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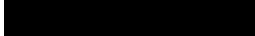t +44 20 7332 5640
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For the attention of:
browsersandcloud@cma.gov.uk

By email only

██████████████████

26th July 2024

Dear Sirs,

Re: Mobile browsers and cloud gaming – Working Paper 4 - Comment

1. As you know, we represent Movement for an Open Web ("MOW"). We are writing further to our submissions regarding our comments on Working Papers 1, 2 and 3. We reference the points made with relation to WP1, WP2 and WP3 in this letter.

Competition between in-app functionality and Open Web functionality has been restricted from years of abuse.

2. As the CMA notes in para 1.1 of WP4: "*In-app browsing refers to the situation where a user accesses web content while they are already in a native app that is not a dedicated browser. This might occur, for example, when a user is viewing a news article after clicking on a link within a social media app and – **instead of being directed to their dedicated browser app** – they view the article from within the social media app itself*".

3. The paper "*considers how IABs operate on iOS and Android; and how Apple's and Google's policies for different implementations of IAB within native apps may limit competition between browsers and browser engines for offering IAB implementations*".

4. The reason this use of in-app functionality is happening today is a result of the lack of openness and interoperability between the platform owner, the app provider (such as the Facebook app) and the Open Web[1]. A website on the Open Web running the same type of function as is provided in-app on a platform could, instead, be connected to and interoperate with functionality available outside the platform's controlled environment. The unavailability of Open Web alternatives is a result of the control exercised by the platforms or apps that have restricted user choice over browsers over time, which has effectively disabled competing functionality in the Open Web. This should be seen as a context of legacy abuse not a natural state.

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[1] https://www.zdnet.com/article/in-app-browsers-can-be-trouble-heres-why-and-how-to-avoid-them/

1

5. As the CMA notes, for example: "*Webview IABs do not rely on any dedicated browser apps installed on the device and are distinct from those. The browsing experience within a webview IAB would not typically inherit any settings the users may have selected for their dedicated browser and would not sync with the user's browsing history.*"[2]

6. So, in-app browser use is dependent upon and conditioned by abuse that has taken place over the past 10-15 years. As the CMA notes in paras 2.53-2.57, end users are unaware of the capabilities of the technology on the Open Web. They also have no effective choice and are limited to negligible control over browsers, and IABs and usage of the Open Web. The CMA should consider the market situation against a non-abused world.

7. Apple and Google restrict in-app browsing capabilities via their policies (see sections 4 and 5 of WP4). Since the in-app browser reflects the browser on the web, any such restriction should be lifted. Apps within the mobile ecosystem should not be subject to additional restrictions that they would not otherwise face in the open web setting.

The promotion of first party and first party data abuse.

8. The CMA indicates that it intends to look further into in-app browsers and the ability of platforms to gather data from apps on their platforms, in their iOS and Android Operating Systems for their own benefit.[3]

9. We have seen the promotion of first party data in Google's Marketers playbook and the exchange of information between google and those businesses that it considers to be members of a first party data exchange group.

10. We consider that these arrangements do benefit the platforms and provide them with data that is valuable and more extensive than available to others competing over the Open Web in a way that reinforces their market positions, helps them build value in their walled gardens and enhances their dominance with relation to their ecosystems.

11. Apple blocks usage of data for Apple apps and limits apps' ability to use advertising as a method through which the App can monetise their products. This has a major impact on news publishers whose products increase in value the greater the readership, so could benefit from advertising as a funding model. Apple's App Tracking Transparency (ATT) changes restricted the availability of data to apps on Apple's iOS and reduced their ability to fully monetise data. This enhanced the value of Google's search ads data from Apple users (see our comments to WP1, para 6 onwards).

12. Please see Annex ▓▓▓ 2 that relates to ▓▓▓▓▓▓▓▓▓▓▓▓▓▓▓▓▓▓▓▓ Google's Marketers Playbook, which provide further examples of Google exploiting its first party position. We remain available to explain our concerns further.

Market Definition

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[2] WP4 at para 2.12.
[3] WP4 at para 2.23.

