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ADOBE SUMMIT 2022 | BECOMING A BUSINESS OF CUSTOMER EXPERIENCE WITH AI

Watch as Brian Duke, Managing Director and Adobe Business Group GTM Lead for North America at Accenture discusses how to harness the best of technology, data, and creativity to become a business of experience, a holistic approach to becoming customer-obsessed to drive relevancy and new growth. Learn more: https://accntu.re/36S0lRu

0:00 [Music]
0:06 hello and welcome to adobe summit my name is Brian Duke and I lead the go to
0:11 market strategy for the adobe business group here in North America at Accenture
0:16 really excited to talk with everyone today and share some of our perspective as it relates to identity resolution and
0:24 its significant impact on what we like to refer to as the business of experience i think we can all agree that
0:31 personalization is at the top of all of our lists as it relates to marketing use cases and
0:37 identity resolution is a hot topic I think it has material impact not only on
0:43 how we create experiences and how we iterate on those experiences but also how does it apply to things like privacy
0:50 and consumer consent so today we're going to get into a lot of these topics
0:56 starting with the state of the industry as it relates to identity and privacy, we'll talk about some of the brand side
1:02 problems that we're seeing here at Accenture some of the challenges that i think some of the identity vendors are
1:08 running into we'll talk about some of the different categories of identity resolution we'll
1:14 try to simplify the modern data architecture and what that means specifically as it relates to connecting
1:20 the offline world to the online world we'll get into some ideas around identity genesis and what is uh the

1:27 foundational elements to create identity because they're not all created equal we'll talk about some of the available
1:33 data that we can connect to our identity frameworks and then eventually we'll get into some of the things that i think are
1:39 very exciting here at Accenture that we're building and hoping to not only bring to life for our customers but also
1:45 to help share and optimize the investments that they're making uh with their uh adobe solutions so with that
1:52 we'll get right into it with the state of the industry so as everyone here knows you're being
1:58 targeted with ads everyone is well aware of this phenomenon you don't really have to go any further than looking at your
2:05 favorite uh hotel site or a favorite pair of running shoes or whatever it
2:10 might be and whatever it is you're looking at is going to show up inevitably across all of your devices
2:16 and it's not just the things that you're looking at people in your household the things that they're looking at are sometimes going to show up uh and start
2:24 to present themselves and to some extent maybe nag you a little bit and seemingly never go away so I think that this uh
2:30 this is an experience right that we've all had some of it good some of it bad
2:36 but it's something that we're all very very familiar with and i think if you look at the business
2:41 of ad targeting and specifically programmatic media which I think we're probably all very familiar with it's a
2:48 booming business uh it is set to grow from 120 billion dollars in spend in
2:53 2021 to roughly 200 billion dollars uh in 2024 and that will actually encompass

3:00 over half of the total media spin that we see here in the united states so there is a lot of motivation across a

3:07 lot of different partners and technology companies in the ad tech mark martech ecosystem that are heavily

3:13 motivated to continue to grow this line of business but this line of business is

3:18 specifically predicated on that ability to resolve identity at the individual or

3:23 the household level so that we can create those personalized experiences

3:29 however the industry is certainly at a crossroads as we speak to our CTO and

3:35 CMO combinations uh across really any vertical uh there are two problems that

3:42 seem to come up often uh and early in our discussions one is privacy two is

3:47 technology specifically the deprecation of third-party cookies and they may be interchangeable as one a and one b but

3:55 our CMOs and CTOs they seem to always have a concern around what their path

4:00 forward and what their strategy and the subsequent tactics are going to be to address these problems so on the

4:06 legislative side i think we're all aware of CCPA and the advent of disparate

4:11 state legislation Virginia passing their law Oklahoma Maine Vermont it's

4:16 eventually going to get to the point where we have 50 different interpretations of how brands can manage

4:23 consumer level data and the problem that we're seeing along with CCPA

4:28 is that the way that the law is written it really doesn't consider how the technology works and that's a really big

4:34 problem is we have marketers that are actually walling off the state of California and just saying hey I'm not

4:41 going to market to that particular set of my customers because i can't adhere to the policy as it's written that's not

4:47 a tenable situation as we think about 50 different states creating their own interpretations and i think that as we

4:54 stand here today the FTC is certainly not going to to enact at least not that we're aware of

