## Unified ID 2.0 gains momentum as industry giants embrace privacyfocused advertising

## Article



**The news: The Trade Desk's** Unified ID 2.0 (UID2) cookie alternative is racking up some impressive wins:





- Warner Bros. Discovery just announced it will incorporate UID2 into its digital platforms, including streaming services Max and Discovery+, allowing advertisers to use their own data to target audiences and foster better personalization and ad relevance.
- Meanwhile, Walmart Connect announced it is testing the integration of UID2 in partnership with The Trade Desk.

Publishers already incorporating UID2 include **BuzzFeed**, **Billboard**, <u>Fubo</u>, and **The Washington Post**; demand-side platforms that have adopted the standard include **MediaMath**, **Magnite**, **OpenX**, and **Xandr**. Customer data platforms and clean rooms from **Snowflake**, **Tealium**, and **LiveRamp** all support the technology. Roughly 75% of the third-party data ecosystem is leveraging UID2s on its platform, <u>according to comments</u> made by CEO **Jeff Green** on The Trade Desk's Q1 earnings call.

**Talk nerdy to me:** UID2 is an industry-supported identity solution that focuses on user privacy while ensuring personalized advertising.

• UID2 is a privacy-centric identifier derived from a user's email address or phone number and completely independent of third-party cookies.

Why it matters: The adoption of Unified ID 2.0 is significant for advertisers and publishers.

- For advertisers, UID2 provides various benefits, including using CRM data without compromising user privacy, streamlining identity resolution, and offering improved consumer privacy controls.
- Publishers, on the other hand, can benefit from targeted audience engagement, frequency management across devices, and the delivery of personalized ad experiences.

**Our take:** The decision by WBD and Walmart Connect to embrace UID2 represents a shift in the digital advertising landscape. As third-party cookies face scrutiny and are phased out, alternative solutions that strike a balance between personalization and privacy are essential.

- UID2 is a step in the right direction. By allowing advertisers to employ first-party data, it helps provide targeted content to the right audiences. And since UID2 is an open-source framework, in theory it could foster increased collaboration and innovation in the ad sector.
- However, the successful deployment of UID2 will require careful implementation and monitoring to ensure that user data is handled responsibly. The advertising industry must

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foster trust with consumers by being transparent about how data is used and providing easy opt-out options.

 Continued adoption by significant players could push UID2 toward becoming an industry standard in the near future.

## Solutions That Hold the Greatest Promise in Replacing Cookie-Dependent Solutions According to Advertisers and Publishers Worldwide, Feb 2023 % of respondents

	Advertisers	Publishers
Advertiser first-party data activation	49.0%	16.6%
Google Topics (formerly known as FLoC)	37.9%	12.6%
Attention-based metrics	33.7%	30.7%
Social media advertising/targeting	31.0%	39.1%
Contextual advertising	30.5%	20.5%
Publisher first-party data activation	27.1%	47.3%
Unified ID technology	21.7%	24.3%
Programmatic direct deals or PMPs	14.0%	32.7%
Source: DoubleVerify, "Post-Cookie Questions: How Are Evolving," May 1, 2023	w Advertising Strategies	and Sentiments
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