13. In response to WP1, we provided our views on the CMA's market definition,[4] and this response is relevant here. In summary, we consider that while different products have potential end user alternatives and may have similar features and functions that are more or less substitutable, the market definition approach defined by demand side features and functions is inappropriate to assess the true nature of competition because:

   a. User choices are heavily constrained or limited by the platforms, to such an extent that they are an insignificant element in determining the extent to which features and functions are generated or made available to users; they are not chosen by users or determined by choices at product level such as would apply in competitive markets.

   b. The supply side determines the outcome so competition intra platform between features of apps and IABs and features of platform-owned or controlled browsers can only be meaningfully assessed at the level of inter-platform competition. Supply side competition is heavily affected by supply side features such as very high entry barriers, lack of availability of intellectual property rights and enormous sunk investments. Platforms also benefit from network externalities, very high and increasing economies of scale and scope.

   c. Inter-platform competition is heavily affected by commercial arrangements such as the Apple/Google 36% joint revenue sharing agreement that generates mutually reinforcing and anticompetitive economic incentives.

   d. The essence of the analysis in *USA v Apple* case is that the vertical integration of Apple across multiple software and hardware products and its restrictions on competition should be considered together with the target market of affluent end users. Those end users have high disposable incomes and are the most sought after for online advertising.

14. We therefore consider that there is a need for the CMA's analysis to evolve to take the above factors fully into account. Overall, we therefore agree with the CMA that "4.55 .. this means that users' control and choice is likely to be a very limited constraint on the extent of competition between providers of IABs and browsers," and at 5.35 of WP4 that "users' control and choice is likely to be a very limited constraint on the extent of competition between providers of IABs and browsers".

15. We hope the above is helpful to the CMA and remain available should the CMA have any questions.

Yours faithfully,

Preiskel & Co LLP

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[4] See MOW's response to WP1, paras 11 – 19

Annex 2: MOW's submission on Google's Marketers Playbook

Google

The marketer's playbook for navigating today's privacy environment

A guide to help businesses evolve
their digital marketing strategies

What's inside

At a glance

Growing user concerns about privacy have set in motion a series of changes that will reshape the digital advertising industry for years to come. Working as a digital marketer can seem a lot more complicated these days, especially with the added pressure and uncertainty that many are feeling due to COVID-19, but some marketers have managed to turn these changes into opportunities. By testing more privacy-forward strategies and evolving their practices, they've managed to accomplish their marketing goals - in some cases, even better than before - while respecting people's preferences for privacy.

This forward-thinking group of marketers has:

Redefined what it means to have strong, direct relationships with their users.
They recognize the growing importance of first-party data, making sure they have solutions in place to collect it responsibly from customers, as well as clear privacy policies that offer people transparency and control.

Found ways to reach their audiences and measure results when signals are limited.
They've expanded their toolkit for how to drive and understand results — like falling back to context-based advertising when personalization is limited, and relying on modeling techniques to fill in reporting gaps when conversion tracking is disrupted.

Invested in cloud technology to manage and analyze their data.
They've adopted cloud-based solutions that allow them to bring data from different sources together in a secure, central location, where their teams can analyze it to uncover and take action on new customer insights, while protecting user privacy.

Prepared their organizations and carefully chosen the partners they work with.
They understand an authentic commitment to privacy means ensuring their teams and vendors have the expertise - and values - to deliver business results while respecting the privacy of their users, and protecting the reputation of their brands.

The changing privacy landscape

In just a matter of months, COVID-19 has disrupted the way people live, learn and work around the globe. As large segments of the world's population have had to shelter in place to slow the spread of the virus, many of the trends observed before the pandemic have actually accelerated: shoppers turning to e-commerce, people streaming their entertainment, and companies moving their operations to the cloud in support of a now virtual workforce.

These are likely lasting changes that require businesses to double down on digital marketing as a means to connect with their customers. But there's also no denying that the challenges digital marketers faced before COVID-19 are still there. Among the most notable of these is people's growing concern over how data is collected, used and shared online.

+50% In fact, searches for "online privacy" have grown globally by more than 50% year over year.*

Meanwhile, the industry is changing to try and address these concerns. Governments around the world have passed new privacy regulations and expanded existing laws. Technology platforms such as browsers and mobile operating systems have announced or implemented new policies that restrict commonly used identifiers.

*Source: Google Data, Global English, Apr 15, 2020 - Jun 13, 2020 vs Apr 15, 2019 - Jun 13, 2019

As a result, there are challenges that you - as marketers - will need to address. For instance, some of the approaches you've come to rely on for reaching audiences and understanding the value of those interactions have already been impacted.