5:02 uh a federal statute i think that they may start to think about things about minimums but the states are certainly

5:07 going to create their own policy and they're going to enforce their own maximums in terms of how this is enforced so it's a really big problem

5:14 this idea for a CTO to have to go in and create 50 different interpretations of their consumer data

5:21 that's not really a sustainable model and i think it's creating a lot of anxiety for our clients

5:27 on the other side of the fence we have the technology issue which we are all aware

5:32 we'll see if google decides to really flip the switch in 2023 and

5:38 deprecate uh third-party cookies on the chrome browser if they decide to go down that road then we're effectively going

5:44 to sever the the user level connections to almost 50 percent of the

5:49 browser-based market here in the united states this is obviously following the path of what Apple and Mozilla have already done

5:57 we've seen things that have come up in the last year specifically within the app tracking and transparency framework

6:04 for mobile applications so all of these things are really set up under the guise of privacy um however i think that there

6:11 are maybe some ulterior motives uh that aren't necessarily things that we talk about a lot uh and that's really around

6:18 the fidelity of how these connections are being made and why they're being made

6:23 and to the extent of which they can actually be persisted so we've taken some surveys and if you 6:29 look back back into 2020 we really started to figure out that

6:36 through surveys of very large US programmatic media buyers who's really on the hook to solve these problems and

6:44 I think 83 percent of the people that were surveyed I really think that that sits with the hands of the ad tech

6:50 platforms while concurrently advertisers believe that some of that onus is going to be on them and i think if you look at

6:58 who's working on the problem right now there's certainly been a lot of great progress and a lot of uh advancements uh

7:06 on the publisher and the platform side and you know there's certainly a lot of people that are working on this

7:12 particular problem but they're they're kind of hanging their hat on the hopes that we can start to create

7:19 first party identity from people logging in and authenticating across the publisher ecosystem the problem with

7:25 that is that you have a very low rate of authentication across publisher networks

7:30 so that is creating a really big issue as it relates to scale and adoption for

7:36 these sell side platforms so i think we start to look at the problem when we start to say well who's

7:42 really solving this for the brands and on the advertiser side and it seems to be a bit of a vacuum right now and that

7:48 no one is really attacking uh that side of the equation it's all trying to be

7:54 solved on the publisher side so i think that there's some problems with that that we're going to get into

8:00 publisher and platform solutions uh i think they have very great they have great intentions uh but in some cases

8:06 they may be sub-optimal there is a painted picture and there's a sales pitch that is sent to

8:14 lots of brands and I'm sure that a lot of the people listening to this presentation have probably had a lot of these pitches

8:20 and the painted picture is really around this idea that we have perfect knowledge of john doe or in this case Greg Fisher

8:28 we have deterministically connected his mobile devices we understand his work email addresses his personal email

8:34 addresses we have a host of demographic information and the the presentation

8:40 that's really made and the pitch that's made is really around this really strong very accurate very scalable knowledge

8:46 around not only Greg Fisher but really the the 230 million people that are online in this country every single

8:53 month the reality however is that there are a lot of loose associations to Greg

9:00 Fisher we might take an email address from Gmail and we might loosely

9:05 associate that to not only Greg Fisher who lives in Texas but jeff fisher who lives in Illinois and George Fisher who who

9:12 lives in Florida even to further compound the problem anyone that comes over to Greg Fischer's

9:18 house and hooks up to his wi-fi network whether it's his wife his in-laws friends of his family his kids his kids

9:25 friends all of those events effectively get connected to Greg

9:31 Fisher and subsequently those devices get mapped to his profile that creates a really big problem when it comes to

9:38 media spin but why is this really happening more devices obviously equals more

9:45 impressions to serve advertisers they pay on a volume basis right they pay

9:50 through mostly cpm-based contracts and more impressions that equals more money for the publishers and more money for

9:56 the demand side platforms but what it really does and the unfortunate side effect of this is that in an effort to

10:02 create scale um we're actually creating a problem as it relates to incremental

10:08 gain and a lot of wasted advertising dollars on behalf of the brand so i think these

10:13 are some of the state of the union problems that we see i don't think this is probably news for anyone it's more of

10:19 just a recap before we get into some of our other categories around identity so let's take a look very quickly at

10:26 some of the identity categories as we define them here at Accenture there are differing schools of thought and i think

