

# Mozilla + Web Sustainability

**May 2016**





# Who am I?

## My name is Jason Schmidt...

- I am an ex-agency, premium pub, and adtech guy now at Mozilla working on Web sustainability
- ...which, I know, sounds crazy (and needs exposition)
- External outreach/internal education and product
- Mozilla has offices in Mountain View, Auckland, Beijing, London, Paris, Portland, San Francisco, New York, Taipei, Tokyo, Toronto, and Vancouver
- We employ over 1100 super smart people across policy, privacy, engineering, legal, platform, bizdev, finance, and analytics
- We have a passionate volunteer network, with participants in nearly every country of the world
- You can connect with me at [jschmidt@mozilla.com](mailto:jschmidt@mozilla.com)





The **Web Sustainability Initiative** is a new(ish) team within the Open Innovation group at Mozilla. We research, advise and participate in projects and deliver execution strategies designed to sustain an open Internet that respects users.

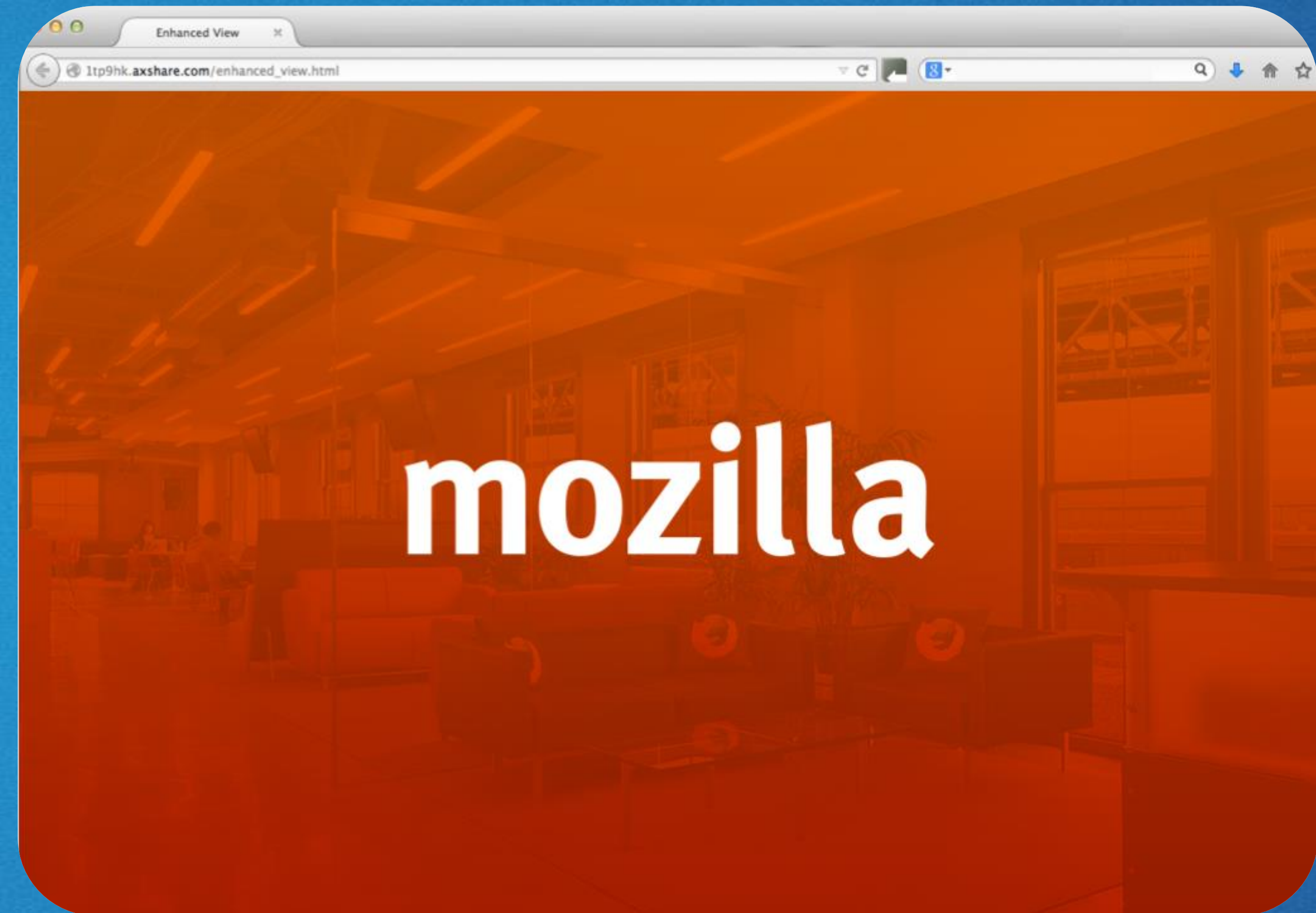




# The Mozilla Mission

Mozilla is *the* champion of the healthy + open Web

- Our mission is to promote openness, innovation & opportunity on the Web
- Acting as a trusted agent for our users, we put consumers in control of their online experience
- We use our size and voice to encourage others (.govs, .coms, .orgs) to do the right thing
