

The marketer's guide to targeting post-cookies

Navigating digital
advertising in 2024
and beyond

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Even as the importance of first-party data surges, and especially as third-party cookies become obsolete, for marketers it remains unrealistic to rely solely on first-party data in 2024 and beyond. For teams that relied on the data provided by third-party cookies, they'll need to plan for not just one but a range of ways to access and develop invaluable customer information without cookies.

In this tactical guide, Digiday and Eyeota unpack how approaches to third-party data are transforming and how marketers are navigating the post-cookie solutions such as alternative identifiers, universal IDs and ID agnostic solutions.



Overview of available post-cookie identifiers

Google's deprecation of third-party cookies draws near, and the number of alternative identifiers seems to be always increasing. While some of the earlier post-cookie IDs proffered to marketers, [fingerprinting, for example](#), have been deemed problematic, other approaches are emerging as promising options.

For instance, Topics, or [The Topics API](#), is the replacement for FLoC, representing a new way to aid interest-based advertising without third-party cookies while providing

users more control and increased privacy protection. As its name implies, the API labels each website with a recognizable, high-level topic selected from a limited but public set of categories. As users browse the web, their browser collects a few of the most frequent topics associated with the sites they've visited and shares that information so advertisers can deliver more relevant ads without knowing the specific sites visited. It is a process, however, not always as straightforward in application as it appears in theory.

"The challenge with Topics is that while we do get transparency, it's not very granular," said Rob Armstrong, senior vice president of product management at Eyeota. "So, I know someone is interested in news or sports, but these are generalized topics that have no basis for audience targeting use cases. Compared to contextual, Topics is less valuable and is not going to move the needle. There is potential for it to be used in an analytics context, but it's not helpful for targeting. If Topics can be customized or expanded — if the ad

community could collaborate on it a bit more — there's potential with Topics API."

Furthermore, because this is an ID controlled within browsers, users can see what topics are associated with them, disable them or remove any they don't like within their browser settings.

Other tactics and technologies are similarly promising, but come with their own considerations as well. [FLEDGE](#) is another Privacy Sandbox proposal, for example, which essentially builds off of Topics and works by [making ad auction decisions in the browser rather than at the ad server level](#).

"FLEDGE is the most compelling thing we have in the sandbox at large," said Armstrong. "The component within FLEDGE is an interest group and the use case that's been circling since 2019 is a retargeting one using an e-commerce shoe store. Someone comes to the site browsing running shoes and then leaves. There's a JavaScript tag that creates an audience saying this user belongs to a running cohort and is interested in running shoes. Conceptually, that's an opportunity to target that user later.

"Javascript and tag are terms that fly around in our industry all the time, so, it speaks to a convention we already have and are using in the cookie realm," he continued. "Another key piece that's still being worked out are the controls where a cohort can't be activated until there's a certain number of users in it."

Universal IDs, on the other hand, have been available to marketers for some time now. Two specific forms of universal IDs that have gained popularity are the ID5 ID and RampID. ID5 is an [encrypted first-party data ID](#) that works through API integrations that publishers enable and authorize so the ID can retrieve data and create an ID5 ID for that specific user. The ID can then be reconciled across applications and sites to ensure consistency where publishers can share the ID with partners for ad targeting.

RampID is an [anonymized people-based ID](#) grounded in offline deterministic data — email and mailing addresses, names and phone numbers. This ID can connect with IDs that are stored by publishers such as Google and Facebook and can be used for direct deals and private marketplace activations — it's built to be interoperable with other types of IDs.

Another alternative ID is hashed emails. These are privacy-compliant and of high-value, as they're tied to a specific person who has consented, however, [if not handled properly, they can result in mismatches](#). But, because this ID does not change once it's created and can be used across multiple customer touchpoints for targeting of all sorts, they aren't dependent upon any specific platform.

Mobile ad IDs or MAIDs are easily accessible and tend to be the ID of choice for mobile screens. They can provide rich data that's tied to user devices which can lead to better targeting and attribution. However, when compared to other alternative IDs, [they have a short lifespan](#) as users can manually reset MAIDs or they can be confused with an app or session-based ID, conflating numbers.

Each of these alternative IDs offers something a little different from another. Instead of waiting for an alternative to come out on top, teams should work on implementing several different types of IDs to develop a more robust post-cookie targeting strategy.

Tactics and insights

Topics, while still gaining traction, is best suited for analytics, as its lack of granular targeting outweighs its transparency for most marketers.

While complex and still an early-stage concept, FLEDGE is one of the most compelling alternative IDs to come from the sandbox. By leveraging interest groups that can be more refined, it builds off of the Topics concept while utilizing many approaches marketers are already familiar with, such as cohorts, Javascript and tags.

It's important to consider alternative IDs outside of Google's offerings. Marketers that stitch these IDs together will ensure scale, post-cookies.

Exploring cookieless environments and factoring in contextual targeting

As marketers ramp up testing and implementing solutions that will provide the same or better results third-party cookies did, contextual targeting is experiencing a resurgence as it allows marketers to engage in hyper-targeting that is transparent and privacy-safe.