Creating audience lists and personalizing ads
Between regulation and platform changes, there's now heightened attention to and more limitations on the sources of data that can be used to select audiences and personalize ads.

Managing ad frequency
Restrictions on cookies have made it harder to manage how many times people see your ads. As a result, you risk irritating users - and damaging your brand - when you show them the same ad too many times.

Measuring performance
Cookies and other identifiers are used to attribute conversions to digital media. So when these measurement tools are constrained, it becomes harder to accurately report on and evaluate how your ads are performing, especially for view-through and cross-device conversions.

And if that weren't enough, some techniques being offered to marketers as solutions to address these challenges don't offer users transparency or control. Take fingerprinting, which combines very specific information about someone's browser or device (down to the screen resolution settings and installed fonts) to covertly identify and track individual users without providing them a means to opt out. Brands that choose to adopt such practices - or use vendors who do so on their behalf - are risking both damage to their reputation and potential enforcement consequences as regulations continue to evolve.

With so much in flux and so much at stake, forging meaningful connections with customers has never been more important. That's why it's critical that you have a playbook for how to navigate today's environment so that you can continue to drive results while respecting and protecting the privacy of your customers.

01

Build direct relationships with your customers

Despite changing business conditions and evolving user expectations, marketers still need to find and connect with customers. As users continue to embrace new devices and technologies, there are arguably more opportunities than ever before to form meaningful relationships with customers, and to do so in a way that does not compromise on trust.

And as we'll see in this section, there's no better way to start than by taking steps to:

- ✓ **Establish a direct connection with your audience**
- ✓ **Deepen your relationships with customers**
- ✓ **Work with partners who also put users first**

Establish a direct connection with your audience

When people interact directly with your business - by visiting your website, using your app, making a phone call to your business, or purchasing from one of your stores - it provides an opportunity to learn more about who they are and how you can address their needs.

The information that is collected from customers in these direct interactions is called first-party data. It is particularly valuable because it is unique to your business and the relationship you have with your customers. That's why it's important that you have the tools - and permission when required - to collect first-party data wherever those direct interactions might take place.

Invest in a comprehensive first-party measurement solution, where cookies are set only when someone has contact with your site. Google's global site tag and Google Tag Manager offer this capability, and support all of Google's advertising and measurement products, including Google Ads, Google Analytics, Campaign Manager 360, Display & Video 360, and Search Ads 360.

Incorporate a software development kit (SDK) to your mobile app that's designed to help you gather information from the actions people take when they download and engage with your app. The Google Analytics for Firebase SDK is available for your Android and iOS apps.

Invest in a customer relationship management (CRM) tool to help you capture and organize the information that's shared by people during interactions with your business in the offline world. You can link this offline data with Google's advertising and measurement tools including Google Ads, Google Analytics, Campaign Manager 360, and Search Ads 360.

Deepen your relationships with customers

Once you've established a connection with your audience, find ways to learn more about them so that you can strengthen those relationships. Customers may feel more comfortable sharing information with you that will help you serve them better, if they see that they're getting value in return.

There are several ways brands can deliver on this expectation.

Provide a **convenience** in exchange for people's contact information, like notifying them when a favorite item is in stock or their order status has changed.

Invite people to register and sign into an **account** or **loyalty program** where they can receive exclusive content, personalized recommendations and reward credits.

Offer a **deal** or **coupon** when people agree to provide their email address or phone number and receive your marketing communications.

Encourage customers to download your **mobile app** and ensure it offers compelling ways to engage your brand.

Sometimes, it can be more challenging to form direct relationships with customers, especially if your business sells to people through other companies. Perhaps you're a consumer goods company, auto manufacturer or financial services provider that traditionally works with a network of retailers, dealers or brokers. If this is the case, consider how you can offer value and experiences that are distinct from what your distributors can provide.

For example, you might recognize an opportunity to serve the needs of a particular customer segment who would appreciate an opportunity to directly connect with you.

