

# How marketers can build a privacy-first programmatic strategy

**Article** 



Next year, we expect nearly 92% of total display <u>ad</u> spend to be transacted programmatically, reaching \$175.58 billion. However, signal loss and privacy regulations are making the programmatic landscape more difficult to navigate, according to our report, <u>The Privacy-First Programmatic Opportunity</u>.

- 57% of US brands, agencies, and publishers are somewhat or significantly less confident in the data accuracy of programmatic platforms, per February 2024 data from the Interactive Advertising Bureau and BWG Strategy.
- 55% of marketing professionals in the US, UK, France, and Germany expect data accuracy and quality to be a top challenge affecting the leveraging of data and data infrastructure in the next one to three years, per a February 2024 survey from Winterberry Group.
- Privacy laws also present complications. Nearly two-thirds (65%) of publishers worldwide say
  navigating and complying with evolving privacy regulations is a challenge when optimizing
  revenues, according to a March 2024 survey from Digiday and Piano.

Even though <u>Google</u> reversed its decision to <u>deprecate third-party cookies</u>, marketers will contend with some form of cookie loss in the years ahead, said our analyst Evelyn Mitchell-Wolf.

"Whenever Google rolls out its 'new experience' in Chrome, we will start to see a significant decrease in the amount of third-party cookies available to advertisers," she said. "So there's value in advertisers that are proactive and don't root their entire programmatic strategies in cookies."

Here are four ways marketers can future-proof their <u>programmatic advertising</u> strategy amid signal loss and privacy regulations.

### 1. Conduct a data audit

"The first step is to conduct a really thorough audit of data flows," said Mitchell-Wolf. "Understand where data is coming into your organization, where it sits within your organization, because it's often sitting in silos in various departments, and then who is receiving the data, if and when it exits your organization."

# 2. Build out a first-party data strategy

First-party data is a key part of any organization's data strategy.

Marketers can incentivize customers to share data by offering a value exchange via <u>loyalty</u> programs or content/product recommendations.



- Ideally, first-party data should be centralized within an organization, enabling collection and activation across departments. The data should also be continuously cleaned to keep it fresh and ready to use.
- Brands can build trust with consumers by ensuring their <u>tech</u> stack is built to honor opt-out requests.

# 3. Approach data partnerships cautiously

External data sources can help marketers enrich and activate first-party data, but it's critical to be discerning with these partnerships.

"Keep an eye on the relationship between the data provider and the consumer," said Mitchell-Wolf. "If they don't have a direct relationship with the data subject, and there's no path to consent, there could be a big problem down the line."

# 4. Activate data judiciously

Marketers can minimize risk of non-compliance with privacy laws and ensure future programmatic success by:

- Identifying use cases upfront and reducing the amount of data collected.
- Employing a variety of <u>targeting</u> methods, including contextual, probabilistic, and deterministic.
- Paring down the number of programmatic partners they work with, focusing on those that provide the most value.

"Becoming signal agnostic is the way I like to describe it," said Mitchell-Wolf. "That way, if one day in the future there's a new privacy law or a Big Tech like Google decides to change it up again, you've made your system agile."

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