Cookieless Future: Anchors for Marketers

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Brand marketers have been reading white papers, articles, press releases and posts from vendors and platform partners for nearly a year about how the world will look without cookies and mobile IDs. Each story promises continuity and a solution for the cookieless world, if not panacea.

But as you read this content and scrutinize further, you find it lacking. Important details are missing. How these solutions compare to today with respect to scale, reach, accuracy and performance is not yet contemplated.

It's not that vendors aren't aware of the omission — the fact is they just aren't sure until they see how the new world plays out in reality. In most cases they already know the most glaring holes in their proposed solutions. Understandably they don't highlight these gaps in their messaging, but clearly there is not enough meat on the bone to satisfy anxious marketers.

TOPICS:

Scale

Reach

Accuracy

Connected TV

Anchors

In-house

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Drilling Deeper

Sometimes it can be more telling to focus of what's not being said. As you read through solutions to the future state of ad tech void of cookies and MAIDs, these are a few topics that are noticeably absent in the conversation that marketers need to contemplate now.

Scale/Reach

This topic is at or near the top of every marketers list of concerns. Today's world of cookies and MAIDs, with their obvious imperfections, at least deliver scale. Scale is something that drives a majority of digital ad campaigns. If the campaigns are upper funnel/branding or even mid funnel, they need to reach broad audiences on a regular basis with specific frequency targets.

Marketers will need to scrutinize the messaging from partners. A partner might say "we've done testing and our solution will reach 80% of the same users you were previously targeting." A marketer might conclude "80% is pretty good. I can live with that." But what if 80% means you reach that high-value consumer 1-2 times in a typical campaign, versus 5-10 impressions that you might generate today. That's a massive difference in scale and message impact.
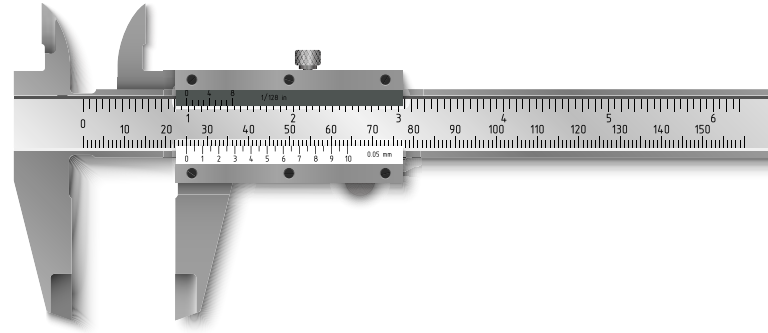
Accuracy/Performance

As cookies and mobile IDs fade, marketers will need to understand how campaign performance is impacted as they migrate to new solutions. What if there is a significant drop in performance?

Take contextual targeting for example. Today, companies offer contextual targeting as an incremental method for reaching your audience. But contextual targeting isn't people-based. You aren't starting with real people that represent specific demographics, lifestyle characteristics, financial profile or transactional buying patterns. These are devices where a user is visiting certain pages, consuming content. So it's fair to ask: what if contextual targeting was replacing my current media impressions for acquisition. How does the reach compare? Is it 50% of the audience I reach today? 25%? What is the comparable performance? Today at best this is understood at an incremental level, not as a replacement solution.

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Marketer Use Cases

One thing that's rarely contemplated when talk turns to a cookieless world is how different solutions will address different marketing use cases. If you are a large brand, the teams that run your 1p customer strategy, new customer acquisition, and digital campaign measurement might be three different teams. CTV may be a fourth. The data and IDs required to enable targeting and measurement may also be different for these different use cases.

At the risk of oversimplification, a use case like 1p CRM onboarding (targeting your own customers in digital) places great emphasis on accuracy, with 'reach' being a close second. If your focus is acquisition, you need scale/reach or nothing else matters. Accuracy is important, but not if it cripples reach, and not nearly to the degree of importance as it is with your own customers. Turning to measurement, it's all about accuracy. You need to draw conclusions you can trust with high confidence. The point is that one ID solution may be strong for one use case, but weak for another. Perhaps multiple solutions are required for certain use cases like customer acquisition, where several strategies stitched together generate the necessary scale.

