

Sluggish FLEDGE adoption doesn't bode well as advertising industry barrels toward cookie deprecation

Article

A new report from demand-side platform RTB House suggests **FLEDGE, Google's privacy-preserving retargeting solution, is gaining traction**. But it may not be happening fast enough to keep the industry afloat when third-party cookies are deprecated in Chrome in 2024.

What is FLEDGE? It's an acronym that stands for "First Locally Executed Decision Over Groups Experiment." The application programming interface (API) sorts users into advertiser-, publisher-, and vendor-defined interest groups based on browsing behavior. FLEDGE auctions occur on users' devices rather than ad servers, limiting the amount of deterministic data accessible to advertising stakeholders.

As an early tester, RTB House has been keeping track of FLEDGE adoption since trials began almost a year ago.

- **FLEDGE testing has picked up significantly.** In January 2023, RTB House served nearly 120 million impressions through FLEDGE. That's up 1,846% from 6.5 million in August 2022.
- **But it's not enough to quell speculation of another delay in cookie deprecation.** Despite momentum, FLEDGE still only represents a fraction of the 30 billion impressions RTB House processes in an average month. And the solution lacks support from supply-side platforms other than Google.

FLEDGE is just one of several protocols in the Privacy Sandbox. The Topics API, a similar protocol that groups users into predefined audiences based on browsing activity, is significantly less popular with advertisers and privacy advocates. And FLEDGE, while promising, is fairly complex, and the upfront cost to publishers is nothing to sneeze at. Turnkey setup and a larger testing population of Chrome users would likely help move things along.

What isn't helping: The economy. Budgets are tighter than usual amid inflation and a potential recession, which makes it harder to gamble on anything experimental.

The industry is stuck in a toxic cycle. The farther away cookie deprecation gets, the less urgency there is to get ready. If the industry isn't ready, Google may be forced to push the deadline again. Rinse and repeat.

So what's an advertiser to do? Test anyway. As advertisers build consensus around the most viable cookieless alternatives, more publishers will be able to justify investing in the most popular solutions.

Because, like it or not, the post-cookie era is already here.

Want to learn more about how to get the most out of programmatic strategies in Q2? Check out our recent report, “[Programmatic Ad Spending Forecast Q1 2023: The World’s Largest Programmatic Market Moves Away From the Open Exchange.](#)”

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