Case study | Mondelēz International | MIGHTYHIVE

Consumer packaged goods company Mondelēz connects with devoted fans of its snack brands

Mondelēz was early to recognize the growing importance of direct customer relationships as the marketing landscape has shifted. But like many other consumer packaged goods companies, Mondelēz sells their products to consumers through retailers. That's when the company decided to work with Google Marketing Platform Partner MightyHive to develop a first-party data strategy that carefully considers the "value" that's being offered to consumers in exchange for their data.

Take one of their candy brands, Sour Patch Kids. Fans of the candy can go to a website where they can customize their own box of the multi-colored, sugar-coated candies. They can hand-pick the flavors, and put their name on the packaging. "When people choose to connect with us directly and share information, we ensure that a high bar is met in terms of the value they get in return," explained Jonathan Halvorson, Global VP of Agencies, Digital, Media & Data.
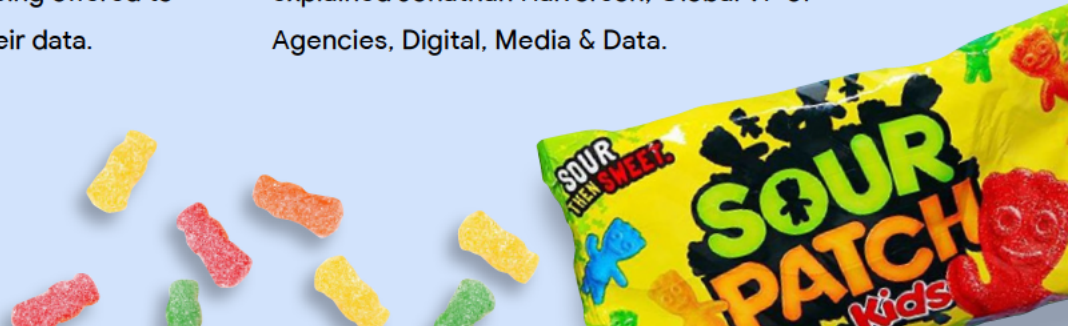
Once you've determined how to use customer information to deliver better experiences, it's important to communicate it to people clearly so that they know what they're agreeing to. Make sure your privacy policy is easily accessible and up-to-date with your latest practices, and consider explaining the contents of your policy in clear language. Tell your customers how they can exercise control over the data that's collected, including how to opt out of tracking or submit a request to have information deleted.

Work with partners who also put users first

Another responsibility you have to your customers involves being thoughtful about the business partners you work with. Choose partners that also prioritize user privacy, and recognize how to earn and keep people's trust.

Some questions you may want to ask:

> *Do they explain to users the types of data they collect and for what purposes?*
>
> *Do they have the right systems to record user preferences and consents?*
>
> *How do they offer users control over how data is collected and used?*
>
> *Are they meeting all regulatory requirements?*

When you get their responses, invite legal experts to weigh in. With so many different privacy regulations being introduced around the world, you'll want to make sure their practices comply with all applicable laws for collecting, using and sharing data.

Even setting aside the potential legal ramifications, it's important that you consider whether the practices of a business partner or vendor align with your values. For example, you may encounter suggestions to use or rely on methods that try to work around people's choices, like fingerprinting. While fingerprinting can be used in certain cases to enhance a user's security and prevent fraud (by authenticating the user), it can also be used to track users without their knowledge or permission.

These kinds of techniques may seem like convenient workarounds but pose a significant risk to your business, both in terms of reputational damage, and regulatory consequences — especially as governments continue to evolve their definitions of what's permissible.

02

Be flexible with how you reach audiences and measure results

Developing a strategy to build stronger customer relationships is foundational, but these days, marketers must also consider a number of additional factors – such as privacy legislation, platform constraints and people's individual expectations – when making decisions for how best to engage audiences and measure what happens.

In this section, we'll evaluate various scenarios and explore how you can:

- ✅ **Consider different ways of using first-party data**
- ✅ **Learn more about your audience from the partners you work with**
- ✅ **Find options to engage your audience when personalization is limited**
- ✅ **Rely on privacy-forward methods to fill measurement gaps**

Consider different ways of using first-party data

As you build relationships with your customers, you can analyze the first-party data that's collected during your interactions so that you can understand them better, including the types of ads and experiences that they'd find meaningful.

For example, how people interact with your website or app can offer clues as to what their interests and preferences might be. Solutions such as Google Analytics or Analytics 360 can help you analyze the data collected from your website to uncover these kinds of insights so that you can more effectively engage an audience.

