

WELCOME TO THE COOKIELESS FUTURE

A SMART COMBINATION OF THE MOST RELEVANT
COOKIELESS INITIATIVES IS THE WAY TO GO



PREPARING FOR THE WORLD WITHOUT 3RD-PARTY COOKIES

Google blocking 3rd-party cookies in Chrome as of January 2022 is the last in the chain of steps taken by major browsers in an attempt to address user privacy issues. As an industry, we had to change and react to the (self-made) problem of uncontrollable and unregulated leakage of user data and lack of user privacy (via myriads of trackers set on every site we visit).

There were a few options at hand to tackle this issue. The first one was to apply a proper regulation (i.e. GDPR in Europe) – but in the end, the implementation was late and still raises questions. Another way was to act against the technical means enabling user cross-site tracking – 3rd-party cookies. Eventually, both options were chosen to go with, for the right and wrong reasons.

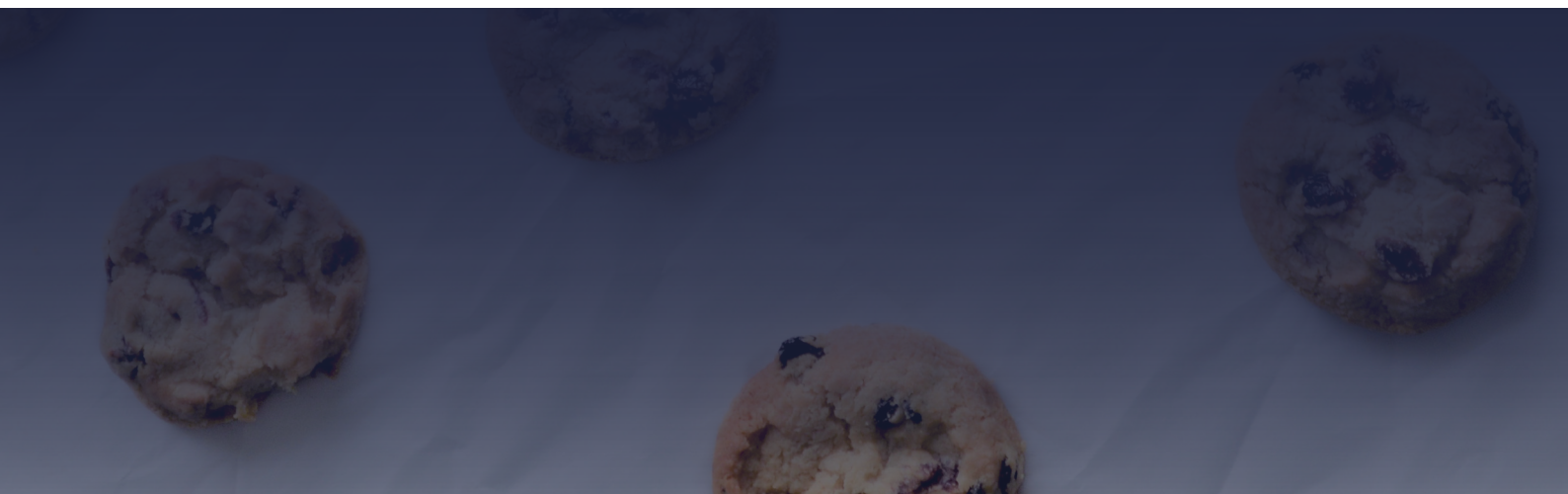
Now it's time to establish technological innovation and solutions to prevent going a step backwards in terms of targeting or in regards of other functionalities 3rd-party cookies made possible.

WHY ARE 3RD-PARTY COOKIES SO IMPORTANT?

Frequency cap, attribution, behavioural targeting, retargeting, campaign measurement/ optimization - the list goes on. From simple to very advanced features, the everyday tools used by the vast majority of open web participants have 3rd-party cookies at their core. It's been so for years but now that's about to change.

What comes next can be split into approaches: there are supporters of tracking individual users but doing so only with user permission – thus respecting their privacy (the core issue). And there are those who advocate totally new approaches - without collecting user data on an individual basis.

The industry as a whole is about to adopt (in 2021-2022) a set of new tools from both approaches to substitute 3rd-party cookies.



