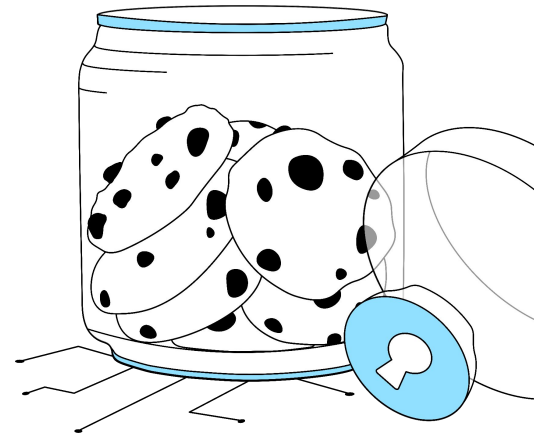


# Google abandons third-party cookie deprecation plans



## Introduction

Google has turned the cookie jar upside down. On July 22nd 2024 they reversed course on their long-held ambition to remove third-party cookies from Chrome. Instead of saying goodbye to third-party cookies, Google is proposing a new approach that would give Chrome users the power to choose new privacy options. It's like Google's telling us "You can have your cookies and eat them too, but only if you ask nicely."



In the announcement, Anthony Chavez, VP of Privacy Sandbox on Google said:



"Google developed the Privacy Sandbox with the goal of finding innovative solutions that meaningfully improve online privacy while preserving an ad-supported internet that supports a vibrant ecosystem of publishers, connects businesses with customers, and offers all of us free access to a wide range of content."

**So, what does this mean for advertisers?** In the short term, continued availability of cookies will stabilize an advertising landscape that despite years of preparation, still isn't ready for a post-cookie world. However, in the longer term, we'll need to become masters of cookie diplomacy, convincing users to share their cookies with us. And for us at Brainlabs? It's time to brush up on our baking skills because we're about to create the most irresistible, data-sharing cookie recipe ever.

In short, while Google gives users the keys to the cookie jar, we'll be here, smiling, offering milk, and saying, "Please, can we have just one more cookie for that sweet, sweet data?"

## With multiple options in play, advertisers will have to be savvy about optimizing data usage to target and measure media

While Google's initial plan to eliminate cookies may have crumbled, it kicked the ad industry into high gear, pushing for privacy-focused advertising solutions. We've broken down how this pivot will impact brands and customers, and what it means for advertisers trying to stay ahead of the curve.



## The Impact on Customers



### The power shift in data control

With more control over their data, users will gain greater transparency about how their information is used. As users make more informed choices, marketing messages need to be clear and compelling to encourage them to share their data.

#### What this means

To effectively reach customers with paid media, focus on quality over quantity and prioritize building trust. When users have control over their data, they're more likely to engage with ads that reflect their genuine interests. This voluntary engagement often results in higher click-through and view-through rates, leading to stronger attention, better conversion rates, and increased efficiency.

## The Impact on Advertisers



### The need to adapt to changing user preferences

Since in Google's proposed solution, users can adjust their privacy settings at any time, we must be prepared for fluctuating levels of data. This requires a more flexible approach to data collection and analysis. Our marketing strategies must become more dynamic, capable of adapting to real-time changes in user preferences and data availability.

#### What this means

It's more important than ever before to analyze how users interact with ad controls, such as skipping or watching ads. These insights will enable advertisers to adapt their strategies to better align with user preferences and behaviors, resulting in more effective and personalized campaigns.

Our solution is to leverage Brainlabs' Creative services to develop higher-quality, dynamic, and engaging ads. Since users can skip or dismiss irrelevant ads, only the most compelling and relevant ads will capture their attention, leading to better overall ad performance.



### Third-party cookies are still on the decline

The availability of third-party data will still continue to decline gradually, pushing us to rely more on first-party data and other privacy-friendly sources. To maintain effective targeting, we will need to innovate with new methods such as contextual advertising, leveraging AI, and enhancing first-party data strategies.

#### What this means

Continuing to build strong relationships with publishers will be more important than ever. While you can access a breadth of inventory via Google's DV360, ensure you know which publishers are top performers and build Private Marketplace (PMP) or Programmatic Guaranteed (PG) deals for efficiency and leverage publisher first-party data to further strengthen data signals and campaign performance and scale.





## First-party data remains invaluable

First-party data and technology solutions will remain crucial, making it essential for brands to invest in collecting, managing, and utilizing owned data more effectively. Building strong, direct relationships with customers will be key to encouraging data sharing and maintaining personalized marketing efforts.

### What this means

Recent indicators from Google's Privacy Sandbox testing showed that remarketing campaigns achieved a 55% recovery of advertiser spending on Google Ads and 49% on DV360. This relatively low recovery rate was attributed to remarketing's reliance on third-party cookies for accurate personalization and limited inventory from supply-side platforms not testing Privacy Sandbox APIs.

