everyone else, COVID-19 turned our world completely upside down”
It is in exceptional circumstances like these that we can see how good the processes and collaboration between colleagues actually are. In our case, we consulted with our brand managers and very quickly reached the decision that we need to support our consumers, now more than ever. So cancelling the media campaigns was never an option for us. Numerous studies confirmed this decision just one year later.”

Maïke Abel
Head of Media
Nestlé Deutschland AG



“You increasingly get used to video calls, but personal contact and confidential chats over a drink are irreplaceable and sorely missed.”

Andrea Tauber-Koch
Deputy Chairperson
Media Management,
Commerzbank AG

OWM in the coronavirus year: Effects on our members



40% of OWM member companies report revenue growth in 2020 vs year ago, 24% a deterioration. The figures remained unchanged for 36% of the member companies.

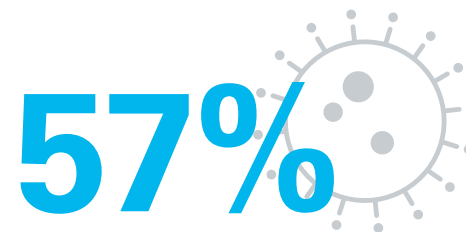


50% of member companies anticipate dwindling budgets for marketing communication in the medium to long term.

Social media and influencer advertising are benefiting from planned reallocations in 2021.



The topic of 'social responsibility' has become more relevant over the last 12 months in three quarters of all member companies.



57% of the member companies had already run campaigns adapted specifically to the pandemic in April 2020. The number had risen to 61% a year later, and another 8% are planning to organise a similar campaign.



Once they had been adapted to the circumstances of the pandemic, 90% of member companies were successful or very successful with their campaigns.

Source: OWM Corona I and II member surveys in April 2020 and April 2021

OWM in the coronavirus year:

Activities of our members

In 2020, half of our members produced campaigns that specifically addressed the pandemic. 90% of them rate the results as positive!

Pioneers

As pioneers, we advocate your interests in the marketplace. We need to have a strong voice to respond to legal amendments and changes in policies by market partners. We consolidate the demands you make of the market and become the audible and powerful voice of advertisers. In this regard, we focus, in particular, on the issues of advertising freedom & responsibility, advertising analysis & standards and digital communication.

Advertising freedom & responsibility

AGAINST the restriction of advertising opportunities – both at product and audience level

FOR future oriented media policies and the preservation and expansion of freedom to advertise.



Freedom of communication as a fundamental principle must also apply to marketing communication. Advertising must be permitted for every legally produced, distributed and consumed product. In doing so, the advertising companies are aware of their social responsibility, especially towards children and young people, and are committed to meaningful consumer protection. The

self-imposed restrictions and codes of conduct implemented by the companies on a voluntary basis achieve far more than legal regulations in terms of protecting the justifiable interests of consumers. More competition, market-economic structures and greater consideration of the interests of advertisers in media policies foster a diverse media landscape and fair market conditions.

Advertising freedom & responsibility: Current topics

Ban against food advertising of HFSS products directed at children blocked.

BMEL accepts the advertising industry's proposals to extend the rules of conduct for 'food':

- Adaptation of how children's programmes are defined: audiovisual broadcasts on radio, television and the Internet which are predominantly aimed at persons under the age of 14.
- New: positive nutritional properties of foods whose excessive intake is not recommended as part of an overall balanced diet shall not be emphasised in audiovisual commercial communications that are aimed directly at children or placed in the context of children's programmes.

Commitment to the preservation of advertising opportunities

In regard to the regulation of digital platforms (Digital Service Act) and markets (Digital Markets Act) at European level, OWM joins with WFA and ZAW to advocate the preservation of advertising opportunities and an effective activities vs abuse by digital platforms. Advertisement tailored to specific audiences are crucial for the digital advertising industry (e.g. greater relevance for consumers, more targeted use of advertising funds, indispensable for publishers and digital services to refinance their investments) and must be protected from the attempts from within the EU Parliament that are unmistakably aimed at a full ban on this advertising opportunity.

