



# **MARKETING WITHOUT COOKIES**

## READY FOR THE PRIVACY-SAFE FUTURE

June 2022





## What is a cookie?

Most cookies recognize individual users over several page views. This is important for the usability of websites and for various advertising purposes.

Cookies are small **files filled with information** by the browser during browsing and **stored for a certain time period**.

## What are the use cases of cookies?

Cookies **simplify the measurement** and **target group-specific** delivery of digital advertising materials. There are two relevant types of cookies:

### First-party cookies

... are set or read directly by the website currently being visited. Examples of use cases:

- Saving language settings
- Enabling a shopping cart
- Aggregating web analytics data
- Quantifying user actions for campaign measurement (conversions)

### Third-party cookies

... are set or read from „foreign“ domains on the currently visited website. Examples of use cases:

- Audience creation and targeting based on surfing behavior
- Frequency capping
- Attribution of view-through conversions

## Why are cookies suddenly on everyone's lips?

The topics of **data protection**, **transparency**, and **user privacy** have gained weight and attention in public discourse recently. These are the most important developments in recent months:

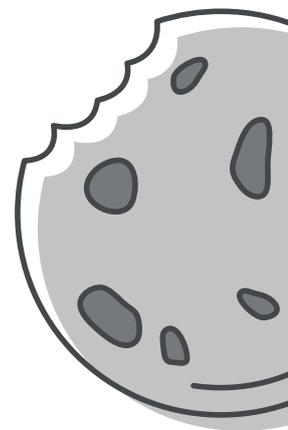
- All browser and operating system providers are stepping up their efforts to restrict tracking options for advertisers. In doing so, they are positioning themselves in the market with tighter data protection and increased transparency.



- Although Google has not yet implemented such restrictions for **Google Chrome**, it [announced in March 2021](#) it will **no longer use identifiers** that track individual users **across different sites**. This will particularly affect classic targeting and measurement methods. Since then, cookies have been the number one topic in the marketing world.
- With **iOS 14**, **Apple** is further tightening the restrictions on tracking options and has been pushing for explicit user consent for marketing tracking in apps since April 2021.
- AdTech providers are pursuing workarounds, such as **modeled conversions** or **frequency capping** based on **machine learning** („black box“).
- **Various technological alternatives** will likely soon be available that will partially restore the lost capabilities using privacy-compliant mechanisms. A few examples: Google's answer is Privacy Sandbox, Apple is launching Private Click Measurement in addition to the SKAdNetwork already in use, and Trade Desk is launching Unified ID 2.0. NetID is already well established within the EU.
- The discussion about consent for tracking is also gaining momentum in Switzerland: From the publisher side, efforts to deal with the new situation are moving toward a [login alliance](#).

## What is the goal of a future without third-party cookies?

- **Transparency** and **education** about what information is collected, when, by whom, and for what purpose
- **Protection of the privacy** of the individual user by making so-called personal data (e.g. contact information, personal interests, etc.) unidentifiable
- Creating **more control for users** to implement individual preferences (active consent and data control center)





# How does this affect my marketing efforts?

All **use cases** based on **third-party cookies** will be restricted or no longer possible. **First-party cookies** will also be **more tightly regulated**.

Examples of measures affected:

- Difficulty in recognizing the same user in a new environment, but workarounds are possible e.g. targeting pools, remarketing, frequency capping
- Targeting lists will shrink
- Conversion tracking becomes more restrictive, but not impossible

## Effects on targeting

### Strongly affected

#### Retargeting

The size of retargeting/remarketing lists will generally shrink. On third-party inventory, users will no longer be reachable at all – at least if no alternative technology such as FLEDGE is widely deployed.

#### Interest targeting on third-party inventory

This marketing use case can no longer be implemented without third-party cookies. Various parties are working on privacy-compliant alternatives; the technologies are still in the test phase.

### Little affected

#### Behavioral targeting in Walled Gardens

Large players such as Google, Amazon, Facebook, and Apple have enough first-party data to continue to ensure precise targeting of behavior-based campaigns.

#### Non-user-based targeting

Targeting methods not based on individual user behavior will not be affected by the developments and will regain importance. Attributes such as **location, time, device,** or **contextual signals** can be used effectively in combination with algorithmic optimization.



## Effects on measurement and attribution

In addition to technical limitations, the following use cases are particularly affected by regulatory changes, e.g. the explicit declaration of consent by the user for the application of cookies by a cookie banner / a consent management platform.

### Strongly affected

#### Conversion tracking

The tracking of conversions in all major ad networks is now based on first-party cookies. Nevertheless, modern anti-tracking methods limit the lifetime of these cookies. That's why a conversion can no longer be correctly attributed after a short time. Conversion tracking is increasingly being statistically modelled and enabled by new technologies.

#### View-through metrics

These data points are no longer measurable without third-party cookies on the Open Web. Alternative technologies are being considered but are not yet very advanced.

### Little affected

#### Web analytics

The web analysis is based entirely on first party cookies. Nevertheless, it is also affected by browser measures that significantly restrict the validity of analytics. Already today it is increasingly relied on statistical modeling and machine learning.

#### On-platform metrics

Fundamental values measured directly by ad networks, such as click-through rate or impressions, are unaffected if they are not based on conversions.

## And now?

### Short term

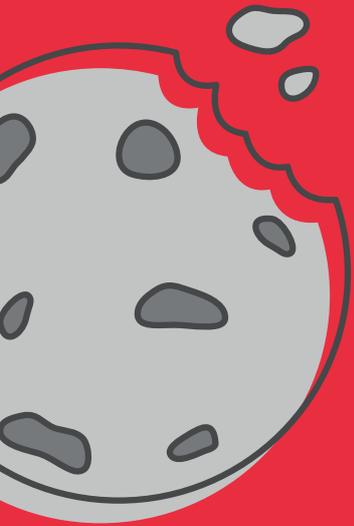
- Implement ad network recommendations (e.g. conversion linker, global site tag, etc.)
- Use customer match technologies
- Create understanding of how digital KPIs are created and modeled
- Have an audit made of the current set-up

### Medium term

- Examination of a Consent Management Platform for maximum transparency
- (Partial) migration to server side tag management
- Evaluate and implement new technologies
- Increased use of privacy-safe targeting

### Long term

- Development and implementation of first-party data projects (e.g. use of a customer data platform)
- Definition of a comprehensive data strategy to maximize the use of data on all communication channels



## You want to find the right solution for your company?

Join the **online course** „Data Privacy in Marketing – digital communication in the post-cookie age“ by Webrepublic and Hyper Island.

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