Cookie deprecation won't change advertisers' preferred transaction methods

Article

A lot will change when third-party cookies are deprecated in Chrome, but some general programmatic ad spending patterns will stay the same. Programmatic direct will remain the

most popular transaction method, while mobile will keep its sizable lead over other device categories.

The open exchange continues its long descent

- **Open auctions are out of vogue.** When we started forecasting open exchange ad spending in 2013, it represented nearly three-quarters (74.5%) of the programmatic display market. But since then, advertisers have invested more heavily in private marketplaces and closed ecosystems like social media platforms and retail media networks (RMNs), which fall under programmatic direct.

In Less Than a Decade, the Open Exchange Went From Most to Least Popular Transaction Method
% of US programmatic digital display ad spending, by transaction method, 2013-2023

Open exchange* Programmatic direct** Private marketplace***
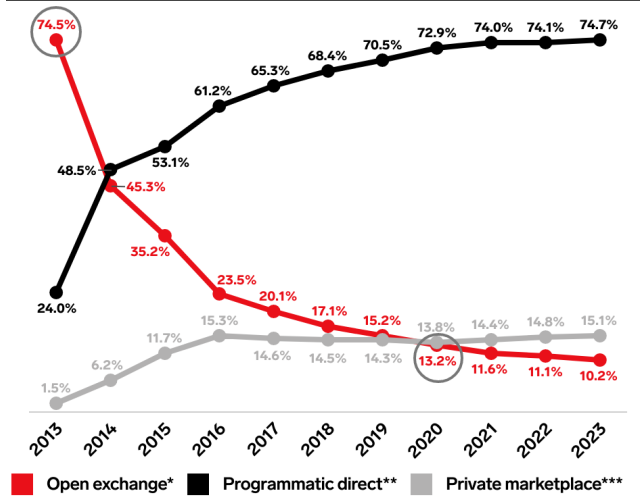
Note: includes native ads and ads on social networks like Facebook and X; includes advertising that appears on desktop/laptop computers, mobile phones, tablets, and other internet-connected devices; includes programmatic ads that are transacted in real time, at the impression level; *includes ads transacted through a public RTB auction in which any buyer or seller can participate, also known as open auction or open marketplace; **includes all programmatic ads that are transacted as blocks of inventory using a non-auction-based approach via an API; ***includes ads transacted through an invitation-only RTB auction where one publisher or a select group of publishers invites a select number of buyers to bid on its inventory
Source: Insider Intelligence | eMarketer Forecast, Dec 2023

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- **Direct pathways are all the rage.** Advertisers are trimming the fat (e.g., inventory resellers, underperforming or redundant partners) from real-time bidding transactions to reduce hidden fees, minimize risk of data leakage, and decrease their carbon footprints. In the case of CTV, prioritizing direct pathways can theoretically help with frequency capping.

- **Programmatic is refocusing around first-party data.** As signal loss reaches a fever pitch with cookie deprecation, ad buyers and sellers are harnessing their own consumer data for

programmatic activation across transaction methods. Six in 10 buyers reported they'd be focusing somewhat or significantly more on ad placements with publishers with first-party data in 2024, per November 2023 survey data from the Interactive Advertising Bureau (IAB).

Programmatic Ad Spending Forecast H1 2024