Case study | unicef USA | DELVE

Charitable organization UNICEF USA uses insights from Google Analytics 360 to segment donors for different causes

The U.S. division of United Nations Children's Fund (UNICEF USA) wanted to reach prospective donors more effectively and increase donation amounts. Working with DELVE, a Google Marketing Platform Partner, UNICEF USA tuned their campaign's message to the specific causes people wanted to support. Using Analytics 360, DELVE was able to gain a picture of the content visitors were engaging with on the UNICEF website, such as safe water access or earthquake disaster relief. DELVE then used those insights to segment visitors into various audiences based on the causes that interested them. And because UNICEF USA's Analytics 360 and Display & Video 360 accounts were linked, DELVE was able to use these Analytics 360 audiences to reach people with messages tailored to their area of interest through Display & Video 360. This refined approach paid off with 10% year over year growth in donor acquisition and a 40% increase in website conversion rate from these campaigns.

Learn more

Another way you can use first-party data to engage customers is by working with partners who also have a relationship with the same customers. For example, when there's a group of people who've given both your business and Google the same contact information, Customer Match can help you reach the users you have in common. If you upload an encrypted data file of contact information, such as the email addresses or phone numbers your customers have given you, Google can then provide opportunities to reach those people when they're engaging Google's services or browsing the web — all while protecting the confidentiality and security of your customer data in the process.

In addition to using first-party data to deepen relationships with existing customers, you can also use it to find completely new audiences interested in what your business can offer. One approach is to evaluate what you know about your existing customers, and then look for people who share similar characteristics or behaviors.

Case study | **utel** UNIVERSIDAD

Online university UTEL reaches new students using similar audiences

UTEL in Mexico wanted to recruit more students interested in earning a degree from the online university. By using similar audiences for Search, UTEL's marketing team was able to identify and reach prospective new students whose search activity was similar to existing students, such as searching on phrases like "online universities" and "online bachelor's degree." As a result, the team was able to increase conversions by up to 64% for its Search campaigns.

Learn more about your audience from the partners you work with

By working with the right media and content partners, you can find other meaningful ways of using first-party data to reach the audiences you care about. Perhaps you've identified a valuable group of customers and the partner has content that's particularly interesting to them. If the partner offers an opportunity to advertise on its content, work with the partner to determine the most relevant message to send.

Case study | cebu pacific SUMMIT MEDIA kaSatria

Cebu Pacific Air engages travelers with more personalized ads across Summit Media's websites

The Philippines' largest airline, Cebu Pacific Air, partnered with Kasatria, a Google Marketing Platform Partner, and the region's leading digital publisher, Summit Media, to reach travelers with relevant ads. By analyzing its first-party website data, Cebu Pacific Air could learn about the destinations that a group of travelers might be interested in visiting. Those insights were confirmed when the same people engaged with content on Summit Media's websites related to the same destinations. For example, say a group of people searched for flights to Singapore on Cebu's website. Then, when they happened to be reading about travel tips to Singapore on one of Summit Media's travel sites, they'd see ads promoting Cebu's flights for that destination. These personalized ads drove a **7X increase in return on ad spend and increased click-through rates by more than 100%.**

Learn more

You can also combine your first-party data with Google's unique understanding of people by using Google Audiences.

Case study | **vodafone**

Telecommunications company Vodafone uses first-party data along with insights from Google Audiences to reach the right customers

The division of Vodafone based in Turkey, known as Vodafone Turkey, wanted to sell more mobile service plans to businesses, but first it needed a way to distinguish searches coming from enterprise buyers from those of consumers - a challenge when the search terms used by both groups were so similar.

