

# 4 best practices for implementing identity solutions

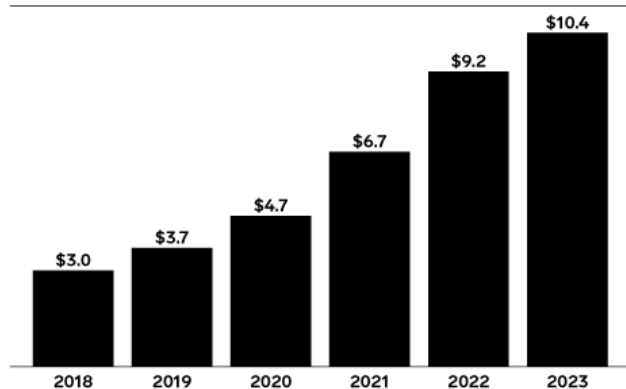
Article



Marketers are getting serious about identity resolution, increasing their spend on identity solutions by 13% this year in the US to reach \$10.4 billion, per Winterberry Group data cited in our [“ID Resolution H1 2023”](#) report.

## US Identity Solutions and Services Spending, 2018-2023

billions



Note: includes ID resolution platforms, data, and services (first- and second-party database management platforms, data hygiene and processing, 3P graph, and enrichment data)  
Source: Winterberry Group, Feb 26, 2023

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Here are some strategies to help navigate the increasingly fluid landscape of identity solutions.

### 1. Test and learn with varied data approaches

Deterministic and probabilistic data each have their own strengths, according to our analyst Paul Verna during a recent [Meet the Analyst Webinar](#).

Because deterministic data is based on customer information like email addresses, phone numbers, user names, or credit card numbers, it enables marketers to more accurately target their efforts. On the other hand, probabilistic data, usually based on web browsing and other digital behaviors, is more scalable, providing a more holistic view of an audience.

Increasingly, marketers are combining probabilistic and deterministic data to achieve maximum effectiveness.

“Most respondents in surveys that we’ve looked at chose a mix of the two, and we think that’s a smart approach,” said Verna.

### 2. Don’t wait for Google

It’s anyone’s guess if Google sticks to its current timeline of phasing out third-party cookies by the end of 2024. The company has already delayed its plans twice, resulting in what

Interactive Advertising Bureau CEO David Cohen describes as “the world’s biggest slow-motion train wreck.”

No matter the timeline, the smart thing to do is to start preparing now, advised Verna.

“Don’t assume a boy-who-cried-wolf scenario,” he said. “It’s better to be overprepared than underprepared for the cookie-free future.”

### **3. Don’t wait for privacy laws, either**

This year, privacy laws either have taken or will take effect in California, Virginia, Connecticut, Colorado, and Utah, with more likely to follow.

Though the American Data Privacy and Protection Act is in legislative limbo, “the writing is on the wall that even without any kind of federal law, the US is leaning toward protection of privacy at the expense of the ad industry,” Verna said.

Our analyst Evelyn Mitchell agreed: “If there are any gaps in [your] privacy compliance, it’s best to identify them now because willful ignorance is not really a great defense.”

### **4. Don’t assume IP addresses are here to stay**

IP addresses may be the next identifier on the chopping block, said Verna.

They are currently listed as personally identifiable information by the EU’s General Data Protection Regulation (GDPR) and the California Consumer Privacy Act (CCPA). And though they’re not as clear or specific about IP addresses, several state laws and regulations suggest approaches similar to the GDPR and CCPA, said Verna.

According to our “**ID Resolution H1 2023**” report, there are conflicting opinions on the future of IP addresses. Some, like Bill Bruno, CEO of UK-based data solutions company D4t4 Solutions, believe that IP addresses will become deprecated, like third-party cookies. But others, like Andre Swanston, senior vice president of media and entertainment at TransUnion, say, “All signs point to the IP address sticking around for the time being.”

A word of warning: If IP addresses are the next to go, it will be a reckoning for the connected TV (CTV) ecosystem.

“IP addresses are to CTV as third-party cookies were to web browsers,” said Verna.

Watch the full webinar.

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