- When we act, the world takes notice





# Our ideal of a healthy + open Web is facing a growing number of commercial pressures

No. 1



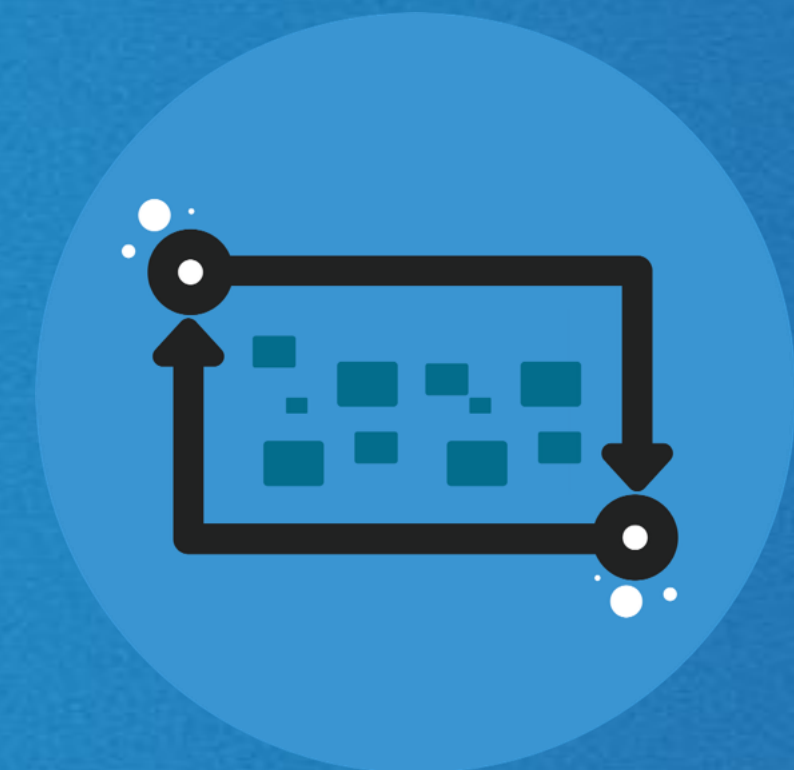
**Consumer UX, trust, transparency, and control** is threatened by heightened commercial pressures, including cluttered ad experiences, behavioral collection + profiling, data leakage, malvertising, and fraud, destabilizing the creator/consumer economic value exchange and driving increased consumer ad blocking

No. 2



**Proprietary app ecosystems** are diminishing open interoperability while providing advertisers and publishers with well-lit environments for economies to flourish outside of the open Web

No. 3



**Walled gardens** are threatening open standards/open data, as well as promoting relative immunity from the widespread content blocking facing the the open Web



# Many players in the advertising ecosystem have good intentions

- In general, consumers expect “free” content from Publishers
- Publishers need \$ from brands to pay for creating the content consumers expect
- Brands optimize their ad spend to get in front of the right consumer audience via the right Publisher
- Agencies connect brands with the right media outlets to optimize their ad spend + find their target consumer audience
- Vendors build technologies that enable this workflow

