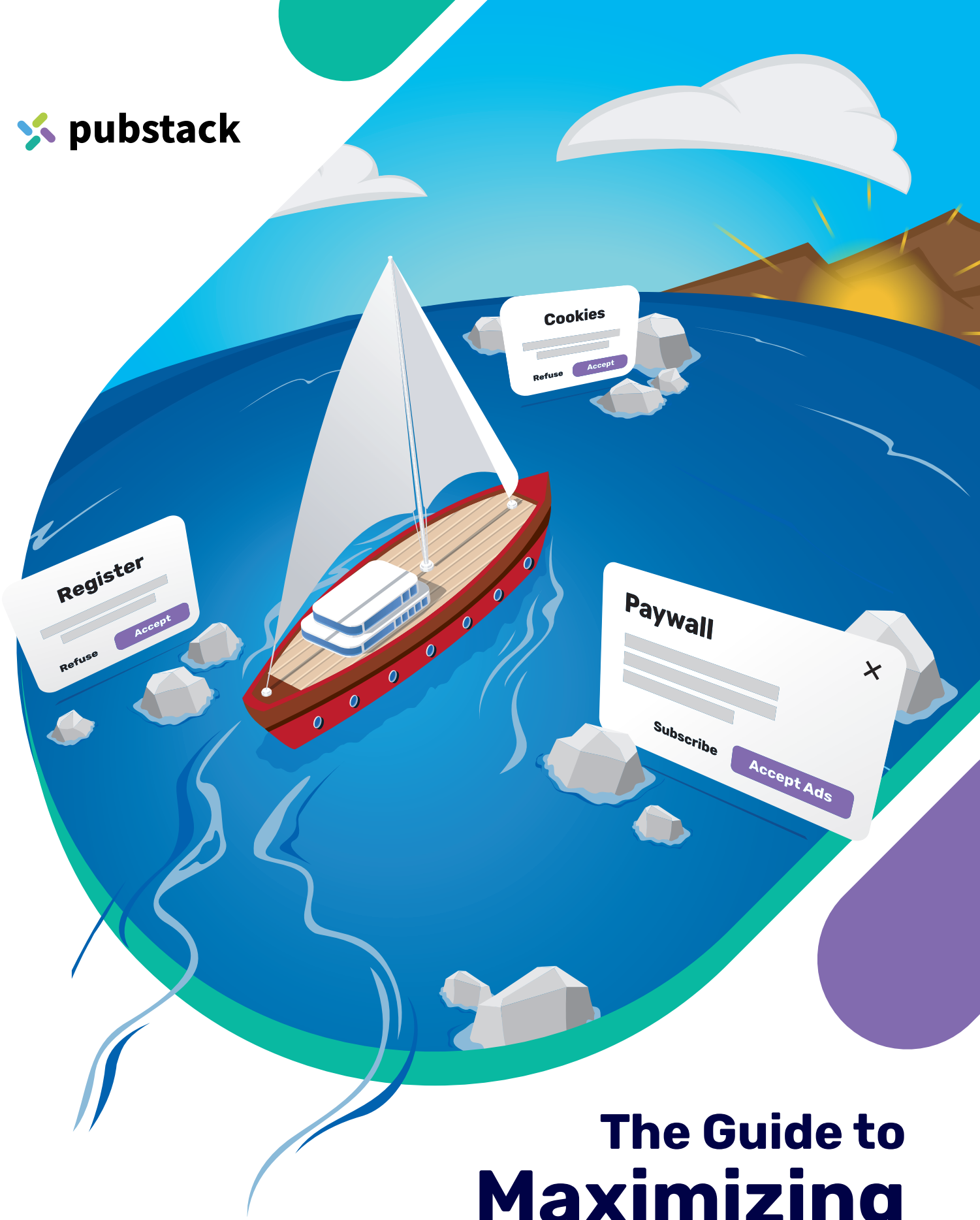
pubstack



The Guide to Maximizing Monetization

while Respecting User Choice

Introduction

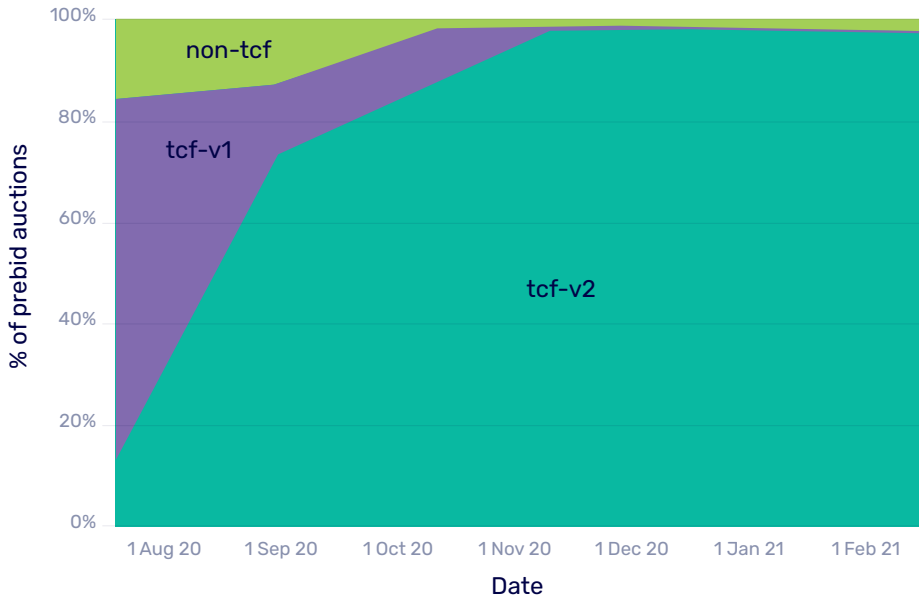
What happens to EU traffic with no explicit consent?

Successfully solving some of the biggest - and newest – challenges for Publishers today depends on their ability to quickly adapt to the fast-changing legal environment they are operating in. Indeed, Data Protection Authorities are frequently increasing regulatory expectations, pushing Publishers to rethink how to best integrate user choice and user consent into monetization strategies.

With, on the one hand, the growing need to control data coming from users in accordance with new legal frameworks, and on the other hand, the need to maximize revenue, it can be tricky for Publishers to reach both objectives. To avoid losing a significant amount of revenue, it is therefore now a priority for Publishers to understand the different solutions for displaying ads to users that have not agreed to be tracked.

By joining forces with User Consent Specialists at Didomi, we have come up with a 3-part strategy that Publishers can put in place to maximize monetization within the GDPR and TCF Framework. Our goal - through this study - is to allow Publishers to identify where they are leaving revenue on the table and to share some tips to help ensure their business is compliant.

Scope of analysis



*With TCFv2 being widely embraced (98% of all EU auctions today) we have zoomed into this 98% of auctions to determine the impact of user consent on monetization.

*We have based our study on the data collected by Pubstack on its publishers.

First of all, let's clearly define what an ad call with no consent is. An ad call with no explicit consent can mean two things. Either the user did not give consent, or there is simply no consent information in the ad call. This can often be due to CMP issues. The number of ad calls with no explicit consent varies between 2.5% to 24% - depending on the Publisher, their audience, and their CMP implementation. On average, however, we see that across all Publishers from the study, **8% of ad calls have no explicit consent approval**.

What is the value of a no consent auction?

8% of auctions are TCFv2 compliant and embark with no consent information: **they account for less than 1% of Prebid revenue**. The main reason is that GAM is now blocking ad calls when Google does not have explicit consent.

So why is it still 1% and not 0%? Simply because we also analyzed Publishers that are not running on GAM (but on AppNexus or Smart Adserver for example). Also, the Google Limited Ads feature of Google can sometimes allow monetizing the auctions with no consent.