So the company launched a Search ads campaign to reach this audience. They started with a first-party audience made up of past visitors to Vodafone's website, and then they added Google's detailed demographics to the campaign, which helped filter for searches that came from enterprise buyers. The campaign ended up generating 11 times more conversions from enterprise customers at a 25% lower CPA.
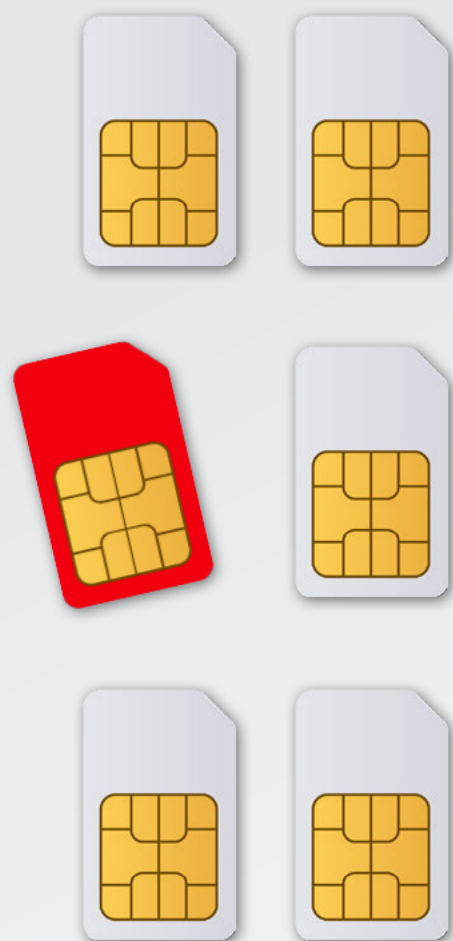
And even if you don't have much first-party data to start with, these audience solutions can help you establish new connections with potential customers based on their interests and intent. For instance, by adding an audience to a campaign or ad group, you can connect with a wide range of audience types, such as affinity audiences who are passionate about certain topics like sports and travel, or in-market audiences who're shopping for a certain product or service like running shoes or a vacation.

Find options to engage your audience when personalization is limited

Marketers want to deliver the most appropriate message possible when they connect with audiences. For instance, when users are open to seeing personalized ads, you can tailor your ad for the audience. But when you cannot personalize ads for users – because they haven't consented or cookies are blocked – pay attention to the context of the ad instead, such as the content on the web page or site where the ad will appear.

Consider how Google Audiences delivers relevant ads depending on the situation. If people's interests and preferences can be accurately determined, they'll be shown personalized ads. Otherwise, Google Audiences will rely on the context of the page where the ad is served to determine relevance.

These days, marketers also have greater access to new technologies, such as machine learning, to improve how ads can be matched with the most relevant context.

Case study | Google

Google's digital marketing team tests a new way to deliver contextually relevant ads

Google's digital marketing team had to be flexible with how they delivered the most relevant ad to promote the Google Home Mini smart speaker. When it wasn't possible to accurately determine someone's interests and preferences to help personalize an ad, they referred to the context of where the ad would appear instead.

One example of how the team innovated with its publishing partners to contextually match ads involved the UK newspaper, The Guardian. Ads for the Google Home Mini were placed alongside recipes in the publication's food section. By using machine learning to help process the content of these recipes, the team was able to deliver a message customized for each one.
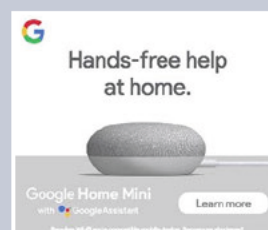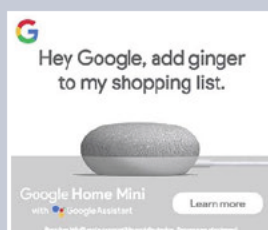
Another example of when you'll need to be flexible involves how you manage the frequency of your display ads. It's good practice to keep track of how often you've shown people an ad so that you can avoid bothering them repeatedly, and creating frustration with your brand. But managing the frequency of your display ads across websites has traditionally depended on the use of a third-party cookie.

By comparison, counting the ad impressions that happen on a single website can be just as helpful for managing your ad frequency. For instance, when third-party cookies are blocked, you can rely on a first-party cookie to keep track of your ad impressions instead. Display & Video 360 and Google Ads offer this capability, and can help you continue to manage ad frequency in a privacy-centric way even when third-party cookies can't be set.

Rely on privacy-forward methods to fill measurement gaps

One of the benefits of digital marketing is the ability to learn what happens after people interact with your ads. But when it's harder to observe conversions directly, either because of cross-device measurement challenges, browser restrictions or people's consent choices, you need to rely on other methods to fill the gaps in your reporting.

