


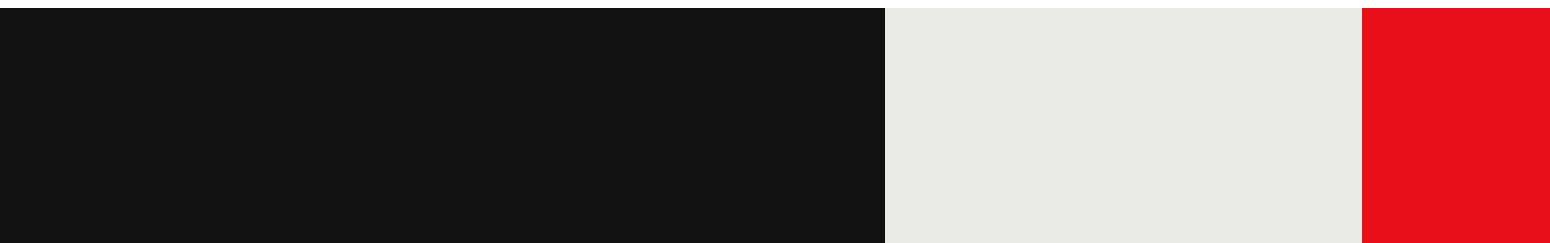
Google lifts the veil over its post-cookie ad solutions

Article



The news: In a new letter to advertisers, **Google** reiterated that it **still plans to phase out cookies on Chrome** by the end of 2024 and provided updates on the development of its post-cookie “**Privacy Sandbox**” solutions.

What's new: Google's Privacy Sandbox is not so much a singular, post-cookie advertising alternative, but is more of a collection of new practices and technology that adheres to



stricter privacy standards in digital advertising.

- Early on in its letter, Google stressed the importance of advertisers starting to adhere to new privacy practices. “Ad tech solutions for interest-based advertising should evolve to take advantage of privacy-friendly signals to show relevant ads,” the letter reads.
- It gave the red stamp to a few recommended solutions: First-party data (the likes of which we’ve seen in the clean room boom), contextual signals, and privacy-oriented APIs.
- The Privacy Sandbox is relying heavily on the latter of those three. APIs are at the core of the Privacy Sandbox’s functionality, and it is iterating on the tech with additional channels like the **Topics API** (launched in January), which lets advertisers see limited user browser histories to target ads.
- Another new API is **FLEDGE**, designed to help target returning customers and consumers who delay shopping decisions. The locally focused API stores information on users’ devices rather than making it broadly accessible, and its early adopters include **Amazon, Criteo, and Microsoft**.

The impact: Many other browsers have already transitioned to a cookie-less model, but with Chrome handling over 65% of the share of browser traffic in the US alone, its change is the big shift. Google’s advertising letter identifies the tech it and other companies are confident in, and contains an urgent message for advertisers: **Act now**.

- Google has delayed the end of cookies several times, and while the two-year runway to the end of 2024 feels long, time is ever so slowly running out. Advertisers who felt relieved by the 2024 delay are being urged by Google itself not to sit idly and watch the clock run down.

Desktop Web Browser Traffic Share Worldwide, Q4 2020-Q1 2022

% of total

	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022
Chrome	68.3%	66.7%	68.2%	67.7%	66.7%	65.9%
Safari	9.6%	10.3%	9.8%	9.7%	9.7%	9.7%
Firefox	8.0%	8.1%	7.4%	7.9%	8.2%	8.7%
Edge	6.6%	8.0%	8.0%	8.6%	9.3%	9.6%
Opera	2.5%	2.6%	2.6%	2.5%	2.9%	2.9%
Internet Explorer	2.4%	1.8%	1.5%	1.4%	1.1%	1.0%
360 Safe Browser	0.6%	0.7%	0.7%	0.7%	0.7%	0.6%
Edge Legacy	0.7%	0.5%	0.3%	0.2%	0.2%	0.3%
Yandex browser	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%
QQ Browser	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%
Other	0.8%	0.7%	0.8%	0.8%	0.7%	0.8%

Note: numbers may not add up to 100% due to rounding

Source: StatCounter, "Global Stats"; Insider Intelligence calculations, April 1, 2022

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- Google's endorsement of privacy-oriented first-party data is yet another stamp of approval for clean rooms, which companies like Amazon and others are relying more on as US privacy standards and regulations become more stringent.
- Part of Google's ad overhaul is giving users greater control of the ad experience. In October, it updated its personal controls to let users limit what ads they see, and to determine what aspects of its search history and other online behaviors are accessible to advertisers.

Our take: If Google fumbles its new ad tech rollout, it stands to lose its position as the titan of digital advertising. For now, tech-like privacy-oriented APIs and clean rooms appear as though they'll be able to develop without interruptions from regulators, but advertisers need to get on board or risk being unprepared when the shoe finally drops.