To test how such a strategy would work out, the agency EightBar worked with Comscore and Eyeota to develop an effective targeting solution for its client, IBM, that would drive video campaign performance.

EightBar selected two competitor contextual segments and competitor behavioral segments and compared those with Comscore's predictive audience with Eyeota's insights. A competitive evaluation was run to test all three targeting tactics while keeping the other parameters consistent to

then evaluate the video campaign performance of each based on cost per engaged visit (CPEV).

The segment utilizing [Comscore's audience with Eyeota's insights had a CPEV significantly below the client's benchmark and was 46% lower](#) than the competitive behavioral audience and 23% lower than the competitive contextual segment.

In addition to contextual targeting, marketers can also explore channels that aren't reliant upon cookies or have never involved them in the first place.

One such environment is CTV, which has never relied upon cookies and instead utilizes data such as ACR, IP addresses and other more anonymized type information.

Other cookieless methods marketing teams can lean on are platforms that have access to a large amount of first-party data, such as social media platforms and Amazon, [which can track a user through a single login across multiple devices](#).

Tactics and insights

Contextual targeting allows brands to hyper-target in a brand-safe manner that delivers results above what behavioral targeting can deliver.

Leveraging channels that were never dependent upon cookies, such as social media platforms and CTV can help brands further develop their cookieless strategies and set themselves up for success ahead of the third-party cookie deprecation.



The need for third-party data: Enriching first-party data

While increased data regulation has pushed many marketers toward first-party data, it's important to note that such control is actually set to make third-party data solutions more essential and robust. This has been made clear in areas that have already experienced heavy legislation around compliance, consent and consumer control. A tactic some may turn to is leveraging third-party data to enrich their first-party data.

First-party deterministic data is essential to driving customer retention with the help of personalized messaging. However, without a strong base of third-party probabilistic data to enrich customer data, marketers are limited in their ability to understand

customers — in the worst-case scenario, they may be unable to translate their audience understanding into prospecting and customer acquisition efforts altogether.

When marketers build upon the first-party data they already have by leveraging third-party data, they're able to gain deeper insights into their customers that can give way to more personalized engagement across digital and video channels, and ultimately provide data that will help in a customer's specific path to purchase.

Tactics and insights

Even with increased data legislation, third-party data will become more robust and remain an integral part of marketers' strategies.

While many are focusing on collecting more first-party data, third-party data is essential to enriching first-party data and adding in important missing information crucial to targeting and personalization efforts.



The future of IDs for targeting: Using ID agnostic solutions

Some estimates suggest as much as [\\$10 billion in ad revenue will be lost due to a lack of third-party cookies](#). As such, the future of third-party data must be interoperable. Out of this thought process comes the idea of ID agnostic data or ID agnostic solutions.

"ID agnostic third-party data gives marketers the ability to transcend and work along different sides of IDs," said Armstrong. "Agnostic data allows marketers to not depend on the identity piece and have the ability to use different types of mechanisms to get to that data."

There likely won't be one identifier that will replace the third-party cookie. Those that pivot most successfully for a cookieless world will be those that take

a yes-and approach to alternative identifiers versus an either-or stance.

"Being ID agnostic is incredibly important because the ability to take the same attributes and apply them to universal ID-X versus universal ID-Y versus somebody's first-party data ID is vital," said Kristina Prokop, CEO and co-founder at Eyeota. "Having the data attributes and the insight accessible with any identifier and any platform at any time is the future. From a programmatic advertising perspective, you may want to be working with Xandr today, and then all of a sudden, you want to work with The Trade Desk tomorrow. They, in some cases, are working on different identifiers, so you want to make sure that the strategies you've built can

be translatable into wherever you end up going, and ID agnostic data is interoperable across different platforms and channels."

And while the adoption of these methods is still early days, there are many benefits for marketers once they begin testing such strategies. With so many alternative IDs available, and with so many privacy regulations still at play, the future of targeting in a post-cookie world is likely to look quite different a year or two from now.

"I think the strategies will change in terms of the expectations of the scale of people-based marketing," said Prokop. "The consumer base and privacy regulators are looking for a healthy balance between precision and scale and it's our job as an industry to find that balance. The idea of reaching one person at exactly the right time with the right ad is a little too far over the line. As an industry, we should accept that we need to move toward a cohort model. We can still be competent and run effective advertising and effective modeling, but it has to be one step above where everybody wants to be, which is in that absolutely individual-based advertising."



Tactics and insights

It's important that marketers remember that third-party data is not third-party cookies — the two are vastly different — and the former is essential as teams move forward in a privacy-compliant environment that puts first-party data front-and-center.

When identifying data partners, making sure they're working with ID agnostic data that's interoperable so teams can reach users in a variety of ways — whether that's display, mobile or social channels — is crucial.

Teams should ensure they're looking for the right things in their partners, such as if they're compatible with the existing marketing tech stack and are certified for quality and compliance assurance.

To drive performance post-cookies, it's also essential that a prospective partner is powered by consumer signals such as transactional, interest, intent, lifestyle, employment and sociodemographics to enable a 360 view of current and future customers.

About Eyeota

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