## Brands



## Agencies



## Vendors





## But there are bad actors, too



**36%**

Fraudulent ad traffic



**54%**

Unviewable ads



**1.9K**

Ad trackers



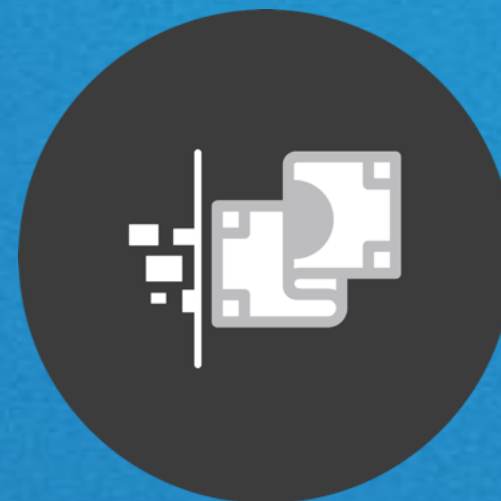
**448K**

Phishing attacks



**700B+**

Data elements stored



**\$200B**

Data broker revenue



**\$5.4M**

Loss per data breach

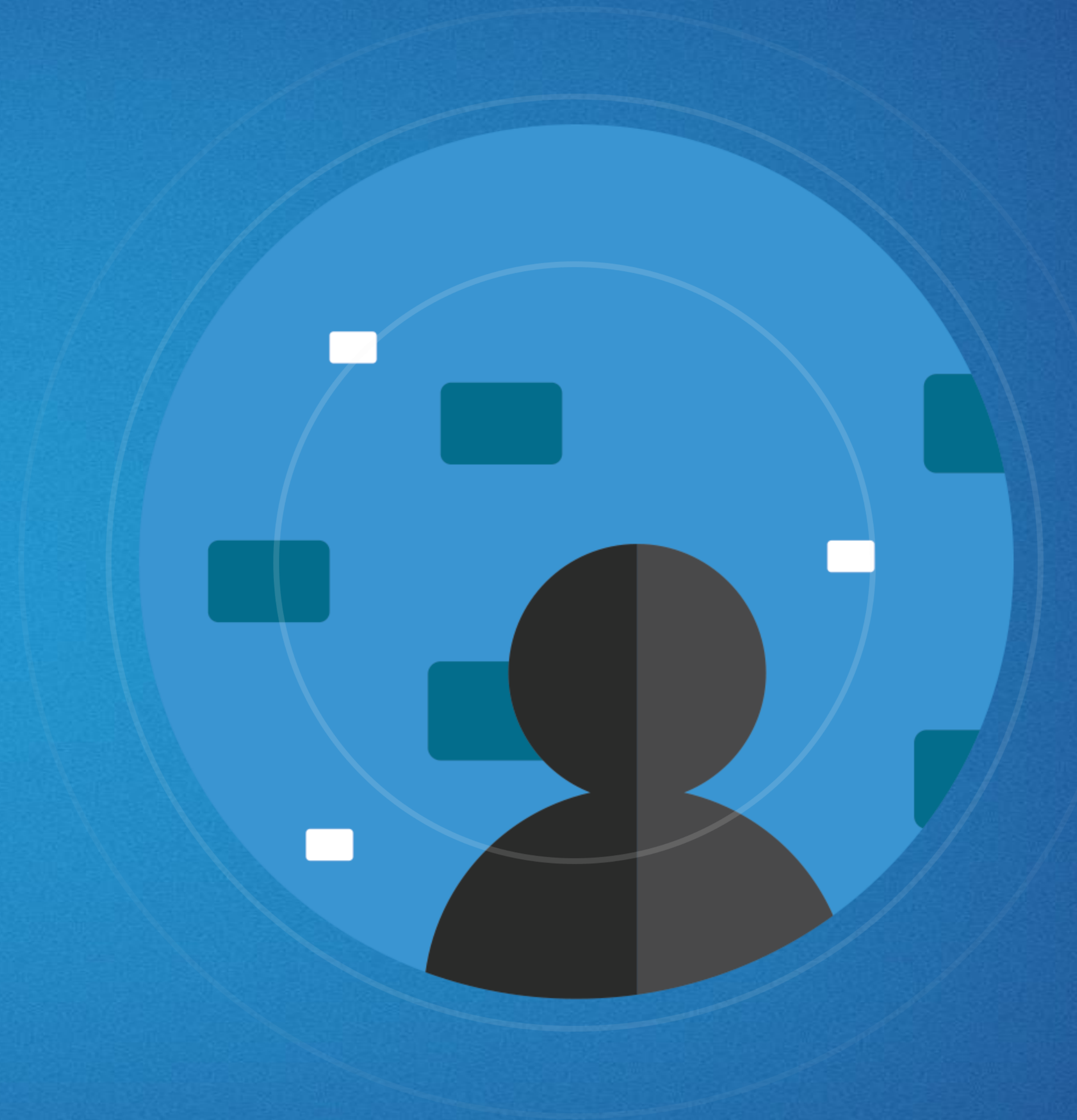


**\$560M**

Generated by click farms



So, why does Mozilla care  
about sustaining an  
economically healthy and  
open Web?