By looking at the Prebid bidding patterns, we see that Prebid still finds value on the auctions with no consent information or refused consent. This obviously depends a lot on the SSPs plugged in Prebid, as some just do not bid on that traffic ,while others have some demand for it. The value given by Prebid to the no consent auction can greatly vary, from 10% to 80% of a Prebid auction with consent. For the majority of Publishers from the study, this figure is estimated to be **between 15% and 35% of a Prebid auction with consent**.

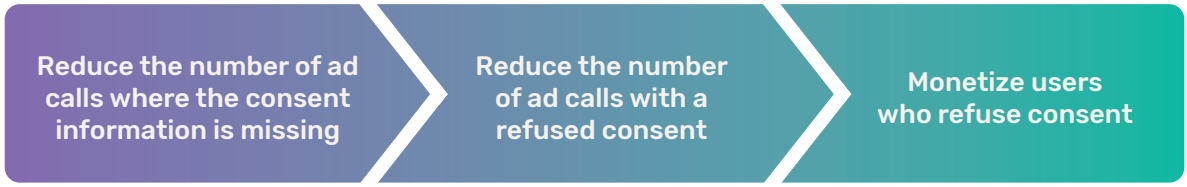
In other words, by finding ways to bypass the fact that GAM is blocked for the no consent auctions, it is possible to recover 15% to 35% of the lost value. This figure might seem low, but it is possible for Publishers to maximize it by plugging in new SSPs that will have demand for this specific traffic.

The study also revealed that **Publishers are losing 8%-10% of their programmatic revenues**. Either because the user refused consent, or because the ad call did not contain consent information due to CMP misconfiguration. This number is bound to rise in 2021 - especially in France with the new GDPR regulations, which will require Publishers to have an “Accept all” or “Refuse all” button.

Limiting the impact of user choice on Publishers’ revenues

A 3-part strategy can be put in place to recoup the 8-10% revenue loss Publishers are experiencing due to user consent.

First, Publishers should look out for misconfigurations in the CMP that could lead to having no consent in the ad call. Then, there are some ways to drastically optimize the CMP in order to lower the number of users who deny consent. Finally, once the first two steps of the strategy have been successfully handled, Publishers can look into how to monetize users who refuse consent. This can be done either by giving a second chance to monetize consent or by finding alternative solutions to the refused consent inventory.



Part 1

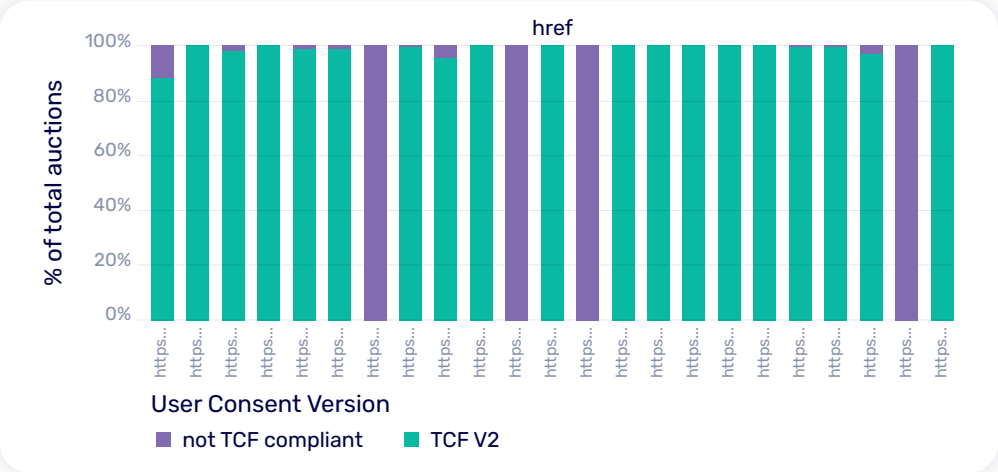
Reducing the Number of Ad Calls where the Consent Information is Missing (Use Cases)

Part 2 - Reducing the Number of Ad Calls with Refused Consent
Part 3 - Monetize Users who Refuse Consent

The number of ad calls in which the consent information is missing can be linked directly to the misconfigurations of the Publisher's CMP. Based on the data from Pubstack's Publishers, we have identified several use cases that help showcase typical misconfigurations at the CMP level.