Planned ban on advertising for retailers prevented in Saarland

Many supermarkets and discounters advertised non-food items around Valentine's Day, which caused criticism from competitors who had been forced to close due to COVID-19 restrictions. In response, the state government considered imposing a ban on advertising non-essential products and justified this ban mainly with the risk of spreading infection. After focused debate, ZAW, the German Brands Association and OWM quickly and vehemently opposed this ban, also in order to prevent a precedent and stop this interpretation from spreading to other regions. The state government did not pass the planned ordinance and the advertising ban has been removed from the political agenda for the time being.

Advertising analysis & standards

FOR the transparency and comparability of media services as a means of ensuring optimised management of media activities

OWM represents the interests of advertisers in the central bodies and associations of German media research and advertising measurement. They include the German Audit Bureau of Circulation (IVW) and INFOline, the Arbeitsgemeinschaft Media-Analyse (AGMA) as well as the Arbeitsgemeinschaft Videoforschung (AGF) and Arbeitsgemeinschaft Onlineforschung (AGOF). In addition, OWM recently contributed its positions on cross-media measurement to the World Federation of Advertisers (WFA).

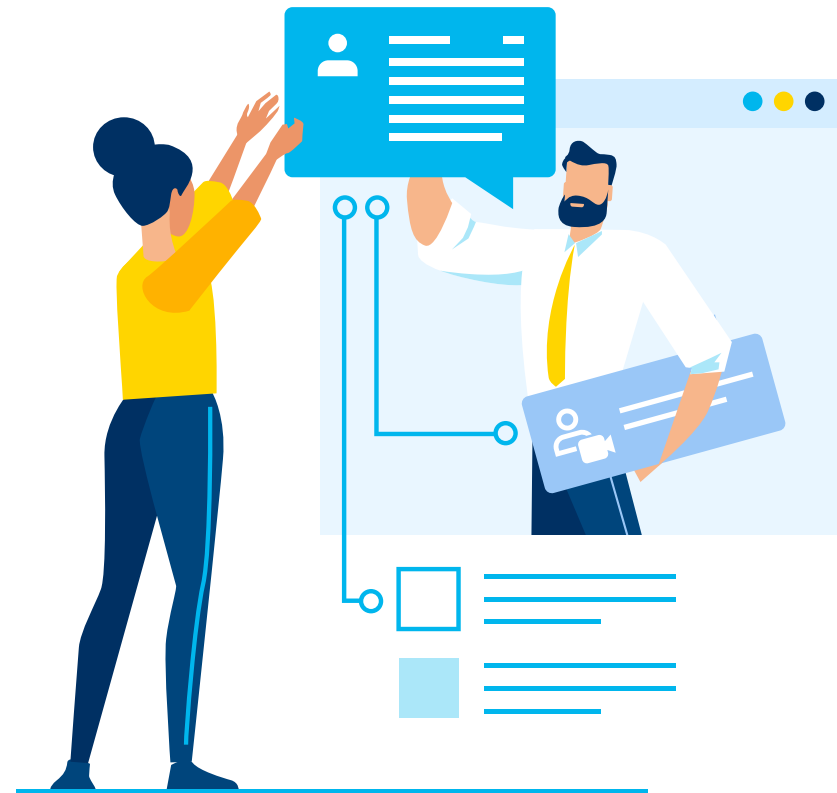


Active participation by our members: the Advertising Analysis and Standards Working Group

Within OWM, the Advertising Analysis and Standards WG addresses relevant topics of currency and impact and develops proposals for OWM positions in the relevant bodies and institutions. It is also used for internal communication on research issues and therefore adds value to the daily work of its members.

Priorities

1. Review and monitoring of the WFA Cross-Media Measurement Initiative, including formulation of the Golden Rules for a proposed German solution.
2. Video Demands 2020 for efficient investments in video campaigns
3. Complexity of billing models and call for research and data models to create standardised billing structures – digital and analogue
4. Wish list for operational expansion of D-force



2020

The working group met on a total of four occasions in 2020 with over 50 members actively taking part.

