

# Criteo layoffs show cookie removal could pressure ad tech

Article

**The news:** Ad tech firm **Criteo** has laid off 4% of its staff, or 140 employees, it said last week.

- The layoffs come two months after CFO **Sarah Glickman** said during the company's Q1 earnings call that **Google's** upcoming phaseout of third-party cookies on Chrome **could cost the company as much as \$40 million.**

**Cookies and Criteo:** The ad tech firm made its name in the 2000s off retargeting—an established digital advertising format that tracks users’ behavior on one site to deliver them ads on another. But as third-party cookies begin to go the way of the dodo, Criteo has had mixed success pivoting to retail media, as our sister site [Business Insider](#) reports.

- Given Glickman’s statements earlier this year, it’s reasonable to assume that Criteo’s layoffs are a precautionary measure in case the company’s revenues tank once Google purges third-party cookies and fully swaps over to its replacement, the **Privacy Sandbox**.
- It’s not just Criteo that’s feeling the crunch. Despite Google delaying the end of cookies not once, but twice, advertisers have pressed the company to delay cookie deprecation yet again. The industry went into an uproar when Google [turned off cookies for just 1%](#) of its users in January, prompting the **Interactive Advertising Bureau** to say the [ad industry “isn’t ready” for the change](#).
- But Criteo’s layoffs so soon after expressing trepidation about cookie depreciation could be read as an escalation, warning Google that the shift could cost advertising employees their jobs.

**Privacy Sandbox:** Google has so far [given no indication](#) that it will announce another delay, sticking to its deadline of Q3 2024. For advertisers, that means the time to adapt to changes is now: Even if Google does delay deprecation, it’s still inevitable due to changing privacy laws.

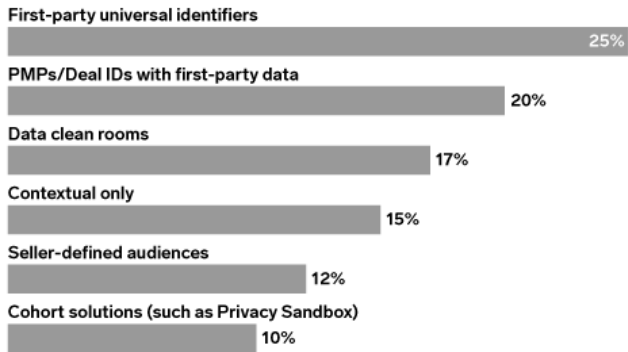
- But the trepidation around Privacy Sandbox, which advertisers say lacks the robust targeting capabilities that cookies offer, could end up harming Google’s market share. Competitors like **Amazon** and **The Trade Desk** have their own post-cookie solutions in the works—[Amazon’s is in development](#), while The Trade Desk’s **Unified ID 2.0** has a number of [major ad partners](#).

**Our take:** Criteo layoffs are a worrying sign for the ad industry’s pivot to post-cookie solutions. But it’s not all bad news: Ad industry employment is currently at an all-time high, and Privacy Sandbox is likely to become more robust and fleshed out over time.

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## Types of Identity Solutions Marketing Professionals Worldwide Consider Most Viable Solution to Deprecation of Third-Party Cookies, Aug 2023

% of respondents



Note: numbers may not add up to 100% due to rounding  
Source: ID5, "The State of Digital Identity 2023," Oct 31, 2023

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