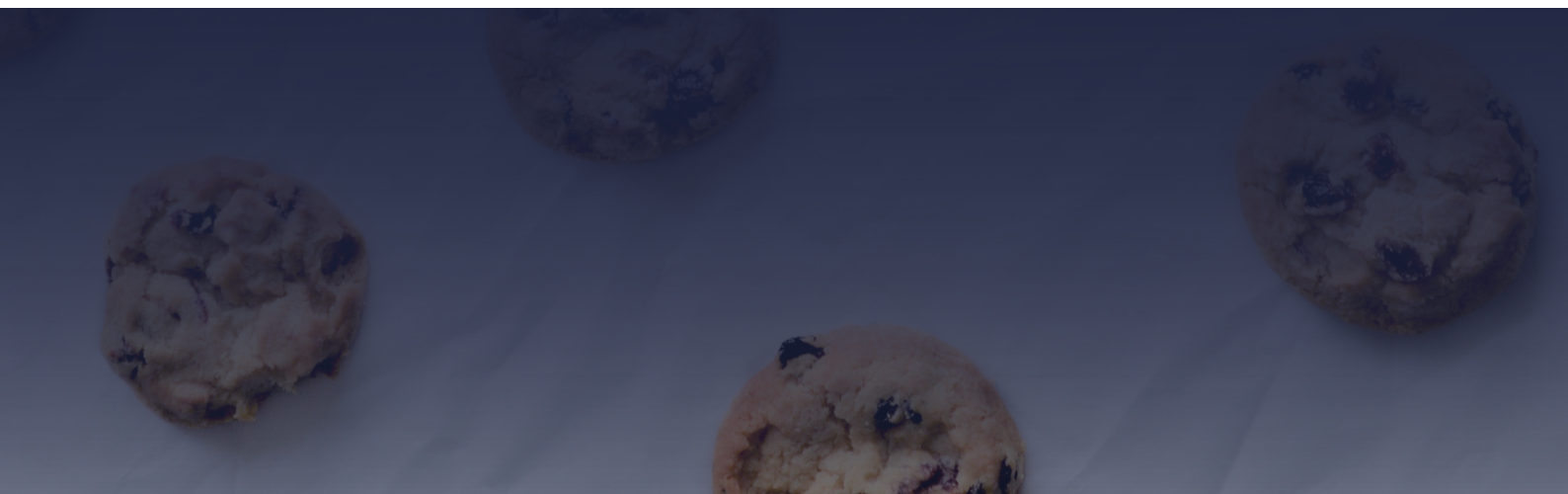
WHAT ARE THOSE SUBSTITUTIONS OF 3RD-PARTY COOKIES? WHAT IS GOOGLE'S ANSWER?

Google offers a set of user privacy respecting solutions (called **Privacy Sandbox**) that should, to some degree, substitute 3rd-party cookies in the areas of

- > **Behavioural targeting (Federated Learning of Cohorts or FLoC):** in Privacy Sandbox, where browser will be doing the job of 3rd-party trackers – assign user a behavioural label, based on the user's recent browsing history.
- > **Retargeting (FLEDGE):** in Google's proposal – again, Chrome takes the leading role in keeping the history of user actions, like abandoning the shopping cart, by assigning the user to a specific segment group, which later will be shared with advertisers and impact the media buying process.
- > **Cross-Site Reporting (via Aggregated Reporting API):** allows for collapsing information across multiple sites into a single, privacy preserving report
- > **Click Through Conversion (via Measurement Event-Level API):** allows for measuring and reporting ad click conversions
- > **Antifraud (Token):** allows verification of authentic traffic without identifying individuals

...and many more - but excluding a possibility to identify a single individual cross-sites. Google plans to embed their Privacy Sandbox directly into Chrome browser, meaning Safari and Firefox are left out- but to be fair, nothing really changes here as these browsers have been blocking 3rd-party cookies for years already.

Google has announced on March 23rd 2021 that Privacy Sandbox public tests, which were planned for March, will not be conducted in Europe due to potential violation of ePrivacy and GDPR.



ANY PROPOSALS FROM OTHER INDUSTRY PLAYERS?