Anonymous Matters

No one will challenge the virtues of 1p data, people-based audiences, or logged in users. But for all the faults of cookies, they were a path for advertisers to reach high-value users at scale. Often there is rich, offline, people-based data tied to these cookie and MAID-based audiences. While ad tech is changing, consumer habits don't change overnight (pandemic-induced changes are a noted rare exception). People love to consume free content online, and while they understand that a login is required for certain websites, the vast majority of content is consumed anonymously for free. Consumers have been wired to expect the ease and anonymity of a free internet for multiple decades.

While 'anonymous' doesn't sound compelling, its where the numbers are. There are high-value target audiences among these users that are consuming news, weather, product reviews, health, travel, financial and other types of content where no login is required today. Marketers will want solutions that still enable them to reach this broad, lucrative universe of online users.

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While no one can yet answer the tough questions around scale, accuracy, performance and persistence of this emerging world of new IDs, marketers still have questions and anxiety.

So what are the 'truths' that marketers anchor to right now?

Multiple solutions. No single new ID is the holy grail. More than one, and perhaps many, will be needed.

Agnostic interoperable platforms. You will need an agnostic platform partner that can stich many IDs together seamlessly, ingesting data, and delivering solutions to different platforms and solutions that support customer contact points.

Marketing use case matters. Which new solutions or IDs are optimal going forward will depend on multiple factors. One size won't fit all.

Connected TV (CTV)

You may think that since the CTV ecosystem doesn't rely on cookies or MAIDs, there is no impact and you are good to go. But that is siloed thinking. Marketers need to understand marketing impact and interaction of target audience segments (customers and prospects) across all channels. You need identity resolved at an omnichannel level. You need a platform that can instantly interrelate the new ecosystem IDs with IP address and CTV IDs, or other new IDs that emerge, and you want control and transparency with the platform. Granted, some new ID's intend to incorporate CTV out of the gates such as UID 2.0. But that's just one new solution. Marketers need all of the identities and IDs they leverage to be interconnected. CTV can't be an isolated channel.

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Trade offs will be the topic du jour with each new solution. Logged in 1p users are great. But at what scale? Contextual targeting should be evaluated, but what is the comparative performance? Hashed emails are an important linkage ID, but what are the reach and accuracy considerations?

Attrition and consolidation. Some new forms of IDs that you read about today will never gain a foothold; others may die a slow death. Some new ones may pivot or merge with others. Expect a continuing evolution for the foreseeable future. You need a nimble platform partner.

Timing and testing: Mobile IDs and cookies aren't going away at the same time. Cookies may live on longer than everyone originally anticipated for various reasons, but these new IDs will soon become market ready. Tests and comparisons will become front burner discussions for all marketers as the old and new worlds start to overlap. Marketers need to think now about how to design appropriate tests as the two worlds collide.

Migration In-House

In parallel with the many new IDs that are emerging and a new ad tech ecosystem, marketers must contemplate where they send their data, and what control and transparency they have with new solutions.

Customer data security is paramount with any solution, and the importance of keeping that data secure will only intensify over time. Solutions that require vendor access to your customer data will be increasingly difficult to justify.

Marketers are also demanding more control and transparency. Marketers have grown tiresome of sending their customer data out to black-box solutions that link important data and identities without full transparency. Nothing can replace hands on knowledge of mission-critical functions. Migration to in-house solutions that protect customer data, deliver control and transparency- that is the future.

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But it won't happen overnight. For most marketers it will be a use-case driven, phased approach. A modular approach that is ID-agnostic and portable to a client environment is needed. With change on the horizon, you want a partner that is thinking long term, a partner that will give you full control and transparency with a solution that is nimble for an unpredictable, continually evolving future state.

Adstra's Cornerstone Platform

Adstra's Portable Data Module has been architected from the ground up, on cloud-based technology, specifically to address the use cases discussed here in an interoperable platform that supports all IDs- PII-based and digital/anonymous. It can quickly integrate new IDs as they emerge and can be leveraged at all consumer touchpoints. It's modular by design, it can be leveraged based on a singular use case, and its portable to a client environment as needed. With change on the horizon, you want a partner that is thinking long term, a partner that will give you full control and transparency with a solution that is nimble for an unpredictable, continually evolving future state. The stakes are high, and we encourage marketers to think long term.