10:32 there are some best practices that we can really learn from that we're starting to see a lot of our other clients start to go down this road the

10:40 first bucket that i would actually call out is a native identity capability and

10:45 this really focuses on having product and ownership capabilities within the brand itself that can actually unite the

10:52 forces between it and marketing native identity is really exclusive to

10:58 CRM and loyalty applications and people that are present in my file

11:04 we really lean on the the efforts around authentication and transaction events

11:10 and this creates a very stable mechanism to connect what we refer to as pseudonymous or id

11:17 based data to offline or name based data so while it's very stable the problem that we run into

11:24 is that it's not scalable not only is it not scalable and doesn't really offer us a prospecting solution it doesn't give

11:31 us portability because this these are mostly built in the first party and they can't be translated across the broader

11:37 media and publisher ecosystems the next phase is uh is foundational identity and this is really sourced from

11:45 third parties and becomes very portable and there are a number of entities out there that really play in this space

11:52 they give you the flexibility to enhance hygiene and append data identity data as

11:58 well as demographic and other data sets to your existing CRM or prospect files

12:03 and you can bring those into your own internal systems these are built off compiled data sources they solve for

12:10 prospecting to a limited extent but they do not solve for cookie deprecation and

12:15 while they give you transparency they don't really as of yet have a solution as it relates to combating uh

12:22 elimination of third-party cookies then we start to move to more of the dynamic vendors

12:28 and these are a lot of the known kind of marquee brands that play exclusively in the identity space and they deal in that

12:35 transient world of the internet and cookies and these are closed platforms

12:40 and they're closed for a number of reasons which we can certainly debate they are very expensive

12:45 they are inflexible they have great plumbing and have great conduits in order to send and execute audiences to

12:52 really any destination that you want however i think that they're stuck there's really in the same boat as the

12:57 brands and they're going to suffer pretty greatly uh when it comes down to cookie deprecation and these systems and

13:04 these platforms are not transparent uh really at all and so i think that while they have their advantages they

13:10 certainly have their disadvantages as well and then we come to really what i would say is out on the bleeding edge around

13:17 cooperative identity and this is really what we are attempting to bring to life

13:22 here at Accenture to help drive our business of experience and to help optimize our adobe investments

13:28 specifically and we're going to get into that here in a minute so this idea of cooperative identity is

13:35 really the brands banding together to leverage their natural resources

13:41 to create a very stable hyper accurate very scalable identity graph so taking a lot

13:49 of the principles that we see in native identity we're starting to think about pooling those resources across lots of

13:55 brands so that we can start to create a very uh distinct representation a very

14:01 accurate representation of individuals households and businesses the great

14:06 thing about this is that it's not conflicted by the media conundrum that we saw earlier

14:12 and if you can put this together in certain ways we can start to make these things and this is really the

14:18 intellectual property that Accenture is creating and bringing to life is making these things readable across domains so

14:25 not only brand domains but across the publisher ecosystem and anywhere we could actually deliver the last mile

14:30 experience whether that's on us or off us if you're able to do this you're

14:36 creating a highly resilient identity platform uh that really combats a lot of

14:42 things that are happening from a third-party uh deprecation standpoint it puts you in a great position as a brand

14:49 to manage the audit trail uh and to honor the right to be forgotten and it also enables you to to own and control

14:57 your own destiny and reduce your reliance on the third party vendor community so this is where we get pretty

15:02 excited about some of the next generation of things that we're developing and we're going to talk more about that here in just a minute

15:09 but again what we're starting to see in the market is that brands do not want to

15:14 do this there is heavy pressure and some of this can be vertical specific due to

15:19 the sensitivity of data such as credit and financial services data that we see with

15:25 retail banks and credit card issuers so it really depends on your tolerance for

15:30 risk uh and and kind of where you are in your info second legal journeys but we

15:36 are seeing in a lot of cases that info and legal teams are putting a lot of pressure on the marketers specifically

15:44 to eliminate the current practice of forklifting data whatever that might be

15:49 and shipping it outside of the existing safe harbor so our clients are starting to come to us and ask us to help them

15:56 figure out solutions to keep data in its current home but being able to create

16:02 that individual level personalization capability that we can execute across any channel online or off so that is a

16:09 very tall task and it's something that we've been putting a lot of time effort and resources to figure out a way to do