Google's research found that combining remarketing with other strategies, such as optimized targeting and affinity audiences, led to better returns. For performance campaigns focused solely on conversions, Google says it recorded a 97% recovery in conversions per dollar for Google Display Ads and a 95% recovery for DV360.

### Google Solutions that remain important include:

- Customer Match to reach and re-engage your customers on Google's surfaces.
- Optimized targeting to reach more customers who are likely to convert.
- Enhanced automation to preserve audience re-engagement capabilities through Privacy Sandbox.
- Performance Max to leverage the new customer acquisition and retention goals to engage with new or existing customers.
- Publisher Advertiser Identity Reconciliation (PAIR) to connect with high-intent audiences across premium publisher content.



## There are plenty of opportunities for differentiation

Opportunities for differentiation lie in leveraging trust as a key factor by prioritizing user privacy and implementing transparent, user-friendly data practices, which will set brands apart in the market. Advertisers must focus on creating engaging, value-driven content and experiences to encourage users to share their data voluntarily.

### What this means

Focusing on privacy and transparency builds enhanced user trust, which is essential for long-term relationships with customers. Trustworthy brands that value and protect user privacy are more likely to be recommended and preferred by users, providing significant market differentiation.

When users willingly share their data, ad targeting becomes more accurate and valuable, leading to more effective marketing strategies and higher return on investment. Trust and transparency not only attract new customers, but also retain existing ones, driving sustainable growth crucial for long-term success in a competitive market.





## A real focus on regulations and compliance

To meet regulatory and compliance considerations, advertisers must ensure adherence to evolving privacy regulations and Google's new policies, which may require updates to consent management platforms and privacy policies. There will also be a greater emphasis on ethical data usage and marketing practices to align with both user expectations and regulatory requirements.

### What this means

By prioritizing ethical data use in paid media, companies can enhance their reputation and strengthen customer relationships, ensure regulatory compliance, and ultimately achieve better business outcomes.

## Preparing for a future where cookies remain a part of a more complex digital ecosystem

Whilst you might have already spent years preparing for third-party cookies' demise, advertisers should continue to focus on future-proofing their audience and data solutions. Here are the essential steps you and your agency should be taking now:



01

### Focus on Transparency

Place a greater emphasis on transparency about how you collect and use data. This means clearly explaining the value of data sharing and the benefits it brings to their marketing strategies.



02

### Strengthen First-Party Data

With potentially reduced third-party data access, advertisers need to enhance first-party data strategies. Invest in better data collection methods and leverage your own customer data more effectively.



03

### Adapt to Dynamic User Preferences

Develop flexible data collection and analysis methods that can pivot based on shifting privacy settings across your audience. Be ready to adapt strategies in real-time based on fluctuating levels of data access.



04

### Innovate Targeting Methods

Utilize techniques like contextual advertising and AI to maintain effective audience targeting. Prioritize exploring new technologies and approaches as they emerge.





05

### Deepen Customer Relationships

Building strong, direct relationships with customers will become even more important. Foster these relationships to encourage data sharing and maintain personalized marketing efforts.



06

### Ensure Compliance and Ethical Practices

Compliance is part of every digital marketer's job. We must stay up-to-date with evolving privacy regulations and Google's new policies. This will involve updating consent management platforms and ensuring all practices are ethical and align with user expectations.



07

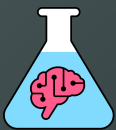
### Create Value-Driven Content

Create more engaging, value-driven content and experiences to encourage voluntary data sharing by users. This means focusing on delivering clear benefits and building trust with users.

## In summary...

In many ways, this news shouldn't change most brands' strategies. We've long been advocates of first-party data and its benefits, so mastering how to collect, connect, and utilize it for activation and measurement remains the most effective approach. Ethically collected data fosters user trust, encouraging audience engagement and leading to better campaign performance. Meanwhile, adhering to privacy regulations protects from legal repercussions and fines, safeguarding the company's reputation and financial health. Not only this, high-quality, compliant data optimizes ad spend by reducing wastage on poorly targeted campaigns, resulting in more efficient use of marketing budgets and higher return on investment.

As channels continue to develop their predictive AI products to prioritize the above as well as better business results, the balance between increasing performance and maintaining compliance shares the common thread of high quality data. Brainlabs' CAPI bridge products for Meta and LinkedIn solve for these needs via leveraging both cookie and Server to Server API data to fully account for, optimize against, and deliver at a greater scale than the traditional pixel only approach.



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We will continue to work closely with Google and other platforms to understand the impact of these changes in real-time. Connect with our featured experts to take advantage of these changes to achieve high-performance results for your brand.



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