

ACCC and Transparency for Programmatic Transactions

Presenter



Morag Bond
Joint General Manager,
Digital Platforms Branch
ACCC



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Joint General Manager Digital Platforms Branch, ACCC

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[accc.gov.au](https://www.accc.gov.au)

What I am going to cover

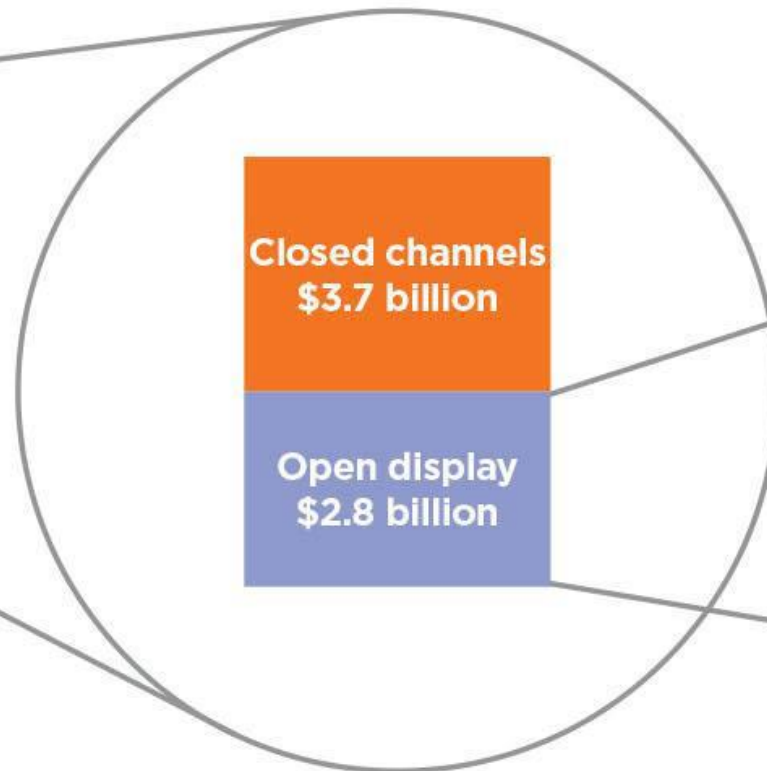
1. Ad tech inquiry:
 - What did the ACCC find?
 - What did the ACCC recommend?
2. What's next for the ACCC?
3. Recommendation 4
4. Recommendation 6

What did we look at?

Digital advertising
IAB estimates



Display advertising
ACCC estimates



Open display
ACCC estimates



Key findings from Ad Tech Inquiry (1)

Google dominates the ad tech supply chain

Weak competition likely contributing to higher ad tech fees

Google has engaged in self preferencing conduct

Table E.1: ACCC’s estimates of Google’s share of revenue and impressions for main ad tech services, Australia, 2020

	Share of revenue	Share of impressions
Publisher ad servers	Insufficient data available	90-100%
SSPs only	40-50%	70-80%
SSPs and ad networks	50-60%	70-80%
DSPs	60-70%	80-90%
Advertiser ad servers	Insufficient data available	80-90%

Source: ACCC analysis of data obtained from ad tech providers.

Key findings from Ad Tech Inquiry (2)

Ad tech is opaque

Advertisers and publishers don't know the total fees paid (the take rate)

Concerns about the ability of advertisers and publishers to assess/verify the performance of services provided by Google.

Ad tech Inquiry: ACCC recommendations

Rec 1

Google should amend its public material so that it clearly describes how Google uses first-party data to provide ad tech services

Rec 2

The ACCC should be given powers to develop sector specific rules to address conflicts of interest and competition issues in the ad tech supply chain. The rules would apply to ad tech providers that meet certain criteria linked to their market power and/or strategic position

Rec 3

The power to introduce sector specific rules should allow the ACCC the power to introduce rules to address competition issues caused by an ad tech provider's Google's data advantage

Ad tech Inquiry: ACCC recommendations

Rec 4

Industry should establish standards to require ad tech providers to publish average fees and take rates for ad tech services, and to enable full, independent verification of demand side platform services

Rec 5

Google should provide publishers with additional information about the operation and outcomes of its publisher ad server auctions

Rec 6

The ACCC should be given powers to develop and enforce rules to improve transparency of the price and performance of ad tech services. The rules would apply across the Australian ad tech supply chain

Rec 4: Industry standards re fees and take rates

Development of industry standards

- Standards re publication of average fees and take rates
- Standards which allow advertisers to verify DSPs performance

Backstop

- Introduction of transparency rules to apply to dominant firm (Rec 2)
- Introduction of sector-wide rules (Rec 6)

Rec 6: Powers to develop rules to improve transparency

Rules to apply across the supply chain:

- Rules to improve transparency of prices
- Rules to improve transparency of services provided

Key example: Common Transaction ID

Any such rules:

- Limited to transparency
- Developed in consultation with industry
- Proportionate to harms identified

Where to from here?

Currently no ACCC
rule making powers re
ad tech

Industry led development process

Ad tech concerns identified part of a much broader picture

ACCC considering whether new regulatory tools required to address market power and transparency concerns in digital platform services – September 2022