16:14 it and how to solve these problems so i want to stop there for just a second and i want to talk about what we

16:22 see as really the modern data architecture i think all of us in marketing that deal in ad tech and

16:28 martech we've seen infinite amounts of reference architectures we've got a bunch of them here at Accenture i know

16:34 adobe has got a bunch of them as well and so in an effort to really simplify

16:40 the future state of data architecture as it relates to marketing we tried to just create the offline in the online world

16:47 or what we used to refer to as pii in non-pii we actually can't even use those terms

16:53 anymore because the definition of those terms is changing so rapidly so we're now in the state of using things like

17:00 name based id based or pseudonymously collected data so really the point of

17:05 this slide is to talk about the data platforms and there's really two sides of it offline and online the identity

17:12 resolution bridge in the tie that binds those two worlds together that is really what is going to make or break you in

17:18 the future as a marketer what we are starting to see with a lot of our clients is that the use cases in

17:25 the offline world are starting to migrate to the right-hand side of this slide into more of

17:32 that pseudonymous with that encrypted side of the fence there's still always going to be a need

17:37 for customer data integration hygiene and the ability to execute in an offline fashion that's not going to go away so

17:44 the offline systems to warehouse data for marketing specific purposes you're still going to have to have that as a

17:50 capability and that's still going to be something that's a necessity as we move forward but what we're starting to see

17:56 is that through better identity resolution a lot of the use cases specifically around orchestration around

18:04 predictive modeling and scoring around media activation and then measurement and attribution those are starting to

18:11 migrate to the id based side of the world into more of these clean room types of setups and there's a lot of

18:17 different ways you can go about that but that is really a simplification of the modern data architecture and again i

18:24 want to re-emphasize that the ones who have the investments and the discipline and invest in the skill sets around

18:30 identity resolution those are the ones who are going to are going to win in the future state

18:36 so let's talk about identity in the foundational genesis of identity so we can connect jane smith's name and

18:44 her physical address we can connect that to a cookie or a device

18:49 but how there's a lot of different schools of thought in terms of deterministic versus probabilistic some

18:55 hybrid combination of the two or being able to toggle between the two the gold standard is always going to be to create

19:03 a hundred percent deterministic transaction verified customer knowledge the problem that we see with that as we

19:10 talked about earlier is that scale is the major issue and hurdle to overcome here i can do it for a subset of my

19:16 customers but it does nothing to address my prospecting efforts it does nothing to address

19:22 the ability to read these things in external systems as i said there's roughly 230 million people online

19:30 in this country every single month what we're hoping to achieve is a

19:36 persistent match and connection rate a reachable rate of upwards of 80 percent that is a very bold goal i think that

19:43 for any marketer would say how is that even possible well through these first party brand cooperative ideas we're

19:50 hoping to start to realize the fruits of that labor and if we can do that we can

19:56 have very high accuracy rates we're never going to be 100 because the internet is certainly not an exact an

20:02 exact science but we can get a lot closer to the pin than we are today most of the clients that we work with they

20:08 have roughly a nine to ten percent recognition rate across their domain sometimes it's higher sometimes it's

20:14 lower but i think overnight we could create a capability where we have the ability to recognize upwards of 50 or 60

20:20 percent of our site visitors i think we have the ability to take that number even higher as it relates to

20:27 programmatic media and the ability to resolve identity there so there's a huge runway of opportunity here that directly

20:33 impacts our top line revenue growth and if we can do this the right way not only can we iterate on these conversations

20:40 and create continuity of voice around our messaging and orchestration strategies but it also enables our

20:46 ability to see the path to conversion and the path to non-conversion which has a material impact on our

20:53 ability to create measurement and attribution applications that give us a

20:58 much better indicator through better data and better identity of what is actually contributing to my top line

21:04 versus what is actually a waste of time and a waste of money so i think this identity foundation of

21:11 creating this deterministic capability this isn't new news but i think it's something that people tend to take a lot

21:17 of shortcuts on and i think this is worth a conversation um but let's suspend disbelief for just a

21:23 second and let's start to think about if we could create this identity framework

21:28 that allows us to align all the inbound data to a person or a household or a business well the data that we extract

21:34 off of that framework is what we use to build the profile so what's out there what data could we