# Mozilla's open Internet interests



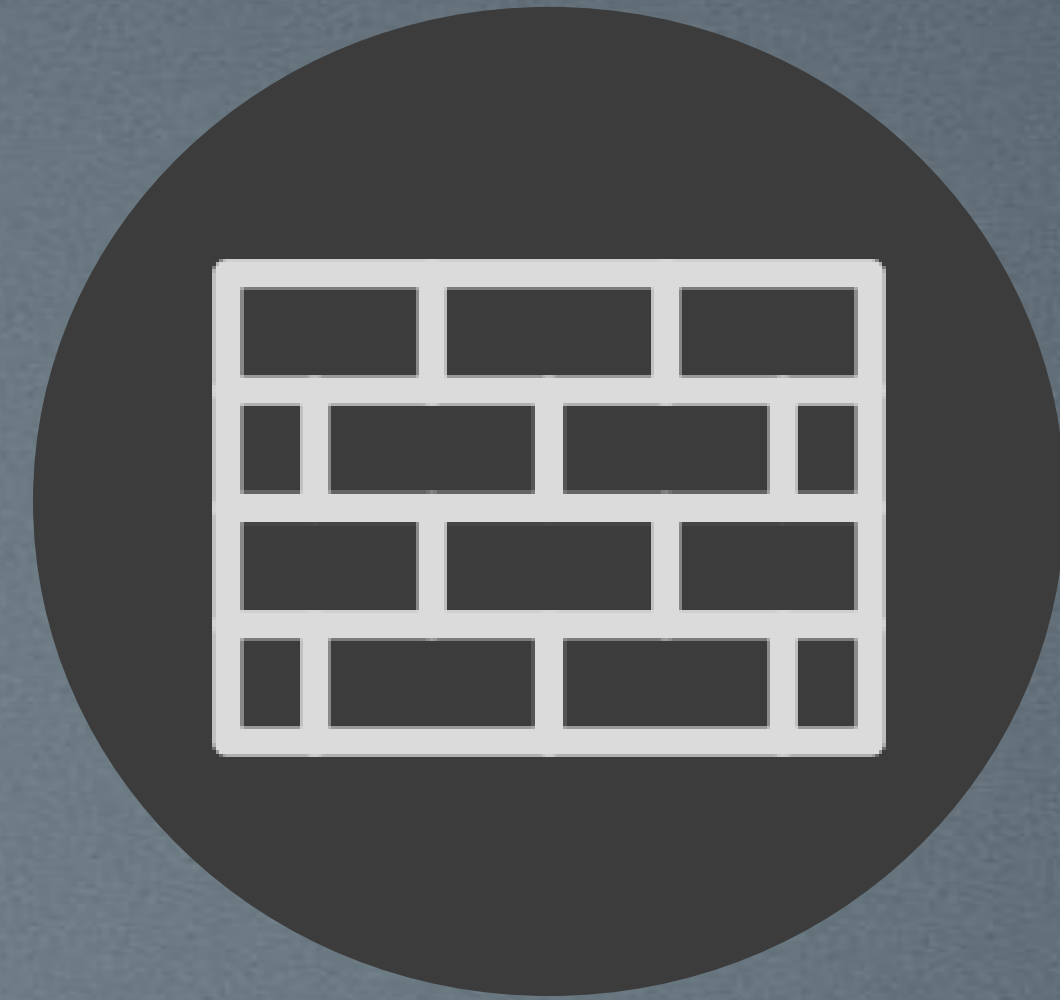
## Custodians of the Open Web

The Firefox *user agent* should not only needs to protect our user's privacy and security, but also evolve with a rapidly changing content ecosystem.



## Content Value Exchange Standards

The implicit value exchange (the 'grand bargain') between consumers and content creators is facing disruption due to poor ad experiences and escalating privacy concerns. With the rise of ad blockers, standards for acceptable ad practices and alternate funding models need to be defined.



## Alternatives to Closed Ecosystems

Brands need well-lit, open Web alternatives to siloed, closed ecosystems. Publishers should not have to rely on walled gardens as the only viable source of human, in-view content distribution.



# We're choosing to participate in the Web sustainability conversation for the first time

- **Pioneer** product differentiation in disrupting ad blockers that provide few alternative options for Publishers to thrive
- **Focus** on partnering with high-quality, trusted brands (advertisers + publishers) to help foster innovation in the Web economy