CMP not plugged on all the inventory.

This might sound very basic, but as a Publisher, it is absolutely critical to make sure that the CMP is plugged into all your websites to avoid dealing with many ad calls that have no consent information. To do that, Publishers can plot the consent stats by URL, either through the CMP analytics module or through a Prebid analytics module like Pubstack.



The URLs that are not TVCFv2 compliant – so those who do not have the CMP plugged in – can be easily identified. These non-compliant URLs do not give the user a chance to give consent when reaching the website.

Prebid called prior to user registering their choice

This misconfiguration can be more harmful to Publisher revenue than the first one. Publishers should make sure that Prebid and the ad server are called once the user choice has been registered. Otherwise, the first pageview value of a user - who has not yet registered their consent - will be lost. We have seen a Publisher lose 35% of its programmatic revenue because Prebid and GAM calls were made before the CMP had registered the choice.

Most non-EU traffic blocked by new major US CMP release

Although this use case is not really a CMP misconfiguration, we have witnessed it and believe it is worth mentioning here as it can have a dramatic impact on programmatic revenue. CMPs are not immune to bugs or issues, especially when a new version is released. We have seen the case where several Publishers lost almost 100% of their programmatic revenues on traffic outside Europe when a major US CMP released a new version. Even if these cases are rare, Publishers should keep them in mind.

The nuclear button (don’t press it!)

For Publishers running on GAM in the EU user consent part of the tool, there is a box called *‘Enable Google to check consent for all reservation creatives’*. Some of our Publishers ticked that box to make sure that whoever won the display had consent from the user to actually display the ad. But what really happened is that one first Publisher lost 50% of their Prebid revenue as soon as the box had been checked. A second lost 100% of its Prebid revenue.

Although it is difficult to understand the reason behind this, we have come up with an educated guess. We believe that Google is having trouble identifying which SSP has won the display within Prebid. This would explain why Google cuts all of Prebid revenue. The reason why the first Publisher to check the box only lost 50% of its Prebid revenue would be that Google was able to recognize some of the biggest SSPs - like AppNexus or Rubicon and maybe a few others - but a majority of the winning SSPs were not being identified by Google. Since identifying the SSP is mandatory for Google to be able to check if it has consent or not, it was blocking the display each time the SSP was unknown.

Part 1 - Reducing the Number of Ad Calls where the Consent Information is Missing

