



FUEL's Guide to Navigating the Death of the Third-Party Cookie





Welcome to FUEL's Guide to Navigating the Death of the Third-Party Cookie

Are you aware that Google will be pulling support for a decades old technology that is the foundation of all of the adtech, targeting, tracking, and lead/sales attribution capabilities that you currently enjoy today?

Do you know what impact this massive change will have on your business?

Are you taking the right steps in early 2021 to navigate this change successfully?

If you're not sure what we're talking about, or you're unsure of the answers to any of these questions, then this guide is for you!

We'll walk you through Google's plan to phase out the third-party cookie, and by the end of this guide you'll understand:

1. What a third-party cookie is. (Don't worry, we're not going to get super technical here.)
2. Why Google and other industry leaders are eliminating them.
3. When it's happening and how long you have to prepare.
4. Who this change will impact (everyone who uses online ad campaigns).
5. How it will impact your business.
6. What you should be doing in early 2021 to prepare.
7. How to stay in the loop as new information becomes available.
8. How you can get help with developing and implementing a plan to be fully prepared for this massive change.

Let's jump into it!





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What is Happening?

Google is removing third-party cookies from the Google Chrome browser. As Google Chrome controls 66% of the world-wide browser market share and the other major players (Mozilla Firefox, Safari, Microsoft Edge) have previously removed the use of third-party cookies from their browsers, this move will be the death of the third-party cookie.

What are Cookies?

Cookies are simple text files that are placed on users' computers when they visit a website. This technology has been around since the early days of the Internet and it is the foundation of all of the advertising technology (adtech) that your digital marketing campaigns run on today. Adtech includes everything from the platforms you advertise on to the CRMs that you use to capture and nurture your leads.

Everything from accurate, segmented ad targeting to attribution is powered by cookies.

There are two types of cookies:

1. First-Party Cookies:

- Allow you to track what pages users visit on your own website.
- Allow users to store login credentials for future visits.
- Allow you to distinguish between new and returning users.

2. Third-Party Cookies:

- Allow advertisers to build anonymous profiles of your users' browsing habits, interests, and affinities.
- Enable all of the advanced targeting data we enjoy today— such as demographics, geography, and behaviors— while also playing an important part in retargeting.

First-party cookies will survive the cookie carnage, and the data they provide will be an important part of your strategy for this brave new online advertising world.

66%
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Third-party cookies enable all of the advanced targeting data we enjoy today, while also playing an important part in retargeting as well.



Why is This Happening?

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1. Address Privacy Concerns

Many individuals and organizations, from privacy advocates to the people who worked at Netscape in the early 90s designing the third-party cookie, say that it's being abused by the advertising industry and that it's being used in ways that far exceed the original intent of the technology.

2. Tackles Regulatory Concerns

Privacy scandals have rocked the online advertising space over the last few years, many centered around Facebook. From Cambridge Analytica to Facebook's settlement with HUD in 2019, lawmakers are beginning to take notice. This has prompted other major players in the industry to begin taking corrective actions to avoid the risk of government regulation.

3. Benefits Major Players

This move isn't entirely altruistic though. Third-party cookies are an open technology that benefit many smaller ad networks and other companies that compete with giants like Google, Facebook, and Amazon in a variety of ways. These major players possess significant amounts of valuable first-party data, and they stand to benefit greatly from this change, while many of their smaller competitors will be hobbled.

When Is This Happening?

Google recognizes that they can't upend the online advertising industry overnight. Google plans to slowly roll out these changes over the next year, with the goal of completely phasing out the third-party cookie by 2022.

Google plans to completely phase out the third-party cookie by
2022

Successful brands will begin implementing first-party data solutions in early
2021



How Long Do You Have to Prepare?

If you're not preparing for this change right now, you will be at a serious disadvantage in the post-cookie world. While you technically have until 2022 to get your solutions in place, the reality is that you need to be preparing to hit the ground running in Q1 of 2021 to begin making the best use of your first-party data and your third-party data while you still have time. And if you haven't been collecting and storing first-party data, that is imperative.

Who Will This Impact?

1. Anyone who relies on digital media campaigns to drive leads or sales for their business.

If you use online advertising channels to drive high-quality traffic, sales, or leads for your business, this change will impact you and the impact will likely be severe.

Examples of these channels include, but are not limited to:

- Google Search and Display Ads
- YouTube Ads
- Facebook Ads
- Instagram Ads
- LinkedIn Ads
- AdRoll

The third-party cookie is the foundation of all of the powerful targeting options that digital advertising campaigns rely on to drive highly targeted and profitable campaigns.

2. Anyone who uses third-party data or tools/adtech that rely on third-party data.

If you're currently using tools that rely on this third-party cookie data, then those tools are likely to be impacted as well. How much functionality is impaired will depend on how much a given tool depends on this data to accomplish its core functions.

Examples of these channels include, but are not limited to:

- Google Analytics
- Adobe Analytics and Adobe Advertising Cloud
- LiveRamp
- Visual Website Optimizer (VWO)



This change will impact anyone who relies on digital ad campaigns to drive qualified traffic, leads, or sales for their business.



A good rule of thumb is if it currently interacts with your online advertising efforts it's very likely that at least some portion of that tool's functionality will be impacted by this change.

This includes everything from the data partners that help create segmented audiences, platforms that serve the ads, analytics that help you understand the results, and CRMs that help you capture and store data to the conversion rate optimization tools that help you optimize the results over time.

How Will It Impact You?

1. It will become harder to reach your target audience.

The foundation of the adtech you rely on is being rebuilt from the ground up. This creates a lot of uncertainty for the future of the campaigns, third-party data, and tools that you rely on today in the new cookieless world we'll all be living in when the cookie crumbles in 2022.