OWM calls for a **cross-media research approach**



Lars Gibbe,
Head of Committee Work
and Media Research at OWM

Lars Gibbe, Head of Committee Work and Media Research at OWM, provides insight and uses simple words to explain the requirements placed in cross-media performance measurement. For years now, advertising companies in many markets around the world have been seeking to establish integrated solutions for cross-media performance measurement and to connect measurement silos from the analogue and digital worlds.

What are the advertisers calling for?

The advertisers started with a specific description of why a solution package is needed and which requirements must be taken into account. This work, which involved active participation by prestigious advertising companies and their national associations, is now complete and has been incorporated into a framework. The framework is the first important result of the initiative and was published by WFA in September 2020.

What is OWM calling for in regard to the German market?

As a rule, implementation of a cross-media approach must be controlled by the German market and specifically by a Joint Industry Committee (JIC). OWM believes that this is the only way to guarantee resilient performance measurement that is monitored by locally advertising companies.

The cross-media reporting and planning approach must:

- be open to all market partners
- balance the interests of all market partners
- include all market partners equally in the discussions
- be based on fairness and transparency
- be independent and non-discriminatory
- be controllable at local level and built on a neutral, independent infrastructure
- be auditable by third parties
- comply with the local data protection regulations

What is OWM's objective for the German market?

The initiative's framework sets out the advertisers' highly ambitious goals, from an end-to-end measurement solution for planning to continuous measurement in real time for the entire market to qualitative and quantitative advertising impact parameters. OWM's goal for the German market is to develop a potential solution for TV and online video to start with. It will focus on reach and frequency data as a means of making overlaps transparent.

How does OWM believe that these problem-solving approaches should be developed?

The quality of media performance measurement on the German market has always benefited from the fact that advertisers, publishers and agencies agree on commonly agreed measurement conventions in the established Joint Industry Committees. AGF Videoforschung plays a key role in the first focus area of this work. OWM believes that AGF Videoforschung is clearly tasked with reviewing the technical draft solution that the platforms introduced into the initiative. The platforms have developed a joint proposal that may be suitable for TV and online video integration and, in the opinion of the advertising companies involved in establishing the global framework and also OWM, is worthy of discussion, although it does not yet contain a solution for the integration of TV. This must also be developed for the German market.

Digital communication

FOR digital market standards as well as the urgently needed transparency in the changed business relationships and at a political as well as operational level.

AGAINST advertising bans and restrictions



Growing numbers of new channels, usage scenarios and devices are increasing the complexity of marketing communication and demand maximum flexibility from everyone in positions of responsibility. Advertising companies are exercising prudence and foresight to embrace the opportunities and challenges inherent to the dynamic nature of digitalisation.

Digital communication:

Current topics

OWM fights against shift of power in the advertising market

The OWM has already spoken clearly against global Internet browsers adopting a gatekeeper function. We also reject any scenario in which the elimination of cookies shifts the balance of power to the benefit of a few players and thus skews competition in the advertising market. Advertisers want to address people with the right product at the right time today and in future. But decreasing efficiency and rising costs should be expected instead due to greater blurring, the absence of frequency capping and a deterioration in the user experience due to more irrelevant advertising. The establishment of login alliances, which OWM has long advocated, has become even more pertinent in the wake of Google's announcement. OWM takes a clear stand, researches the impact on advertisers and supports projects to create legal frameworks.

OWM files a complaint with the Federal Cartel Office

OWM has joined with other associations within the German media and communications industry to file an abuse complaint against Apple with the Federal Cartel Office. In its 'anti-tracking transparency campaign', Apple now only permits companies to use the Identifier for Advertisers for tracking purposes with the explicit consent of users. This presents the risk that Apple will favour its own advertising business in the form of App Store ads and that advertisers will only be able to measure the success of a campaign for Apple installations if they use Apple's proprietary interface, which does not require them to obtain consent. OWM contends that this represents preferential treatment by Apple of its own services at the expense of other market players and an exploitation of market power.

Integration of a universal measurement interface for the viewability of video advertising

The universal measurement interface (OM SDK) creates an unprecedented standard to measure the viewability of video advertising in a transparent, comparable and reliable way. It therefore gives advertisers the opportunity to use standard VAST tags as a means of measuring video ads on all devices. OWM played a key role in its integration by participating in round tables and regular coordination.