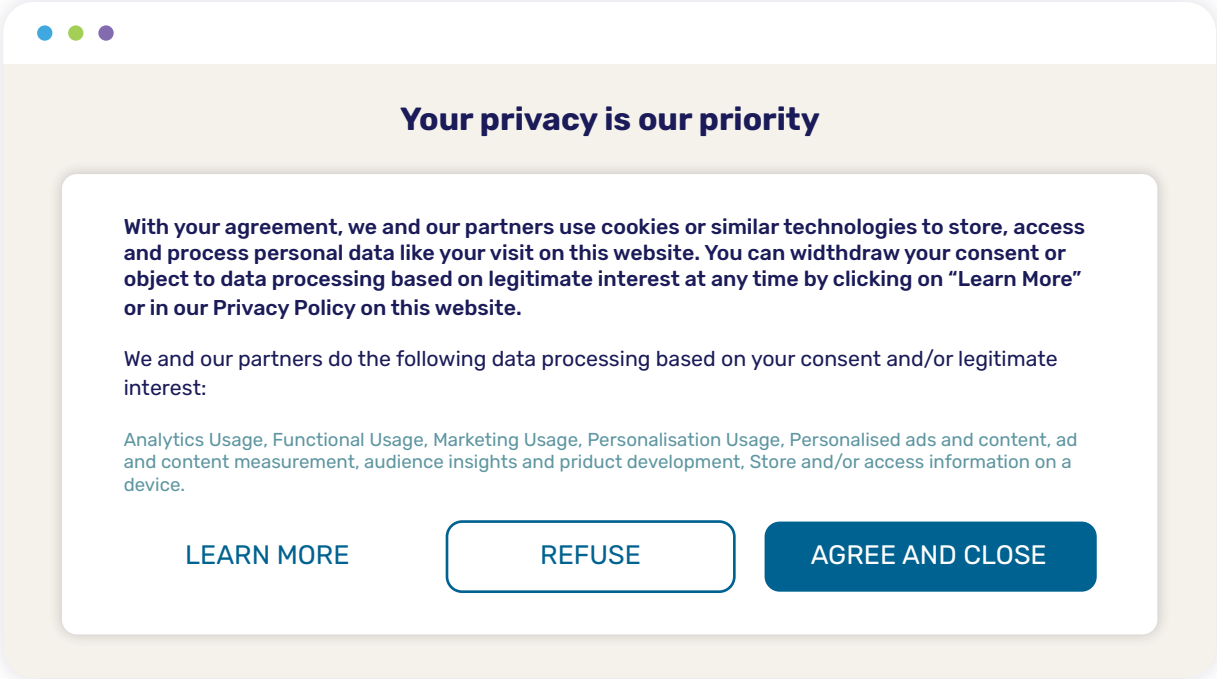
Part 2

Reducing the Number of Ad Calls with Refused Consent

Part 3 - Monetize Users who Refuse Consent

It is very much possible to optimize the opt-out rate of a Publisher's CMP in order to limit the number of ad calls that contain refused consent. Publishers can play with the key design elements of a CMP - its title, or even its format - to reduce the opt-out rate.

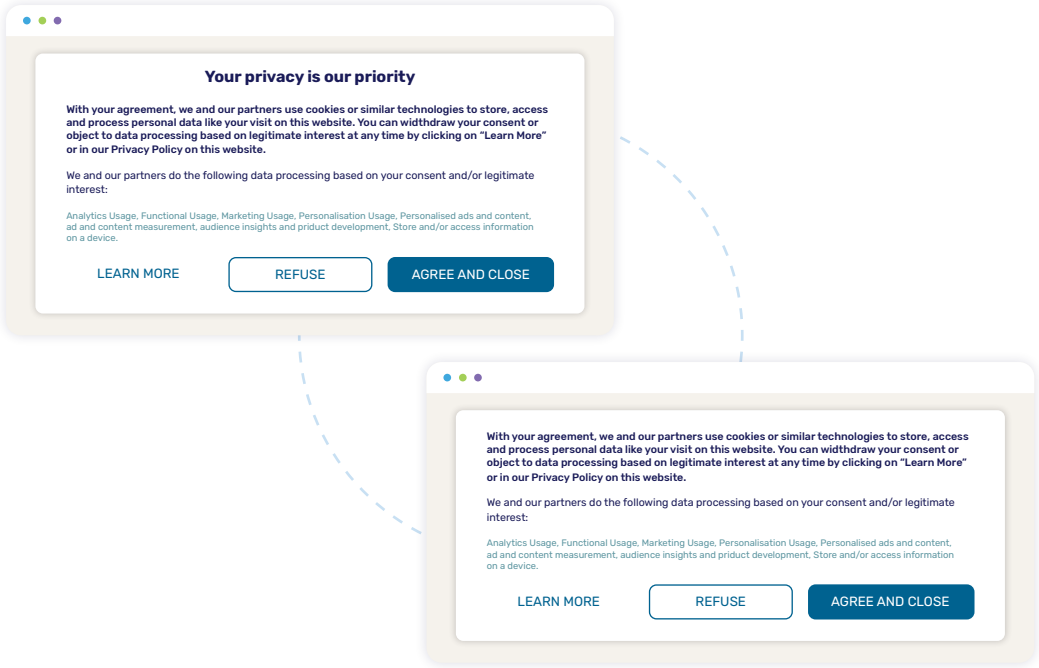
To come up with the following figures, Didomi pursued a study that looked at 40M page views. Their goal was to identify conversion trends to highlight the most effective ways to optimize CMPs.