If you're relying on factors like age, geography, behavior, or household income to target prospects with online advertising campaigns, this change is going to greatly impede the effectiveness of your current marketing strategies.

Brands that navigate this uncertainty well will stand to survive or even thrive in this new reality, while brands that don't plan ahead could find the campaigns they depend on in dire straits quickly.

2. What source delivered an individual lead to your website.

This is called tracking and attribution, and without third-party cookies, it becomes impossible to understand:

- A. Information about individuals reaching your website
 - Are your best leads coming from Facebook Ads or organic search?
 - Did the last 10 leads you sold to originate through a digital campaign?

Without third-party cookie data, it is very difficult to connect these dots. There are workarounds you could implement, but those will still leave you with gaps in your attribution data.



It will be harder to reach your target audience and harder to track results.



This change will create uncertainty, but brands that navigate it successfully will thrive in this post-cookie world.



Perhaps the most significant gap is that ad platforms like Facebook Ads and Google Ads rely on attribution data supplied back to their algorithms by third-party cookies to help optimize campaign performance. Without this feedback, some of the powerful machine learning algorithms that benefit advertisers today will be missing input necessary to do their jobs effectively.



What Steps Should You Be Taking Now to Prepare?

While what happens after the death of the third-party cookie is largely in the hands of big industry players like Google, Facebook, and Amazon, there are still steps that you can begin taking today to ensure that you are protected regardless of what happens to the wider industry.

1. Begin implementing first-party data solutions

First-party data solutions like customer data platforms (CDPs) or customer intelligence platforms (CIPs) allow marketers to build an in-house database of customer information to create a single view into customer identity. Just as Facebook and Google create complex profiles of individuals to better segment them into appropriate targeting audiences, you can create similar capabilities for your own marketing efforts that you have ownership and control over.

With the final death of the third-party cookie coming in 2022, implementing the right first-party solutions as early as possible in 2021 can give you some unique opportunities to use your current access to third-party data to bolster your own first-party data.

First-party data will be more valuable than ever for advertisers and publishers in the post-cookie world. Building up your own first-party data and finding ways to better utilize it will give you opportunities to better compete, both now and in the cookie-less future.

The sooner you begin preparing your first-party data solution, the better you will be positioned for the changes coming to the ad industry in 2022.



While the future of adtech is largely in the hands of big industry players, there are steps you can take right now to ensure that you are protected regardless of what happens to the wider industry.



2. Start evaluating your existing tech stack

It's also important that you understand which of the tools you rely on today (i.e., your "tech stack") will be affected by the loss of third-party cookies and how they will be affected.

Now is the time to start auditing your existing tech stack and identifying potential issues that might otherwise go undiscovered until after third-party cookie support ends, for example experiencing sudden gaps in your reporting capabilities that you hadn't anticipated or having a key campaign suddenly no longer perform without insight into how to optimize it. You want to avoid any nasty surprises and be well prepared for this brave new world when Google flips that final switch in 2022.

3. Consider adjusting your ad targeting strategies

Today, many advertisers rely on ad targeting strategies that heavily rely on third-party data and third-party behavior data. Advertisers do this because access to this data is made cheap or free by ad networks and it typically delivers great results.

However, there are other methods available to advertisers. While they might require more strategic effort to execute well, some methods can deliver results that are just as good, if not better, than many of the targeting strategies advertisers are commonly relying on today.

4. Look for new opportunities

The fall of third-party data will be accompanied by the rise of first-party data. Working directly with organizations that have access to a lot of valuable first-party, such as direct-to-publisher ad buying, may become a much more effective way of executing campaigns in 2022.

This is also a great time to begin considering a more integrated approach to your campaigns, pulling more non-digital tactics into your marketing and sales strategy. You could take this as an opportunity to consider strategies and tactics that are going to help you build long-term value and give you more control over your own marketing efforts, such as content marketing, search engine optimization (SEO), and email marketing.

As many marketers discovered in the early 2010s when social media platforms encouraged brands to build large audiences and then changed the rules to require them to pay again to reach a meaningful fraction of that audience by boosting posts, there is always an inherent risk in relying on someone else's platform to reach your audience.

Growing your own first-party data capabilities and investing in tactics like content marketing and SEO can help you take more ownership of the channels that drive success for your brand. It's important to note that these are also long-term strategies that require consistent effort and don't begin working overnight. So the time to begin is now.





What Else Can You Do?

Sign up to receive FUEL's latest Third-party Cookie updates! We won't blow up your inbox. We'll only email you when we have updates related to industry news regarding the planned end-of-life for the third-party cookie.

↘ <https://fuelforbrands.com/third-party-cookie-updates>

Book your marketing assessment with FUEL today. We can help you understand how your current strategies and tactics may be at risk of being affected by the loss of the third-party cookie, audit your existing tech stack for any surprises, and help you establish the right mix of strategy and technical solutions that will allow you to thrive in the post-cookie apocalypse.

↘ <https://fuelforbrands.com/contact>

About the Author

Zachary Chastain is a seasoned marketing technologist and strategist, with seventeen years of experience across the marketing and IT industries. FUEL has been lucky to have him heading up digital marketing efforts for three plus years.

He's been called a "thought leader" by Jason Miller, the head of brand at Microsoft Advertising, and his writing on both the digital marketing and IT industries has been featured by leading industry publications, published authors, and universities in the U.S. and around the world.

Zachary is passionate about blending technology and strategy to help clients achieve their business goals. He's spoken to students at Clemson University, North Greenville University, and local career and technical schools. In his spare time, he mentors students and professionals interested in a career in the digital marketing industry.