Active participation by our members: the Digital Forum

The Digital Forum addresses trends in the field of digital media as well as the resulting demands on the communication strategies of advertisers. Among other things, discussions focus on issues such as brand safety, ad fraud, VAST 4, quality criteria for data or the post-cookie era.

Priorities

1. Measurement of digital videos using standardised KPI
2. Standardisation in the post-cookie era: preventing a proliferation of ad identifiers and a bewildering accumulation of ad tech providers
3. Transparency in the programmatic supply chain: preparation of a market analysis and a white paper for clear guidance, also with regard to contract design
4. Ad fraud: preparation/agreement of a measurement standard for Germany with the aim of collecting a clear figure and clarifying that the responsibility lies with the publisher
5. Data quality: preparation of a market overview, assessment criteria and ideally provider certification



2020

The working group met four times in 2020. 84 members used the occasions to discuss current topics and action plans.

Advertisers in a marketing world without cookies



Christine Diener,
Head of Digital at OWM

Christine Diener, head of digital at OWM, looks after the issue of the post-cookie era and answers pressing questions in simple terms. Cookies have evolved over time into complex solutions, creating a lack of transparency and irritating users due to their occasionally excessive use.

Which market trends are currently discernible?

Faced with criticism from consumers, the legislator was forced to introduce stricter regulations for the use of cookies: the European Court of Justice and the GDPR, in particular, have already placed strong restrictions on use of third-party cookies. The Firefox and Safari browsers already block third-party cookies in their default settings. What's more, Apple deletes all first-party cookies after 24 hours. Firefox blocks almost 80% of advertising cookies, which has immediately led to publishers losing around 15% of their advertising revenue.

What changed with the iOS update 14.5?

Since the iOS 14.5 update, Apple has only allowed apps and advertising companies to use the Identifier for Advertisers to access iPhone data if the owner explicitly gives their consent. The implications for advertisers are immense: the tracking number is the only way for advertisers or analytics tools to follow user behaviour outside of their own iOS app, tailor campaigns to a specific audience and therefore personalise ads, including the visuals. Apple provides a proprietary interface for tracking, which is intended to enable advertisers to measure the success of a campaign for app installations, without infringing user privacy. Consent to tracking is not required if this interface is used. This development means a competitive edge for Apple.

How will the market develop in future?

Once thing is clear: regulatory measures by the legislator and the browser companies are driving the market into a 'marketing world without cookies'. This means a seismic shift in the way that advertising and content can be delivered, measured and tracked going forward. Rising to this stiff challenge will require concerted effort and cooperation on the part of all market stakeholders. Ensuring the common good and continued operability of the entire ecosystem are more important than the particular interests of individual market players. In turn, concerted effort is the only way to enable the ecosystem to exist at all, which itself is a basic requirement for upholding the interests of the individual.

What is OWM calling for?

Advertisers believe that standardisation is absolutely imperative; an unchecked proliferation of new ad identifiers and a bewildering accumulation of ad tech providers must be avoided at all cost. But the other extreme – namely an increasing market concentration with just one or a few market participants – is not an alternative, either: even more advertising revenue could end up in the hands of Google, Apple, Facebook and Amazon if only a handful of market players possess the technology plus usage data and also permit easily scalable and simple booking. These players would be silos and gatekeepers at the same time and could impose their rules on the market in the long term. OWM believes that this danger is particularly acute if shared solutions and standards are not identified, developed and successfully implemented in good time.

What are the consequence of this trend?

Login alliances, in particular, need to invest heavily in communication: consumers must be persuaded to use these accounts and to allow participating companies to deploy personalised advertising. Current market initiatives that focus excessively on – or are driven by – browsers must be reevaluated critically, as they are clearly biased towards these market players. OWM has a positive view of the Partnership for Responsible Addressable Media (PRAM) initiative, as it brings more market participants to the table and represents the interests of advertisers more strongly. It is reasonable to assume that a full alternative to the third-party cookie will not emerge for the entire market. In addition, new solutions must be found for non-addressable users, for instance by continuing to develop contextual targeting.

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