The Consent Notice title

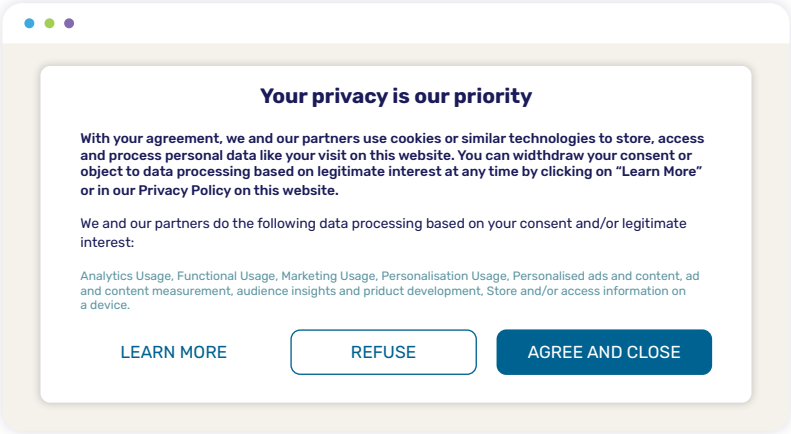
Without a doubt, the title is the most effective and the easiest way to considerably reduce the number of users who are refusing consent. **CMPs with a clear explanatory title can multiply the consent rate by 3**. What was seen in the study is that a consent notice without a title rarely gets more than a 35% consent rate.

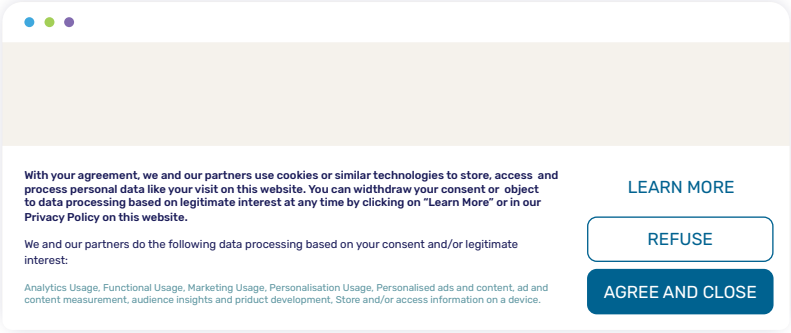
And once a consent rate has a title, it usually has a consent rate of more than 70%. For many Publishers that do not have a title in their consent notice yet, this is a very easily implemented quick-win that can considerably boost their consent rate. The reason behind this is that a big block of text is never appealing to a user, and they are most likely to ignore it - and in most cases they will not agree to it. Adding a title gives the Publisher the opportunity to explain what the text is about and to reassure the user. Some attractive titles like “Your Privacy Is Our Priority”, “We Love Cookies” or “We Are Here To Protect Your Privacy” have proven to be incredibly effective. Whether there is a title or not, you can be sure that the text part will be ignored, and this is why you need to take advantage of the title: it all comes down to easing the user into the right mindset so that they give their consent.



The Consent Notice Format

There are usually two types of formats for CMPs. The consent notice is usually presented to the user either in Pop-in, or in a banner.





Didomi's study has shown that the pop-in format is simply more effective. On average **the pop-in format has a 90% to 98% consent rate**, whereas the banner only has a 60% to 75% consent rate. In the cases where a banner layout has been chosen, Publishers are allowing users to access content even before they have given consent. This could also explain why some Publishers have lost revenues due to Prebid calls that were occurring after consent was given.

The buttons and the Look & Feel

Slight variations of the button's colors can **multiply the consent rate by 2**.