Contextual targeting receives a lot of attention in media, but it's hard to say how much of it will be converted in actual media budgets when the time comes.

Besides, there are Unified ID solutions: a possibility to track individual users using their email address as a base for unique identifier but collected in a privacy friendly way. Such as:

- > **Unified ID 2.0 by The Trade Desk**, which is now in the hands of Prebid org; the broader adoption of this solution should begin in the second half of 2021.
- > **European netID Foundation**, a solution aimed exclusively at the German market. Many publishers have already deployed the NetID login feature on their sites (the list of connected publishers is available [here](#)). Also some demand side platforms can already work with audiences that have NetID identifier assigned.

WILL GOOGLE SUPPORT ANYTHING BESIDES THEIR OWN PRIVACY SANDBOX?

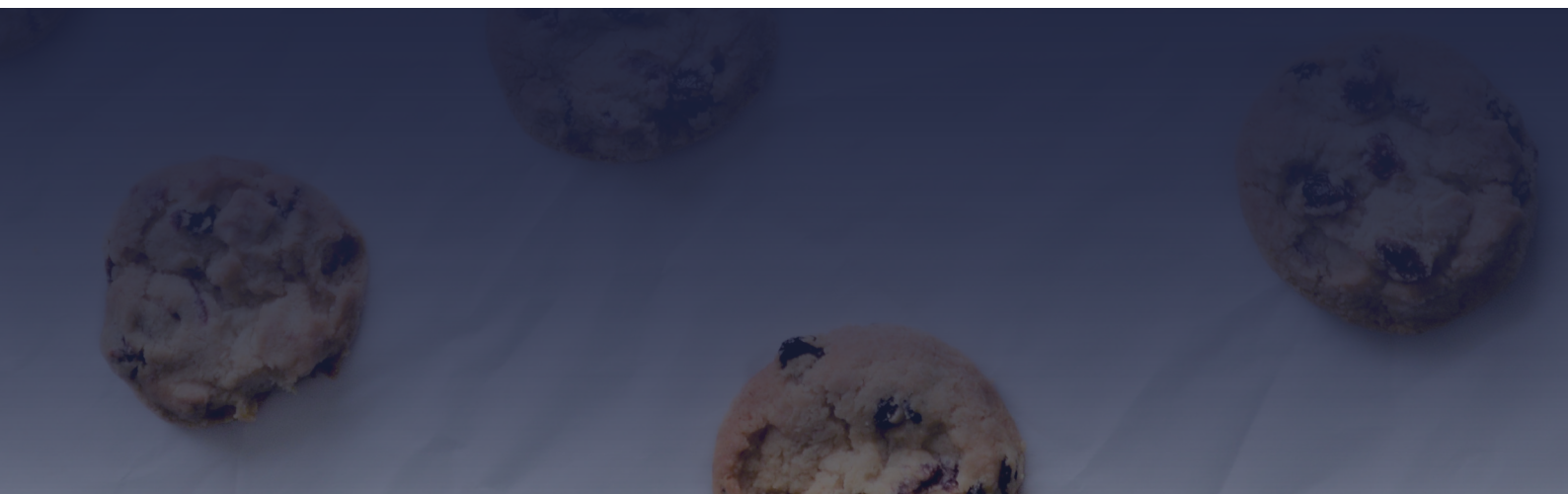
Google will not support Unified IDs in their advertising trading systems but will allow publishers to share user IDs stored in publishers' 1st-party cookies with Google and its partners.

HOW WILL THESE NEW SOLUTIONS PERFORM?

Contextual targeting is the only veteran in the list, so it is exactly known what can be expected from it – absence of 3rd-party cookies will not affect it.

Google reports positive results of private tests of their FLoC, which is the part of Privacy Sandbox aimed to substitute behavioural targeting; the other components of the Privacy Sandbox are in different pre-release stages. Later in 2021, more public data about the efficiency of solutions from Google can be expected.

Unified ID 2.0 and NetID will likely face the same challenge of scale, which will depend mostly on the ability of publishers to attract, convince, nudge or even push the user towards logging in and sharing their email address.



WHERE WILL THESE SOLUTIONS WORK?