Let's take browser restrictions, for example. You can still get reliable reporting through Google's conversion tracking for your advertising campaigns, even when direct conversion measurement isn't possible. Say that a cookie isn't present for you to be able to attribute a conversion that happened as the result of a user interacting with an ad on a particular browser. By analyzing patterns from past conversion data, including the performance of your ads on other browsers, where direct tracking is possible, a model can be created to confidently predict how people will respond to your ads when direct measurement is blocked. That way, you can still report on conversion activity in a privacy-centric way when cookies have been blocked.

03

Manage data and discover insights in a privacy-centric way

Once you've cultivated strong direct relationships with users and planned for scenarios where you'll need to be flexible with how you engage your audience, consider investing in cloud technology to organize and activate the data collected during all those interactions.

In this section, we'll reveal how cloud technology can help you to:

✅ **Bring all your data into a secure location to uncover insights**

✅ **Make better decisions by predicting the outcomes of your marketing**

✅ **Analyze detailed campaign data while protecting user privacy**

Bring all your data into a secure location to uncover insights

First-party data can come from customer interactions spread across your advertising campaigns, websites, apps and physical locations. Brands can gain a better understanding of their customers and how to serve them more effectively when they bring all this information together and analyze it for insights.

Cloud-based solutions are increasingly being used by marketers to manage data while protecting user privacy. That's because cloud technology offers inherent privacy and security advantages when it comes to storing and organizing large data sets, such as encrypting all data by default and setting parameters for who has access to that data.

In addition to these benefits, cloud solutions also open up other, more advanced ways for you to analyze data, uncover new insights, and act on them by integrating with your marketing tools.

Case study | Domino's bounteous

Domino's Pizza of Canada learns more about what makes people order

The Canadian division of the global restaurant brand Domino's Pizza wanted to get a better understanding of their customers. In order to do that, they needed a solution that would allow them to bring together all the different data points that were available about their customers so they could be better prepared to serve them when they were ready to order again.

Working with their Google Marketing Platform Partner Bounteous, Domino's Pizza of Canada combined data from different sources into Google Cloud's data warehouse, BigQuery, for more granular analysis. For example, by linking online orders tracked in Google Analytics 360 with total revenue being recorded in the CRM system of Domino's, Bounteous was able to help the restaurant chain recognize that **customers who ordered at least twice online in the past 30 days made up 35% of their total revenue** — more than they had expected. This motivated the company to focus their digital advertising even more on this valuable customer group.

Case study | TWIDDY Since 1978 | ADSWERVE

Vacation rental firm Twiddy & Co upgrades its analytics with Google Cloud

Vacation home rental company Twiddy worked with its Google Marketing Platform Partner Adswerve to move its analytics to Google Cloud. "**The native integration between the two platforms makes it seamless to take customer insights uncovered in Google Cloud, and act on them using Google Marketing Platform**," recalls Luka Cempre, Senior Data Scientist at Adswerve. By bringing together all of Twiddy's first-party data into BigQuery, Adswerve's data science team could

<u>analyze the data</u> and identify insights about Twiddy's customers in a privacy-centric environment. For instance, when the team combined information like the preferred travel dates for past guests with the availability of properties they're likely to be interested in, they were able to determine when was the most appropriate time to promote a property to those customers. After introducing this logic into marketing campaigns, Twiddy saw **conversion rates double** compared to the website average.

Learn more

Make better decisions by predicting the outcomes of your marketing

When you've consolidated data into a central location like a cloud-based data warehouse, a data scientist or analyst can help you do more advanced analysis on the data. For example, they can train machine learning models using historical customer information to predict or anticipate the outcomes of future interactions with your customers, and those like them. This can help you to make better decisions, such as who to reach and how much to spend, based on their likelihood to respond.

Case study | RITUALS

Bath and body retailer Rituals uses Google Cloud's machine learning to boost online and offline sales

The digital marketing team at bath and body retail company Rituals wanted to scale how they could find a greater number of valuable customers. First, they brought all of their first-party data from Google Marketing Platform, their CRM systems, and point-of-sale transactions into BigQuery. Then, with Google Cloud's advanced machine learning capabilities, the team created models that could predict how likely customers were to make a purchase, including if the purchase would happen in a store or online, which items they were likely to buy, and when.

Audience segments were created based on these propensities using Google Analytics 360, and were then shared with Display & Video 360, where a campaign was created to reach certain groups with tailored messaging. After launching the campaign, Rituals saw an impressive 85% increase in conversions with a 15% decrease in cost per acquisition.