21:41 possibly align that we don't have access to today outside of our first party systems

21:47 demographic data it exists in droves you can buy it really anywhere that's not really i would say a

21:54 strategic thing that's obviously a commodity based thing what i buy there are certain resources that you

22:00 could tap into that could show you upwards of eighty percent of the credit and debit card transactions that are

22:05 occurring across your loyalty base right now and you could have that data very very quickly in some cases you could

22:11 actually get down to the sku level detail of what that transaction uh

22:16 what was in the basket of that transaction tapping into things like the bid stream the 300 billion ad calls that are coming

22:23 in through ad serving technologies every single day across the programmatic landscape that is a highly predictive

22:29 very fast low latency data set and virtually no one taps into it why because it's very big it's cumbersome

22:36 it's disorganized and it's very difficult to align that data to a person in any accurate stable way we are aiming

22:43 to solve for that challenger we can certainly tap into really any video that's outside

22:50 of the walled gardens in the youtube ecosystem we can tap into lat long data that gives us accuracy data and location

22:56 data down to about 10 10 feet and we can certainly connect into all of the

23:02 various digital and offline touch points so that we can start to inform again that attribution so a lot of this data

23:09 to some extent by and large is is really ignored and i think that there's an opportunity

23:14 to bring these things into the fold through better identity resolution so if we can connect

23:21 the data that we just talked about and we can build these identity frameworks it can really enable the business to

23:28 build better experiences and it really gives us the ability to expand beyond

23:33 marketing use cases yes we would be able to inform advertising sales and

23:38 marketing but we could start to get to a world where these things can start to inform the supply chain how we're going

23:44 to build commerce systems both online and off how does that parlay into our employee experience what does that mean

23:51 from an elastic pricing standpoint and how does that eventually come back to our product design so there are a lot of

23:57 the down the road applications that we can start to think about where identity is going to be incredibly impactful

24:04 so some of the data science challenges that we hear from the market pretty routinely and i imagine this is going to be pretty common with everyone listening

24:10 to this today fragmented consumer profiles things are being managed in a silo

24:17 and we have a very tough time building that 360 degree view which is a

24:22 complete unicorn it doesn't exist we'll never get there but we can get a lot closer than we are today inefficient

24:28 marketing spin this is a 150 year old challenge in terms of i know half of my marketing is working i don't just don't

24:34 know which half we have an opportunity to solve that limited access to unique highly predictive data yes your first

24:40 party data is extraordinarily valuable but there might be other data assets that simply just don't exist today that

24:46 you can't tap into and align uh to your first party data but i think that there is a really

24:52 unique opportunity for us plus adobe to help solve this challenge yes the impact of privacy regulations is keeping me up

24:59 at night and i don't have the resources to build in class analytics teams so this is really why we are in this

25:05 business of experience is to help tighten all of this up from not only a technology standpoint but from a

25:10 services standpoint so this kind of leads us down this road to this clean room and this middleware

25:16 concept that we're thinking about creating that really sits between your offline systems you're you're probably

25:22 in that cloud journey uh if i had to guess uh and it really creates that bridge between offline data as well as

25:30 your marketing cloud investments uh really looking at the adobe experience cloud so this is really what we are

25:36 setting up to to create and bring to life here at accenture is this clean room concept that is built off of

25:43 encrypted authenticated first party id based consumer profiles that allows us

25:48 to combine very unique bespoke third party data with your own first party data it's going to empower analytics and

25:56 insights and understanding when to recognize intent to power our predictive models for better targeting parameters

26:02 activation the ability to create from the pseudonymous side of the fence as we talked about earlier the orchestration

26:09 that can go both online as well as offline within the guise of the ftc code that we'll talk

26:16 about here in a minute and then certainly something that's very near and dear to our heart measurement fully transparent

26:23 ways to create that individual journey to conversion and non-conversion so that we can start to apply uh stronger data

26:31 science principles around incrementality this is what we are aiming to do as a means to create that middleware

26:38 layer between the marketing cloud and your offline systems so how are we planning to do that um

26:45 we have been talking for a very long time with not only existing customers but creating this identity consortium

26:52 concept so what does that mean when i say that well i think if you look at the the

26:57 vendor landscape and this is purely representative there are a lot of really great companies out there that play in

27:02 the identity space some of them play in that foundational bucket some play in the dynamic bucket some of them are a