SOLUTION	SUPPORTED BY GOOGLE	BROWSER
Google's Privacy Sandbox	✓	Only Chrome
Contextual Targeting	✓	Every browser
Unified IDs	✗	Every browser
1st Party Data	✓	Every browser



I AM A PUBLISHER, WHAT SHOULD I DO?

The best thing one could do now is to keep an eye on industry updates and be flexible and open to news when it comes to defining the strategy.

Generally, publishers do not have to choose a single solution out of the few available now or later – the most beneficial strategy seems to lie at deploying a few solutions simultaneously. How this mix should look like exactly, depends on many factors available to publishers themselves.

For example, in the interests of publishers would be supporting Google's Privacy Sandbox as this solution will be at core of all Google ad platforms starting 2022. The exact ToDo list still needs to be fully finalized – it's worth keeping an eye on [Google's blog](#) and other [documentation from Google](#). Publishers may be active on the front of activating and selling 1st-party data or relying also on a login, e.g NetID, Unified ID 2.0 or LiveRamp.

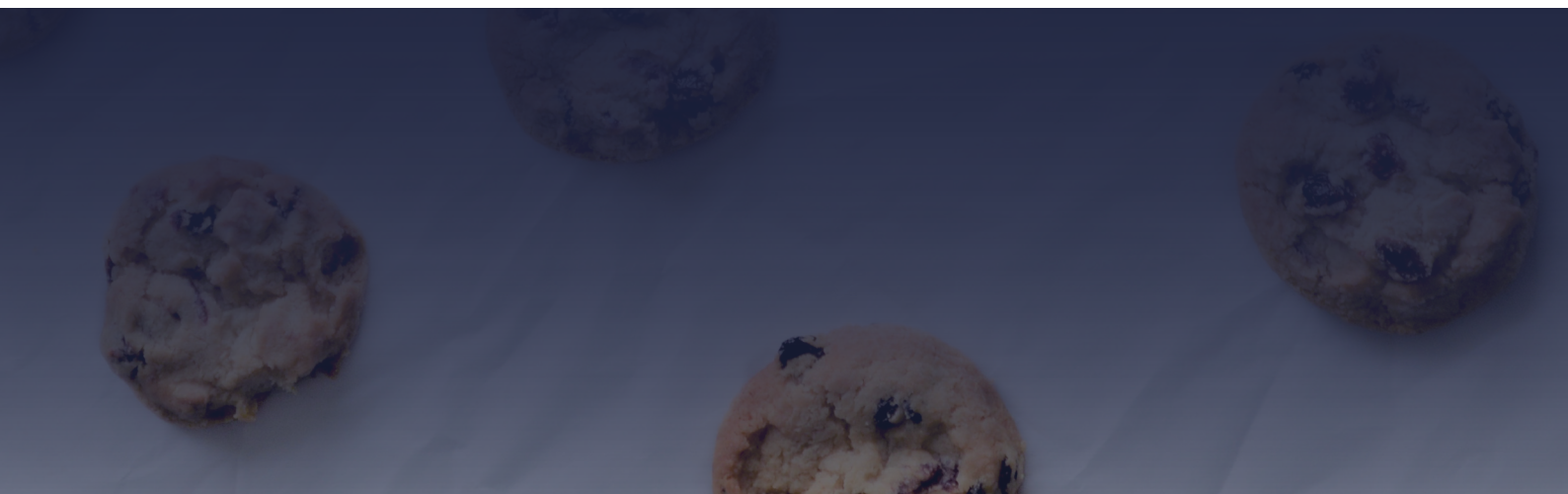
It is highly recommended to dive deep into what seems to be the most relevant solutions on the market, all mentioned in this article, in order to understand if it's a good fit for publisher's business or not.

I AM AN ADVERTISER, WHAT SHOULD I DO?

There are plenty of steps advertisers can take, but most of them depend on two things: 1) how advertisers want or can identify their clients in the post-3rd-party-cookies reality (using email-based ID provided login or LiveRamp's IDL, for example). And 2) stick to the media buying platform, that meets various important advertiser criteria, including point 1).

