The marketer's playbook for the post-cookie world

Tactics for future-proofing digital advertising

DIGIDAY | Quantcast



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When Google extended its deadline for third-party cookie deprecation to 2024, many marketers reacted with relief for the extra time. What they decided to do with that extra time, however, varied.

While some took the extension as an invitation to continue with business as usual, others are testing and activating cookieless targeting and measurement solutions to take advantage of existing cookieless inventory and to develop future-proof strategies against full cookie deprecation when it ultimately happens.

According to <u>an analysis</u> by Quantcast, over 50% of consumers are already browsing in cookieless environments online. Early movers that are activating cookieless solutions are taking advantage of their preparedness — and the lack of their competitor's readiness — by reaching consumers they would otherwise miss with tested and verified cookieless solutions.

In this guide, Digiday and Quantcast present tactics that leverage the opportunities presented by cookieless environments. From how marketers are using cookieless campaigns to reach untapped audiences, to picking the right partner to ensure the best business outcomes, the insights in this report will help marketers bolster their strategies to more confidently take on the cookieless future.



Why are marketers already activating cookieless solutions in 2022?

Access to additional inventory and already-cookieless audiences Marketers that activate cookieless solutions now are accessing plentiful inventory in cookieless environments such as Safari and Firefox, which tend to be used by a more techsavvy audience with higher incomes, in addition to more than one-third of Chrome users that are already cookieless. Activating cookieless campaigns allows marketers to reach these untapped audiences and increases the likelihood that they will take action.

Less competition and lower costs

Because cookieless environments are somewhat less competitive at present, the cost to run campaigns tends to be lower. Costs such as CPMs are comparatively low currently despite the quality of inventory remaining the same to that of cookie-based environments, so brands are activating and gathering data at minimal cost.

Time to measure and optimize strategies

Getting a head start and running cookieless campaigns now benefits marketers by allowing them to understand variations in performance and refine their strategies before third-party cookies are eventually eliminated completely.

Strategies for activating cookieless solutions

Whether a marketer is already activating cookieless solutions or is just getting started, it's important that goals, plans and expectations are kept simple and manageable. Even for those who have more activation experience, information gathering is still just as important as performance.

According to Rohini Sen, global head of audience intelligence and measurement at Quantcast, "depending on what you're trying to learn, keep it to two to three campaigns, and three to five top business questions that you're looking to answer from them."

To gather the information necessary to refine further campaign strategies, campaigns typically run for at least four weeks. The actual activation tactics used can vary depending on the specific predetermined goals. One best practice is to have points of comparison between a cookieless campaign and a campaign in an environment with third-party cookies.

The campaigns can be activated separately or in a blended manner. In blended activations, the same ad set is executed in both types of environments to gather insight. In these cases, "You have the insurance of allowing the cookie-dependent ad set to continue to generate recognized results, while the cookieless campaign runs simultaneously, which will provide new and valuable performance insights," said Matthew Schrag, lead product marketing manager at Quantcast.

Having insight from both environments not only enables marketers to learn how performance might look different between them, but also allows them to extend their reach to the audiences that browse in both environments currently. Results from both environments also provide points of comparison to prove performance when needed. This can be crucial for agencies, for example, so they can quantify the value they're getting from cookieless solutions to their clients.

Once a campaign is complete, the results need to be analyzed, internally or with an activation partner, to improve strategies and guide the direction for future campaigns.

"The next campaign may be the perfect time to start adding more or different variables to the mix, such as new creatives, ad formats or perhaps even adjusting the budget to understand what the effect will be," Schrag said.

By activating in the near-term, prior to full deprecation, marketers have the time to make these iterations while they still have third-party cookies for comparison.

Tactics and insights

 Running campaigns for at least four weeks gives adequate time to see how they are pacing and performing and to optimize along the way.

 Marketers are running blended campaigns, which activate in both cookiebased and cookieless environments for comparison purposes.

Marketers are narrowing in on performancebased goals

Marketers that are just getting started on cookieless solutions are setting specific learning goals for first iterations, such as seeing how KPIs or benchmarks behave in cookieless environments.

The goal at the beginning is not necessarily about driving performance. "It's just about gathering information at this point to figure out what's working, what's not working and why so you can adapt," Sen explained.

To determine these learning goals, Sen suggests marketers evaluate what they're most worried about when it comes to cookieless advertising.

"People are nervous about targeting, measurement, performance or how they're going to invest in the future," she explained. "Thinking in this way almost writes the learning agenda for itself. Then you or your partner can develop a plan to tackle those worries through campaign activations."

Over time, performance goals become more and more of the focus. Early movers are meeting and exceeding campaign objectives with cookieless solutions. For example, the agency mSix&Partners, which works with Quantcast, completed a campaign for a luxury car manufacturer client that was delivered in both cookiebased and cookieless browsers.

Overall, the client doubled conversions in cookieless environments, with a total of 51% of conversions coming from these environments.