The "Accept" and "Refuse" should have a different look and feel since they are different actions. By having this in place, users can quickly identify which button is linked to the desired action. Less time is spent thinking about how to get rid of the CMP, and more often than not the user will instinctively click on the "Accept" button to make it disappear.

Group purposes and categories

In the rare cases where a user actually clicks on the "More information" or the "Configure settings" boxes, categorizing all the TCF purposes into small categories facilitates user reading and can help optimize the acceptance rate. Instead of having 10 to 15 lines to read through and click, the user will only have three. The impact however is minimal since these pages are only seen by users 7% of the time on desktop and 0.5% of the time on mobile.

Consent mutualization

For Publishers who have several websites, it is possible to provide a better user experience by grouping requests for consent for multiple sites or domains together.

It is however important to be very transparent about this to avoid giving users the feeling that they are being tricked. Once the user has given consent, the CMP will centralize their consent and spread it across all the different websites. This means that when they will be visiting another website owned by that same Publisher, they will not have to give consent again.

This will help Publishers reduce consent fatigue, which can sometimes be experienced by users, and which tends to hurt the conversion rate. Furthermore, if the user has not given their consent on the first website, there is still the possibility for the Publisher to get their consent when the user visits the following ones.

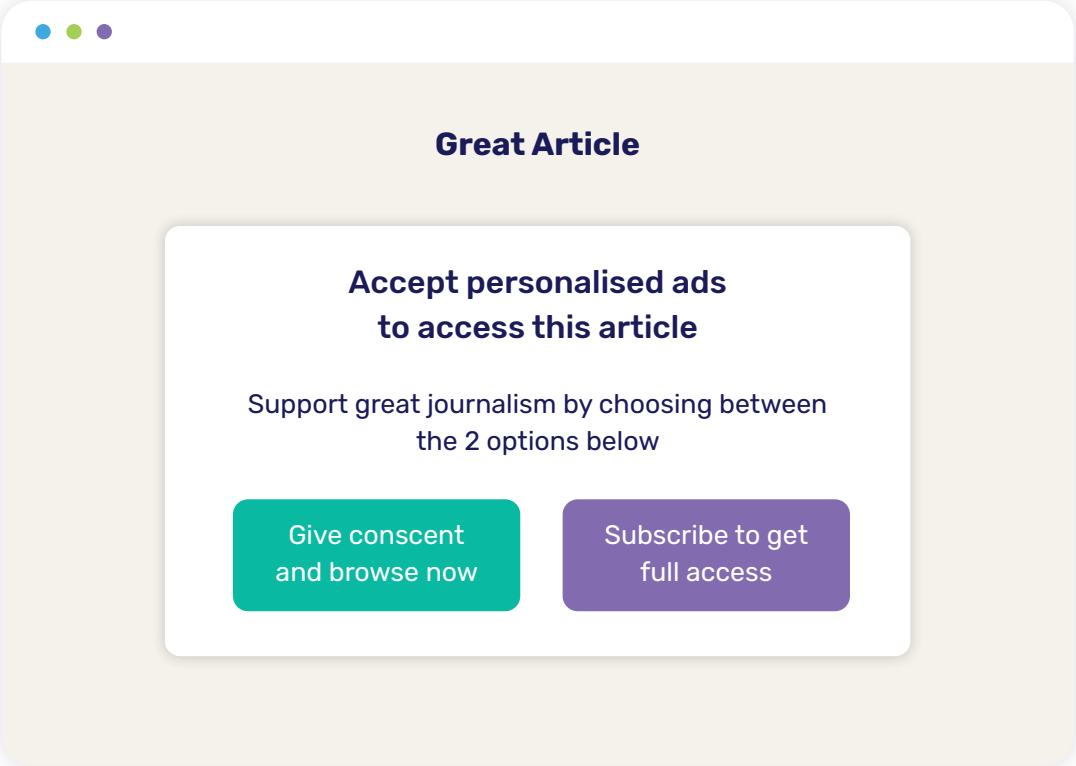
Part 1 - Reducing the Number of Ad Calls where the Consent Information is Missing
Part 2 - Reducing the Number of Ad Calls with Refused Consent

Part 3

Monetize Users who Refuse Consent

Give yourself a second chance to get that consent

As a Publisher who has already optimized your CMP and taken every step mentioned above, but who still sees many users refusing to give their consent, you could try using a paywall. This will push the users to either subscribe and pay for your content, or to give you their consent so that they can unlock the content. A Publisher can decide to display the paywall as an extra step, once the user has refused consent.



