

IAB UK response to CMA's market study into online platforms and digital advertising market study

Background

IAB UK is the trade association for digital advertising, representing over 1,200 of the UK's leading brands, agencies, media owners and technology providers. We have a [Board](#) comprised of 24 leading businesses in the sector. Our purpose is to build a sustainable future for digital advertising, a market that was worth £13.44bn in the UK in 2018.

The IAB is actively engaged in working towards the optimal policy and regulatory environment to support a sustainable future for digital advertising. We also develop and promote good practice to ensure a responsible medium.

Comments on the CMA market study and statement of scope

1. The Competition and Markets Authority (CMA) should provide clarity on how its market study into online platforms and digital advertising is being coordinated with both the Department for Digital, Culture, Media and Sport's review of digital advertising regulation and other digital policies which impact on the sector. We would welcome a clear and coherent strategy for how they are being aligned to ensure they drive towards the same economic goals and promote competition.
2. We would urge the CMA to set out plainly how it is defining 'platforms' for the purpose of the market study.
3. We note that the CMA has taken the unusual step of setting out potential remedies in the statement of scope. We look to the CMA to reassure members that the study remains an evidence-led exercise and that it will consult the full range of players in the ad ecosystem.
4. The GDPR, and the interpretation and enforcement of it by data protection authorities with jurisdiction, remains in flux, particularly for third party players. The Furman Review recommended a retrospective assessment of the impact of the GDPR to ensure the GDPR is operating as intended and not impacting competition. The CMA should undertake this assessment before considering any new data protection rules as potential remedies.
5. In considering potential remedies, it is important to recognise the importance of existing industry initiatives, such as the IAB's Transparency and Consent Framework (TCF), for facilitating and safeguarding the competitive landscape. The TCF represents an unprecedented, cross-industry response to some of the questions the CMA market study is specifically looking at and remains an essential component of GDPR compliance for many of our members.

6. While carrying out its market study, and particularly in regard to considerations in Theme 2 of the scope of the inquiry, around platforms' conditionality of access being based on their ability to extract data from users, we would encourage the CMA to take into account existing policy developments, including the ICO's current work on the subject of cookies and conditionality of access, and the EU's continuing work relating to the ePrivacy Regulation.
7. We welcome the CMA's recognition of the complexities of the industry's interconnected ecosystem. We would urge the CMA to carefully assess the impact of any potential remedies intended to apply to the wider industry. The CMA should consult widely on potential remedies, to be clear about how companies across the digital advertising ecosystem may be negatively impacted by any action targeting ad platforms.
8. We support the market study's principles of increasing competition in the digital advertising industry, increasing transparency around how it operates and thereby removing fraud. The IAB recognises the challenges that the complexity of the digital advertising supply chain presents, particularly in areas like transparency (e.g. of advertising placement or of intermediaries and third parties involved in the supply chain). One of the IAB's priorities is to educate the market and simplify digital advertising for advertisers, and we have developed initiatives like our [Transparency FAQs](#) to help address these. Increased transparency will help buyers understand and make informed choices about how best to spend their advertising budgets, and what value they are getting from their advertising partners.