Post-cookie preparation lags due to deprecation delays and slow adoption of new tools

Article



Advertisers have dragged their feet on developing third-party cookie alternatives and are now under pressure to implement effective measurement solutions, our analyst Evelyn

Mitchell-Wolf said in a recent webinar.

Here are a few ad measurement challenges each marketing team should think through for digital display as the cookie deadline nears.

1. Advertisers are skeptical of Google Chrome's deprecation deadline

Google said it will start deprecating third-party cookies in Chrome in the second half of 2024. It has pushed that deadline back before.

- But the next wave of change could come sooner when Google deprecates Google ad IDs (GAIDs), an identifier it uses to track mobile campaigns. "If Google sticks to its initial timeline of supporting GAIDs until at least February 2024, the industry could have a more concrete deprecation date soon," said Mitchell-Wolf.
- Google has been more collaborative in introducing privacy solutions than Apple has been with changes like AppTrackingTransparency, so changes will be less of a surprise, Mitchell-Wolf said.

2. Marketers have been slow to adopt alternative measurement solutions

Though multiple adtech firms have unveiled identifiers that could replace browser cookies, marketers aren't jumping at the opportunity to adopt them.

- Adoption of Apple's SKAdNetwork (SKAN) 4 has lagged and the Trade Desk's Unified 2.0 has not been as widely used as publicized, Mitchell-Wolf said.
- "It's normal for absorption to take time, but the longer advertisers wait to upgrade, the longer they go without more granular insights on their mobile campaigns," she said.

3. Privacy sandbox solutions have focused on targeting but not measurement

While privacy sandbox APIs are out of origin trials and are generally available for testing, not a lot has been published about those attribution test results, which is not a good sign given Google Chrome's market share, according to our analysts.

 Privacy sandbox APIs are a set of initiatives launched by Chrome to establish a reliable advertising structure on the open web that operates without third-party cookies.



• "The fact that no one that I speak to has heard a lot about the progress or promise of the attribution reporting APIs is a little bit of a concern," said our analyst Max Willens.

4. First-party data does not have enough scale on its own

Advertisers and publishers believe activating first-party data is the solution that holds the most promise for supplementing third-party cookies, according to Double Verify, but it isn't so simple.

- First-party data, or deterministic data, which uses a unique identifier to match a user to a data set, is a crucial asset in measurement.
- That said, advertisers should use first-party in tandem with probabilistic data graphs—which allow brands to observe consumer patterns across channels and predict the likelihood of a certain outcome—and consented third-party data.
- "There will be a mosaic of solutions that have to work together to retain the same amount of functionality that advertisers are used to," said Mitchell-Wolf.

Mitchell-Wolf said marketers should act quickly to figure out their post-cookie measurement strategy.

Not only do cookieless identifiers set advertisers up for success whenever cookies are actually deprecated, but they can also help save money in the near term.

- Non-cookied inventory was cheaper than cookied inventory in Q2 2023 across sectors including retail, food and drink, and travel, according to 33Across.
- Though savings vary from quarter to quarter, it's still helpful when justifying spending money to test cookieless identifiers. Mitchell-Wolf said.

Advertisers should also future-proof their business by overhauling their privacy strategies:

- Make sure customers freely give informed consent.
- Be crystal clear on data assets and governance, collaborating closely with creative team to ensure compliance.

Watch the full webinar.



This was originally featured in the eMarketer Daily newsletter. For more marketing insights, statistics, and trends, subscribe here.