- **Launch** a series of initiatives in concert with industry trade groups, privacy organizations, and academic institutions





# Mozilla is currently incredibly well positioned to participate



**Domain Expertise &  
Industry/Academic  
Networks**



**World Class  
Engineering &  
Research Talent**



**#1 Privacy Brand &  
Privacy Features in  
Market**



**Privacy & Policy  
Influence**



**Solution Space is  
Uncontested**



**Crowdsourced  
Participation**



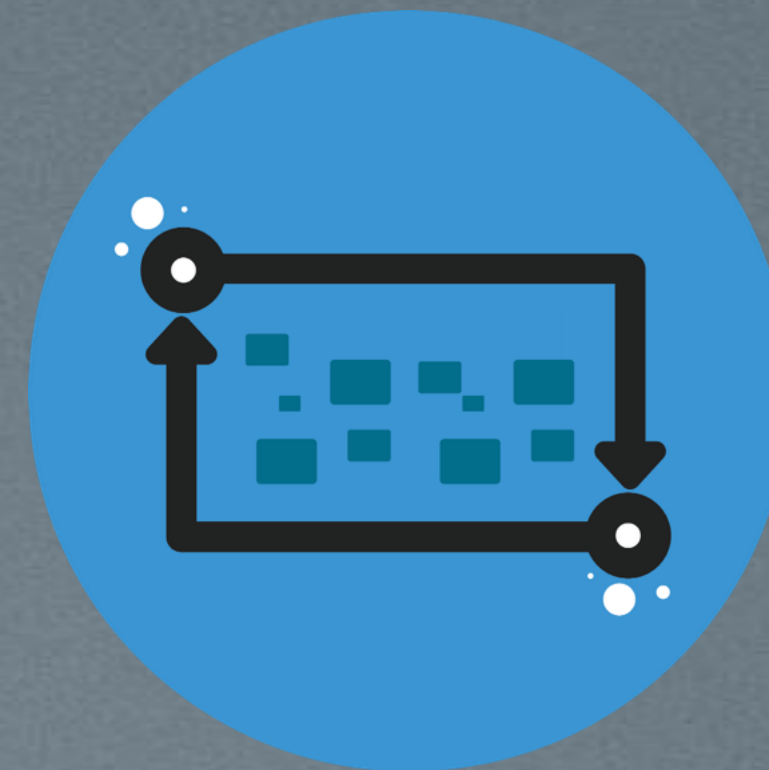
And we also have several disruptive hypotheses



Privacy in Display Ads



Advertising Effectiveness



Advertising Feedback  
Loops



Intentcasting + VRM



Browser Signals



Intention-based Ads



Ad Standards  
Enforcement



Blockchain



# Q&A

## What problem are you solving for consumers and how?

We're a user agent, we stand for the user first, and want to protect their sovereignty. There recognize there are many interests on the Internet: users, publishers, advertisers, intermediaries. All these players must balance their interests, and the interests of others, if the Internet is to maintain its' vitality.