27:07 hybrid and they actually do both but they really talk about the amount of people that they have connected to email

27:13 addresses mobile advertising ids and then ultimately cookies which we know are under attack

27:18 so we started to think about this and we started to talk to our existing customers about this identity universe

27:23 that they are heavily leaning on today which has you know maybe an uncertain future and the conversation we really

27:30 started having was well these brands again which are very representative here on the slide you have your own natural

27:36 resources you have your own raw materials what if we could just put them together in a con a cooperative

27:42 environment and we could start to create and own and control these assets ourselves not being built from the

27:49 purposes of media execution but to create that individual connection that will persist even in the

27:55 face of privacy and technology changes so this is really what we are in the process of building right now and by the

28:02 time you actually listen to this we will most likely have our first alpha clients up and running on this particular

28:08 platform so how does it work the idea as we've been talking about

28:13 brands have in most cases they don't have a complete identity picture they have fragments of identity for jane doe

28:21 they might have a physical address they might have a work address and a personal email address they might have a phone

28:26 number and they may see these things happening on a mobile device or a desktop machine and they may see a bevy

28:32 of different browsers as well as cookies attached to those browsers and those things are constantly getting deleted

28:38 but very rarely does a single brand have access to all of these identity markers

28:44 and they're seeing them in real time however together we can complete that identity picture

28:50 so how do we actually do that so if you think about this

28:55 his concept of transactions and authentication events that's really what we're leaning on to be able to create

29:01 this so through proprietary technology which we will deploy in the client's domain we will be able to observe things

29:09 like jane creating an online transaction on her chrome browser on her dell laptop

29:16 she goes to another brand and she creates another transaction but this time she's on her safari browser on her

29:21 macbook she logs into chase to check her checking account on her iphone she goes to marriott and she books a room for

29:27 business or personal travel on her tablet and then eventually she goes to best buy she buys something on

29:34 a different browser on that same dell laptop and she ships it to her house those are the types of events that we

29:39 want to create this identity fabric from so this is exactly what we are in the process of deploying with a couple of

29:45 our alpha clients right now so as we think about moving forward we want to grow this network concept and

29:52 eventually get it to a critical mass of users and devices and things that we can

29:58 start to stack on top of one another for a number of purposes so as we start to build five 10 15 20 companies under this

30:05 consortium all of these partners creating uh contributing to the authentication events of the graph the

30:12 great thing about this is that data is staying in its current home it never leaves pii data never gets gets gets

30:18 implemented or pushed into our core environments we encrypt it out on the edge through an api endpoint we move it

30:24 to our core systems and we start to stack these things up across the brands these identifiers and data are exported

30:31 to a central system that has logical separation that keeps identity and data separate

30:36 it creates the ability for us to plug these things into our proprietary match logic which is going to be a creation of our

30:43 hared identity hierarchy it will enable the brands to really build their own unique representation of a person a

30:50 household or a business and the greatest thing about this is it has instant scale

30:55 and healing effects through global updates so again back to that example i was giving you if i have my or if jane

31:02 has her new iPhone that she just got from uh her cell phone carrier she logs

31:08 into chase bank as soon as that happens in the first party it starts to create a global update and everyone on the

31:14 network gets to benefit from that new connection that was just observed and everyone wins from that particular

31:20 activity so important to note that identity and data very different right

31:25 we do not share data unless it's specifically permissioned identity however is very cooperative in this

31:31 particular scenario so we're pretty excited about being able to bring this online to create this identity platform

31:38 for brands but i think where we're most excited is the ability to plug this directly

31:44 into the adobe ecosystem so this is the first place we're going to integrate this is directly through the ecid system

31:52 and most likely we would plug this directly into say the rtcdp uh

31:57 sku uh and then we can broadcast from there and ladder that out to drive experiences through the entire platform

32:03 ecosystem so as you think about the application roadmap most of this will be facilitated through the adobe

32:11 ecosystem so i think this is something that we are underway uh working through product teams at adobe as well as

32:17 Accenture and we are extraordinarily excited about this so i know this was a lot today to probably digest um i

32:24 sincerely appreciate your time and i look forward to fielding questions

32:30 and hopefully getting to meet some of you very very soon thank you very much for the time and have a great summit

32:35 thank you [Music]