

The GDPR Is Leading Some Publishers to Shut Off Open Exchanges

FT is utilizing a global approach in getting user consent

INTERVIEW | **JUNE 2018**

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An interview with:

Jessica Barrett

Global Head of Programmatic
Financial Times

Since the General Data Protection Regulation (GDPR) went live on May 25, publishers have tried a variety of tactics to deal with the law, including completely **blocking EU users from reading their websites**. Jessica Barrett, global head of programmatic at the **Financial Times**, spoke with eMarketer's Ross Benes about how the business publisher has adapted to the new regulations.

eMarketer:

Has the GDPR led you to change your approach to programmatic advertising?

Jessica Barrett:

A couple of weeks ago we actually shut down our open marketplace activity altogether.

eMarketer:

How much did you rely on the open market before you made this adjustment?

Jessica Barrett:

Not a lot. Programmatic is a small portion of our revenues, anyway. We have high direct sell rates and most of our programmatic revenues come from buyers that already have a direct relationship with us, so they usually prefer to set up private marketplace deals. Open marketplace was only between 10% to 20% of programmatic revenues.

“We're taking a global approach to it. This is something that we've been working on since before GDPR was even announced. We want to make sure that we're keeping our users' best interests in mind.”

eMarketer:

Even if it is a small amount of your revenues, why shut off the open market if it is bringing in money?

Jessica Barrett:

We're taking the overly cautious approach because we don't make much revenue from the open marketplace. We have a GDPR team that made the decision in order to minimize our risk [of getting fined for noncompliance].

Over the next few months, we're certainly going to review all the steps that we took to minimize GDPR risk and kind of see what's working, what's not and what we can ease up on. That fine is quite hefty, and I don't think any publisher wants to be first one to get called out.

eMarketer:

The GDPR is a European law, but it sounds like you shut off open exchanges for your traffic around the world.

Jessica Barrett:

Yes, that's correct; we're taking a global approach to it. This is something that we've been working on since before GDPR was even announced. We want to make sure that we're keeping our users' best interests in mind.

We wanted to do it globally because we assume that [data regulation] will make it over to the US one day and want to ensure that all of our users have the same options to consent.

eMarketer:

When the GDPR enforcement date came, what sort of reaction did you get from ad partners?

Jessica Barrett:

I probably got a minimum of 15 emails from buyers saying, "What are we targeting? Is your behavior audience involved? Is this UK only? Do we have anything in Europe?"

People kind of panicked and had questions from their legal teams that they weren't able to answer. So I think that as a precaution they said, "Remove all of the audience targeting, just put it directly with publishers and minimize the risk as much as possible."



"We assume that [data regulation] will make it over to the US one day and want to ensure that all of our users have the same options to consent."

eMarketer:

FT has been at the forefront of **fighting domain spoofing**. How has that been going lately?

Jessica Barrett:

We've actually had a few buyers reach out to us about GDPR compliance recently, noting that they have been buying us in the open marketplace over the past couple of weeks. Which would indicate that there's still an issue.

We definitely have to do our due diligence and figure out where it's coming from. I feel like these ad tech platforms are popping up all over the place, so there could be a completely new round of vendors that we are not familiar with.

eMarketer:

Have you seen ad budgets shift due to the GDPR?

Jessica Barrett:

We're starting to see programmatic guaranteed pick up a lot since GDPR went into effect and even before then in May. If you had asked me a few months ago what our programmatic guaranteed looked like, I would say it was quite minimal. And now, all of a sudden, I've seen it pick up drastically since GDPR took effect.

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