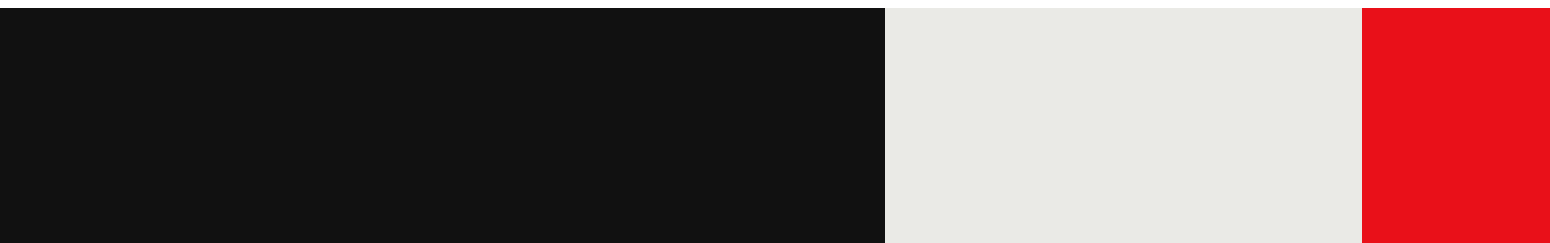



Google takes another bite at a third-party cookie replacement

Article



The news: Google attempted to respond to advocates' privacy concerns by overhauling its approach to replace the third-party cookies that advertisers use to target consumers. On Tuesday, the search giant proposed a new system called "Topics," which enables advertisers to place ads based on a limited number of topics determined by users' browser activity.

How it works: The Topics application programming interface (API) uses the Chrome browser to determine a list of up to five topics—such as “books and literature” or “team sports”—a user is likely interested in based on the websites they visit.

- Topics are determined on a weekly basis.
- They exclude sensitive categories, such as gender or race.
- Users can review and remove topics from their lists, or they can turn off the entire Topics API.
- Topics are kept for only three weeks.

When the user visits a site that supports the Topics API for ad purposes, the browser will share three topics the person is interested in—each is selected randomly from the user’s top five topics in the past three weeks. The site can then share this information with its advertising partners to determine which ads to present.

The idea is to create a more privacy-focused approach to ad targeting.

The push for privacy: The API selects Topics based entirely on a user’s device without involving any external servers. That’s a different approach from third-party cookies that let companies trace a user’s online activities across websites to build a user profile without giving the consumer any control over the process.

More on this: Google first **announced plans** to phase out third-party cookies from its Chrome browser two years ago.

- Last year, it rolled out its proposed cookie replacement—FLoC, or **Federated Learning of Cohorts**—that allowed advertisers to target groups of users, rather than individuals, based on their common browsing history.
- FLoC drew criticism from privacy advocates who argued that bad actors could trace “cohort” data back to a user’s personally identifiable information.

Google’s plan to eliminate cookies by the end of next year is part of a massive shift for the digital advertising industry.

- Google has an outsize role within the industry, since Chrome is used by nearly 64% of all people who surf the internet, according to December 2021 **StatCounter** data.
- Apple and other industry players have introduced privacy features that limit advertisers’ ability to track users.

The takeaway: Advertisers, website owners, and privacy advocates have all raised alarms over Google's plans to pivot away from cookies, and their complaints have driven antitrust authorities in the US, Europe, and elsewhere to closely monitor the search giant's moves.

While Topics puts some safeguards in place, it may not be enough to mollify critics who are worried that the loss of cookies will increase their reliance on Google and Facebook, given those companies' large user databases.

**Top 25 Web Properties Among US Desktop/
Mobile Internet Users, Ranked by Unique Visitors,
Sep 2021**

millions

1. Google sites	272.3
2. Microsoft Sites	238.2
3. Yahoo	231.0
4. Facebook	224.2
5. Amazon Sites	218.5
6. Comcast NBCUniversal	195.4
7. WarnerMedia	188.7
8. The Walt Disney Company	186.5
9. ViacomCBS Digital	186.5
10. Apple Inc.	178.3
11. CafeMedia	176.9
12. Hearst	161.4
13. The Weather Company	158.0
14. Universal Music Group	152.5
15. Uproxx X Warner Music Group	151.2
16. Meredith Corporation	149.0
17. USA TODAY Network	146.7
18. Freestar	139.4
19. Fox Corporation	132.1
20. Penske Media Corp (PMC)	131.6
21. Red Ventures	126.5
22. Mediavine	125.0
23. LinkedIn	122.0
24. Wikimedia Foundation Sites	121.1
25. Spotify	120.5

Note: home and work locations

Source: Comscore Media Metrix Multi-Platform, Nov 2021

270833

eMarketer | InsiderIntelligence.com