Content blocking is a user choice, but it's not clear that it's the final outcome. As a user agent, we're seeking to find and address the causes of that user choice and better align the interests of users and others'.

For this reason, we've introduced products and features to address some of these concerns based on clear principles:

- Tracking Protection in Private Browsing (Only)
- Focus for iOS
- Lightbeam





# Q&A

If you're successful in solving the consumers' problem, what will digital advertising look like and how will publishers be impacted?

We feel advertising today often does not serve the user and publisher as well as it could. We think that high quality advertising *could* benefit both the user and help the publisher - by making advertising more respectful of the user (less intrusive, transparent), and higher value for the publisher - more in line with the value they are bringing to the user.

Ideally, advertising will be higher value, more commensurate with the value the publisher brings to the user, less intrusive, and more transparent.





# Q&A

How do you think publishers should adapt to succeed with a growing number of frustrated consumers;

This isn't easy (clearly) and all pubs are different. Knowing that ad blocking is a tragedy of the commons, pubs should still invest in taking more responsibility for the experience on O&O properties... page payload, tags, data leakage, malware, adjacency...

Take a long-term perspective.. test DEAL/LEAN (appeal/educate), audit properties using tools like Mezzobit and Ghostery Enterprise, understand audience attention (~Chartbeat/Moat), test anti-adblocking (**not** necessarily ad-reinsertion), investigate tiered experiences for an ad-free option, test unconventional adtech, consider additional investment in sponsored content, continue to follow developments in programmatic.





# Q&A

How do you make money? Who owns you and/or how are you governed?

Mozilla is a non-profit, most revenue is derived from search royalties from multiple major search partners in the Firefox product.





# Q&A

What publisher or advertiser problems are you unable to solve?

Today, as a user agent, we cannot take final responsibility for the experience publishers provide to their consumers.

That said, we are experimenting with leveraging our influence and technology in this space to develop and/or partner on new products and services.





# Q&A

How is trust uniquely established between consumer/publisher/advertiser with your platform, specifically in the product experience?

Today, we're providing transparency tools for users to examine what is loading on a page, but trust between the publisher and advertiser is not our role.





# Q&A

Do you recognize the difference between premium publishers vs others?

We believe that the Web is valuable because it is generative, permissive to publish on and a highly contestable market. The greatest part of the Web is how it empowers anybody to be a successful publisher and make a living.

We also believe that, based on scale, publishers where users derive the most value should be compensated commensurately.

There are no features in our products that formalize a difference between premium and other publishers.

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# Q&A

## What is the most important insight publishers need to understand about ad blocking that you believe may be missed?

- Mozilla has a dedicated team with ad-tech and publisher backgrounds to exploring new solutions in this space and can provide a test-bed
- Given the mess that is the Lumascape, we aren't surprised a solution like Brave has emerged (previously similar R&D inside Mozilla)
- Ad blocker users are a valuable segment to reach (guaranteed human, tech-savvy, etc.) and shouldn't simply be turned away
- Ad blocking can be catastrophic to mid and long-tail Pubs, since they will have less resources to hire sales teams and less exposure to brands and agencies in order to sell contextual audience
- There should be mechanisms for consumer feedback that is universal, such as the ability to 'close' ads, easily understand why an ad is targeted to you, and opt-out
- Trafficking across multiple ad platforms (specifically for servicing non-ad block and ad block users) is not sustainable at any scale - (from trafficking to yield management to reconciliation to maintaining a unified customer experience, the struggle is real)





# How would you change the future of advertising?





# Contact

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