Learn more

Case study | **KAPLAN**

Education company Kaplan connects potential students with online universities through Google Cloud

The marketing team at Kaplan Higher Education wanted a more privacy-centric process to analyze and act on first-party data. So they turned to Google Cloud, which let them bring their first-party data together into a BigQuery data warehouse and gain access to machine learning technology to analyze the data stored there. Using historical information to identify common behaviors among past students, they were able to predict the likelihood a prospective student would ultimately enroll, based on their activity on the Kaplan website. For example, website visitors who spent time exploring course curriculum or using the site's tuition calculator had a higher likelihood of converting. The marketing team then created campaigns in Search Ads 360 and Display & Video 360 that prioritized reaching this audience. They also tailored their campaign landing pages for this group to prominently feature the enrollment application, making it easier for these highly qualified visitors to apply when they returned to the website. As a result of engaging a more interested audience, the university saw a **21% decrease in cost per application.** Kaplan's VP of Digital Marketing & Performance Management Aubrey Trask reflects, **"When we have a platform that ensures the protection over, and automates the analysis and activation of our first-party data, our team can focus on what really matters, and that's delivering a world-class education to each of our students."**

Analyze detailed campaign data while protecting user privacy

Because cloud technology has inherent advantages when it comes to managing user privacy and security, it's the ideal platform for data clean rooms, where media providers can provide access to detailed, event-level data that lets advertisers analyze campaign results in a way that doesn't compromise user privacy.

Ads Data Hub, which is built on top of Google Cloud's infrastructure and offers strict user privacy protections, is one example. Marketers can use Ads Data Hub to join their own proprietary data with event-level data from Google to enable campaign analysis. But there's an aggregation requirement of at least 50 users before any output can leave the system, preventing a specific user's identity from being compromised.

Let's say you'd like to get a better understanding of how customers go from viewing ads to making purchases. Using Ads Data Hub, you can combine sales data from your CRM systems or marketing database with Google campaign data to reconstruct the path to purchase.

You can also take action on the insights learned through Ads Data Hub. For example, you can create audience lists based on clicks or conversions from your previous Google campaigns and share these lists with Google Ads or Display & Video 360 to inform who you reach (or exclude) in your subsequent campaigns, all without exposing user information in the process.

Case study | EE | essence

Telco EE reaches the right customers with Ads Data Hub

EE, one of the UK's largest digital communications providers, wanted to ensure their campaigns for mobile phone plans were driving the specific business outcomes they cared about. Working with their agency, Essence, they used Ads Data Hub to join their first-party sales data with Google's ad campaign data in a secure, privacy-centric environment, and analyzed it to understand which types of consumers were more likely to choose new phone plans. With these insights, they were able to make better decisions for their acquisition activities, such as customizing their bid strategies to drive a **57% increase in return on ad spend.**

Preparing for the future

Many businesses continue to struggle from the impact of COVID-19. Meanwhile, the digital advertising ecosystem continues to change in response to user privacy concerns. While much about the future is still uncertain, there are clear steps that organizations can take today to stay ahead.

Create a center of excellence

Some companies have established a dedicated team or center of excellence, whose focus is to help advise and prepare its organization for more changes ahead. Google's own digital media team, for example, has formed a dedicated group of experts from different functions including legal, data science, and marketing. External partners and vendors that help to manage customer data and advertising campaigns are also invited to consult. And it's this group's job to stay on top of all the changes, consider the impact from a variety of potential scenarios, and come up with a plan for how to respond to each.

Participate in industry discussions

There's a lot of dialogue happening across the industry around new technologies and appropriate standards that can enhance privacy on the web, while also supporting businesses that use the web to grow. It's important that you participate in these discussions, so that the needs that are specific to your business can be considered. Work through the industry associations you're a part of to ensure your voice is being heard, and share your feedback with your vendors and partners.

Growing concerns around user privacy have impacted every corner of the digital advertising industry and the changes that have come in response to these concerns will continue to have an impact. But as we've seen from the examples in this playbook, respecting user privacy doesn't have to come at the cost of business results. Quite the opposite, in fact: the tools and resources available to digital marketers today have already created impactful new opportunities to nurture relationships with customers, while using data responsibly.