When 3rd-party cookies are gone, Google claim they will be supporting Privacy Sandbox as the main means for a number of tools advertisers use today including behavioral targeting and retargeting. This will push advertisers toward using cohorts targeting (from FLoC) when adding behavioral targeting to their campaigns in DV360, for example.

Generally speaking, advertisers need to know how to reach their clients on the web without using 3rd-party cookies, and then select the solution/platform that will enable client communication using the selected method.



WHAT ABOUT YOC HIGH-IMPACT FORMATS?

They are totally unaffected by the upcoming industry-wide changes, as they are based on visual effects of ads and enriched possibilities for user interaction – 3rd-party cookies do not have any impact on this.

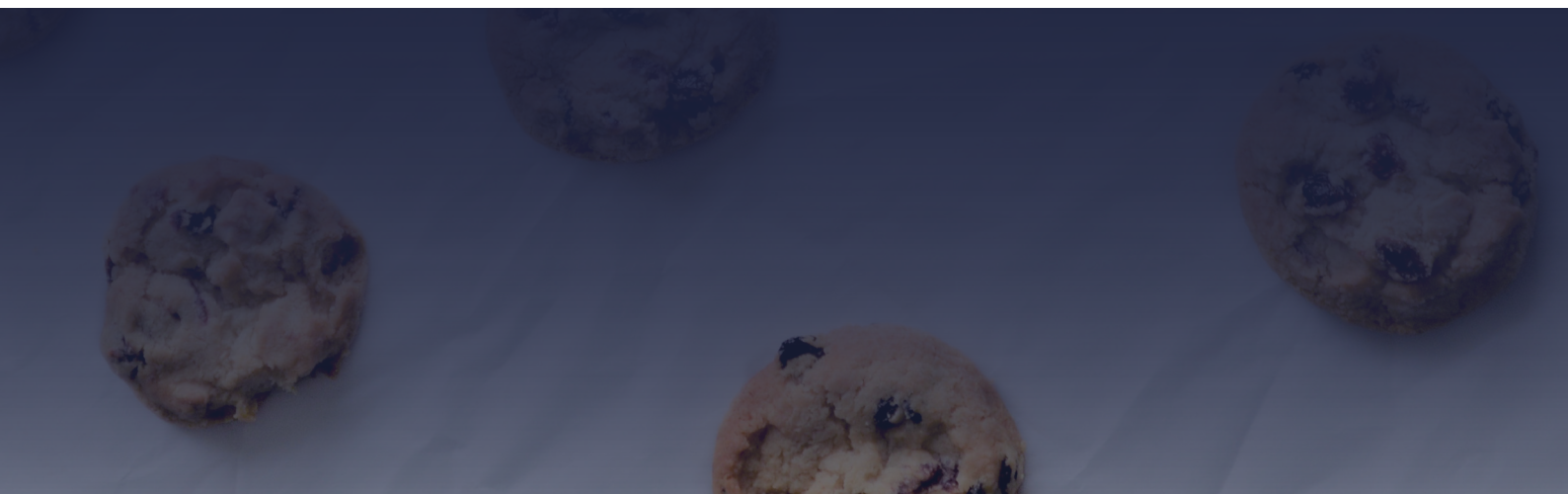
WHAT IS YOC'S PLAN?

We at YOC developed an excellent understanding of how people engage with editorial content and how to create and deliver high-impact brand messages. We strongly believe that almost all targeting needs can be met effectively by following the strategy of smartly combining the most relevant cookieless solutions on the market.

Therefore we are preparing our platform VIS.X® to support all common approaches through the broadest possible technological infrastructure and thus offering a good solution for addressing users even after cookies have been eliminated.

We base our plan on the following roadmap:

- > **Google's Privacy Sandbox:** public tests in Europe supposed to open by the end of 2021
- > **LiveRamp Authenticated Traffic Solution (ATS):** second or third quarter of 2021
- > **Unified ID 2.0 by The Trade Desk:** second half of 2021
- > **NetID:** second or third quarter of 2021
- > **Contextual targeting (for deals and IO campaigns):** fourth quarter of 2021
- > **Publishers' 1st party data:** multiple connections with individual publishers/groups over the course of 2021





If you have questions, don't hesitate to contact your partner at YOC
or send an email to marketing@yoc.com

