I Know Where You Were Last Night

The Power and Promise of Advertiser IDs

By Mitchell Reichgut, CEO of Jun Group

There's a powerful device out there collecting detailed information about your lifestyle, location, and habits – and it's tucked away right in your pocket. Each smartphone is uniquely differentiated from hundreds of millions of other smartphones by something called an ad ID. Google's version is known as GAID (Google Advertiser Identification) and Apple's is called IDFA (Identifier For Advertisers).

This technology, in its various forms, allows brands, carriers, ad tech companies, and others to collect valuable insights about you – from your spending habits at Starbucks, to your OpenTable restaurant preferences, or even last night's bar tab. Data gathered from advertiser IDs are also bought and sold many times over and may include some personal details.

This exchange of personal information is increasingly becoming the standard, and yet many of us are unconcerned. A new Pew Research study found that people are willing to give out private information as long as they receive something of value in return. Millennials are especially lax. A recent USC study found that 1-in-4 millennials are willing to disclose private information in exchange for personalized advertising. The popularity of store membership cards, such as My Starbucks Rewards, has proven that consumers are willing to sacrifice some privacy in exchange for convenience, rewards, or promotions.

Brands are beginning to take notice of your mobile appetite for value-added offers and the opportunities to connect more intimately. Additional data points can mean a more tailored mobile experience. Better discounts, promotions, and news could be available at your fingertips if brands collected data on store visits. This technology provides the platform for an enhanced user experience, one where customers are more likely to engage with brands and transact.

Travelers, for instance, may see their overall airport experience improve. Brands like Panda Express can plug into advertiser ID tracking and offer coupons to specific travelers, driving purchases during low traffic times.

Voters in the 2016 presidential elections may also benefit from the power of advertiser IDs. Smartphone users who express political sentiments on Facebook can be targeted by meaningful, customized messages, instead of general ads that might be irrelevant. Voters will be able to easily donate, engage, and learn more about party platforms. By working with third party data partners, political parties can reach niche audiences with messaging that is increasingly relevant.

Another way people can benefit from advertiser IDs is through personalized messaging that works across devices. Facebook, for instance, recognizes specific individuals, regardless of which device is used to log into their accounts. Data profiles are maintained and brand preferences are stored, providing brands with powerful cross-device targeting. The increasing availability of ad ID information is making it easier for many different types of advertising platforms to offer these kinds of features.

In this mobile-first world, advertiser ID tracking is growing fast and becoming increasingly sophisticated. As long as users opt-in to sharing personal information in exchange for tangible benefits, advertisers should embrace this technology and create higher quality, real value experiences for users. So yes, advertisers may know what you did last night and in fact, they may even know how much you spent – but the coupon you got after checking in on Yelp was a great tradeoff.

Mitchell Reichgut is CEO of <u>Jun Group</u>, which provides an ad platform for video and branded content across devices. He can be reached at <u>mreichgut@jungroup.com</u>.