Tactics and insights

- At first, cookieless campaigns give insight into understanding how benchmarks and KPIs will change in these environments.
 Successful marketers are launching campaigns with clear learning goals.
- Over time, performance becomes more of a focus once metrics and benchmarks are better understood.

Understanding metrics discrepancies is part of the transition to post-cookie clarity

While the underlying metrics that are used in cookie and cookieless environments can be the same, to accurately measure results — now and in the future experimentation with measurement methods has become mandatory.

One way to experiment is by leveraging the measurement insight from both a third-party ad server and what is collected through a marketer's own site internally or via an activation partner.

Because different stakeholders have their own measurement models

and methodologies, there can be discrepancies. This might seem alarming at first, but these discrepancies are actually important to inform how performance should be measured.

"Since we are just at the tip of the iceberg in the cookieless world, measurement discrepancies and ideal KPI setting will most likely fluctuate," explained Schrag. "This reinforces the need to begin by comparing metrics between the cookie and cookieless campaigns, and as time goes on it will become more evident as to where the actual benchmark should be set."

Tactics and insights

- There will be a period of transition in which there is no single source of truth when it comes to cookieless measurement.
- Discrepancies in measurement are learning moments for marketers that ladder toward industry-wide improvements.

Determining if a third-party activation partnership is needed

While activating cookieless solutions can be done without the need for a third-party activation partner, most marketing teams aren't equipped to activate at scale.

"If marketers are only planning to advertise within walled gardens, then working only within that walled garden could work, but that's likely not the approach most would take," Sen said. "Consumers are on much more than just any one walled garden or even a combination of them. Marketers should look at how they can engage with their current and future audiences and which tools are best for reaching each in a cookieless world."

For marketers that require a third-party cookieless activation partner, there are five characteristics that can help teams make the right choice.

1. Activation and measurement capabilities:

Much focus is placed on third-party cookie alternatives, but just as much focus should be placed on actual execution of those alternatives and the ability to measure the outcomes. Finding a partner that can demonstrate both is crucial.

2. Privacy and consent prioritization:

Many of the changes marketers are currently grappling with came about due to consumer privacy concerns. It's critical to consider a vendor's methodology for collecting consent and how they prioritize privacy.

3. Scale and quality of first-party data available:

A large amount of quality first-party data is needed for cookieless campaigns. This data might come from partnerships with publishers, retail or media networks, through technology such as measurement tags implemented on web and mobile destinations or from required sign-ins.

4. Flexible solution incorporating multiple approaches:

The ability to experiment with multiple solutions and use different types of data is key to get the best performance and learnings from cookieless activations. This requires sophisticated capabilities such as natural language processing for contextual approaches and a track record using Al and machine learning. Activation partners should have a flexible tech stack that incorporates a multi-signal approach.

5. Future-proof solution:

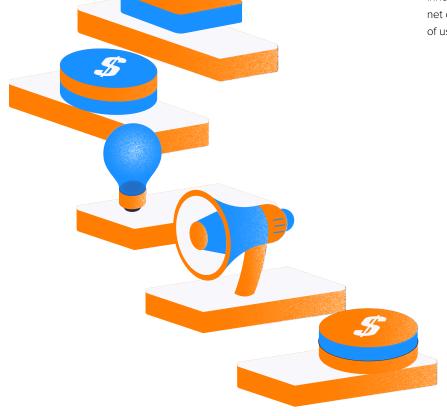
Perhaps the most important consideration is how resilient a solution is to change. It's critical that a cookieless solution can withstand and adapt to new privacy regulations, an iOS update or other changes to come.

Taking the long-view: Future-proofing cookieless advertising

Activating cookieless solutions before third-party cookies fully go away enables marketers to plan their future investments and strategies in a more informed manner. Doing so now also unlocks new cost-efficient, yet premium, inventory and otherwise-out-of-reach audiences — currently over half of internet users — giving marketers an immediate competitive edge. "We've seen clients rethink how they're investing in different products and audiences," said Sen. "Those who activate early are gathering more of the data to be fully prepared next year without wasting money on figuring things out then. It's increasing their efficiency in the long-term."

Ultimately, it's necessary to shift the narrative of a foreboding cookieless future to one of opportunity — and that opportunity starts today.

"This is a positive change for our industry. We're going to drive more consumer trust as a result of it," said Sen. "We just have to hold hands and jump in together to try new innovative solutions in the meantime. The net outcome is going to be positive for all of us."



About Quantcast

Quantcast is an advertising technology company and the creator of an innovative intelligent audience platform that empowers brands, agencies and publishers to know and grow their audiences online. The Quantcast Platform, powered by Ara[™], a patented AI and machine learning engine, delivers automated insights, marketing performance, and results at scale to drive business growth. Our award-winning solutions are leveling the playing field for our customers when it comes to effectively reaching audiences online and helping them power a thriving free and open internet for everyone. Headquartered in San Francisco, Quantcast has been serving customers around the world since 2006.

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