

THE EVOLUTION OF TARGETING FOR MARKETERS

In the vast digital ecosystem where user data fuels targeted advertising, third-party cookies have been the silent workhorses behind personalized ads, audience segmentation, and tailored marketing campaigns for years. However, with the impending deprecation of third-party cookies, marketers and agencies are on the brink of a seismic shift in how they approach targeting and reaching their audience.

To grasp the implications of this change, let's first delve into how third-party cookies function.

- When a user visits a website, their browser interacts with various elements on the page, such as images, scripts, and embedded content. Many websites include elements (such as ads, social media widgets, or analytics scripts) that originate from third-party domains.
- These third-party elements often come with code that instructs the user's browser to store cookies. These cookies are small text files containing data such as unique identifiers, browsing history, and user preferences. As the user navigates across different websites containing these third-party elements, their browser continues to send and receive cookies to and from the respective third-party domains.
- Third-party cookies allow these domains to collect extensive data about the user's browsing habits, including the sites they visit, the products they view, and the actions they take. Over time, the data collected from third-party cookies is used to build detailed profiles of users, including their interests,

demographics, and behavior patterns.

- Advertisers and marketers leverage this data to target users with personalized ads based on their inferred preferences and interests. For example, a user who frequently visits sports-related websites might see ads for athletic gear or event tickets.
- Third-party cookies also enable behavioral remarketing, where users who have interacted with a brand's website are targeted with relevant ads as they continue browsing the web.
- Marketers use third-party cookie data to segment audiences into groups based on common characteristics or behaviors, allowing for more tailored ad campaigns and messaging.

OBJECTIONS TO THE USE OF THE THIRD PARTY COOKIE

In some cases, third-party cookie data may be shared or sold to other companies for advertising or analytics purposes, further expanding the reach of user tracking across the web. The widespread use of third-party cookies has raised significant privacy concerns, as users may be unaware of the extent of data collection and tracking occurring behind the scenes.

Appropriately, governments and regulatory bodies have increasingly scrutinized the use of third-party cookies, leading to the implementation of regulations such as GDPR and CCPA aimed at protecting user privacy and data rights. In response to privacy



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concerns and regulatory pressure, major web browsers like Google Chrome, Safari, and Mozilla Firefox have announced plans to phase out support for third-party cookies, signaling a fundamental shift in online advertising practices.

CHANGES TO YOUR AUDIENCE TARGETING PRACTICES

With third-party cookies out of the equation, the emphasis will shift to first-party data—information collected directly from users through interactions with a brand’s website, app, or other owned channels. This data, including purchase history, preferences, and behavior, offers valuable insights into customer intent and interests.

Contextual targeting, which involves analyzing the content of the webpage rather than individual user data, will experience a resurgence. Advertisers can align their ads with relevant content, ensuring they reach audiences in the right mindset. For example, a sports brand might advertise on a sports news website, reaching users interested in related topics.

The demise of third-party cookies doesn’t mean the end of targeted advertising. Privacy-compliant solutions like federated learning of cohorts (FLoC) proposed by Google aim to provide anonymized, aggregated data to advertisers, preserving user privacy while still enabling targeted ad delivery based on broader interests.

As marketers seek alternative methods for audience targeting, investment in AI and machine learning technologies will accelerate. These advanced algorithms can analyze vast datasets to identify patterns and predict user behavior, allowing for more precise

targeting without relying on individual tracking.

Collaborative data partnerships between brands, publishers, and technology providers will become increasingly vital. By pooling resources and sharing insights in a privacy-conscious manner, stakeholders can collectively navigate the evolving advertising landscape and deliver value to consumers without compromising privacy.

With the traditional cookie-based targeting becoming less reliable, marketers will diversify their approach across various channels, including email marketing, social media, influencer partnerships, and content marketing. This multifaceted strategy ensures brands maintain a presence across different touch-points, reducing reliance on any single method of targeting.

CONCLUSION

The depreciation of third-party cookies marks a significant turning point for digital advertising, forcing marketers and agencies to adapt and innovate in how they reach and engage with their audience. While challenges lie ahead, the industry’s evolution towards more privacy-conscious and user-centric practices presents opportunities for creativity, collaboration, and ultimately, delivering more meaningful experiences for consumers. By embracing these changes and exploring alternative targeting methods, brands can thrive in the cookie-less future while respecting user privacy and building lasting connections with their audience.