Find alternative solutions to monetize the refused consent inventory

In cases where a user has not given the Publisher their consent and where the Publisher prefers to not use a paywall, there are actually still a few options left. Publishers should keep in mind that a CMP does not act as an ad blocker. Consent is not required to display ads. Consent is only required to use cookies and users' personal data. This opens the door to ads that do not rely on personal data (contextual ads, direct campaigns with no personal data, etc.). However, Google's Ad server blocks this inventory so the challenge for Publishers is to find workarounds. So far, at Pubstack, we have identified three workarounds.

Using *Google Limited Ads*

In a nutshell, *Google Limited Ads* is a GAM feature that allows websites to display ads when consent 1 is refused for Google. There are almost no implementation costs for Publishers (only two different gpt.js variants need to be loaded depending on the consent state). Also, as the reporting is centralized in GAM, it is very easy and makes it an attractive solution. However, this solution does come with quite a few drawbacks. For instance, a requirement for *Google Limited Ads* is to have legitimate consent for purposes 2, 7, 9, and 10. Usually, users simply "refuse all" pur-

poses and do not bother going into the specificities of the CMP – this makes the monetization of this traffic difficult for Publishers. Moreover, the amount of available demand for *Google Limited Ads* is very limited.

Using *Prebid Wrapper* to render ads

It is possible for Publishers to implement an in-house solution to bypass the ad server and render the Prebid winning bids. Unlike Google Limited Ads, this works even if all the purposes are refused. But this will only allow Prebid demand (no direct campaigns) - and the implementation costs of this solution can be high. Since this solution does not go through the ad server, the monitoring of this traffic can be difficult. Publishers who usually rely on the ad server for their reporting will have trouble monitoring this activity. In this scenario, Pubstack can very much come in handy by providing Publishers with a centralized analytics view.

Using a secondary ad server

We have identified ad servers (such as Smart Adserver) that do not block ad calls if consent is not given. Publishers can split the traffic depending on the consent given by the user. If the consent is approved, it takes the usual path. But if it is refused, it can go through the secondary ad server that does not block the

ad call. On the bright side, this will work even if all purposes are refused, and it allows Publishers to monetize all demand sources (unlike the in-house solution with which it is not able to monetize direct campaigns). But here again, there are drawbacks. The implementation cost to set up an additional ad server can be high and the reporting will be in two different places. As mentioned earlier though, Pubstack can be a very powerful tool to optimize and centralize the analytics and reporting of your ad stack. This means Publishers only have to face the initial implementation cost – which can be quickly offset by the additional revenue generated by these optimizations.

Since Prebid is only willing to bid between 15% and 35% of the value when user consent is missing, it is crucial for Publishers - once they have implemented one of the workarounds - to make sure that demand for this traffic is optimal. Publishers can look into plugging contextual demand sources (with Qwarry or Beop for example). These SSPs work without any cookies and with no consent, which makes them perfect partners for this situation. Publishers can also sell direct campaigns targeted specifically to refused consent inventory or even plug-in self-promotion ads through in-house campaigns that can yield indirect revenue.

CONCLUSION

Putting in place a monetization strategy to optimize revenue is not incompatible with user choice.

Publishers simply have to learn how to navigate the obstacles. Although the rules have changed in favor of user choice - thus making it more complex for Publishers to monetize all of their traffic - keep in mind that CMPs are not ad blockers, and there is plenty of room for improvement to monetize consent-refused traffic. In a nutshell, to maximize monetization while respecting user choice in 2021, we have identified these 5 steps: