



3rd Party Cookies Phase Out

Supporting our clients in this transition

January, 2023

The end of 3rd party cookies

A cookie is a small piece of code stored on the user's computer by a web browser, in order to track behavior while browsing a website. There are different types of cookies, which are used in different ways depending on who owns the data.

1ST PARTY COOKIES



Code that is generated and **stored on your visitor's computer by default** when they visit your website. This cookie is often used to personalize the user experience as it allows you to learn **what a visitor did while visiting your website** and how often they come back. It is also responsible for remembering passwords, basic data about the visitor, and other preferences. **These cookies will not be impacted.**

2ND PARTY COOKIES



Codes that are **transferred from one company** (the one that created the first-party cookies) **to another**. This exchange usually happens as part of a data partnership, which allows companies to exchange data that is mutually beneficial. This type of data exchange is becoming **increasingly difficult due to GDPR** as it's **mainly executed via 3rd party cookies** as a mechanism.

3RD PARTY COOKIES



Codes that are placed on a visitor's computer after being **generated by another website**. Website visits are tracked and sent back to the 3rd party who created the cookie. It allows you to **track the visitor's overall online behaviors, interests, frequently visited websites**, etc. With this detailed data, you can build robust visitor profiles that you can use to retarget past visitors and drive them back to your website. **More than 80% of these cookies will disappear.**



More than 80% of the 3rd party cookies will disappear

Chrome (Google), which represents more than 60% of the web browsing market share, has decided to phase out third-party cookies by **the end of 2024***.

Together with Safari, and Firefox, who have already stopped supporting this activity since 2013, more than 80% of the 3rd party cookies will disappear.

This will highly impact some areas of the marketing and advertising space, while other tactics will remain intact.

The impact is going to be different from one company to the other depending on the type of activities and tactics they are currently using.

Amongst others, audience targeting accuracy, ad personalization, cross-site retargeting and view-through attribution will be affected. Contact us to find out more about how it will impact your company specifically.

**Subject to change.*



Audience Targeting

Reaching a specific audience through ads will not be possible, due to the limited availability of 3rd party behavioral data.



Ad Personalization

Lack of behavioral and browsing data will leave marketers with limited ways to personalize ads.



Cross-site Retargeting

Redirecting website traffic from one website to the other will be affected as websites will no longer have access to past browsing history.



View-through Attribution

Identifying the impact that a series of advertising initiatives brought to your business will not be possible due to a lack of access to browsing history.

"The era of cookies is coming to an end, but that doesn't mean that companies should abandon personalization. It's just time for a new and better approach."

Harvard Business Review

NEW SOLUTIONS ARE ALREADY ARISING AND WILL CONTINUE TO EVOLVE.

There are already several new solutions arising on the market that claim to either replace 3rd party cookies or offer alternatives for companies to continue their ad practices - we've listed a few examples below. These are rapidly evolving and will continue to evolve throughout the following years. Note that some of these solutions are still under development or being tested.

Some of these new solutions offer the possibility to maintain a 1-1 relationship with your clients, while others focus on targeting and providing personalization capabilities for groups of people rather than individuals, to maintain a higher level of privacy.

New trends are also arising; such as companies shifting their focus to their own 1st party data and investing in loyalty instead of relying on the uncertainty of this ever-changing market.

Get in touch with us to find out which direction fits your business needs.



NEW WAYS TO IDENTIFY PEOPLE

Leverage new tactics such as Universal ID's and other alternative sources of identification to reach your audience without being dependent on 3rd party cookies.



INVESTMENT IN 1ST PARTY DATA

Invest in strategies and technologies that can enable a better leverage of 1st party data.



SERVER-SIDE TRACKING

Regain control over your data and what is shared with third-party marketing platforms by moving to server-side tracking. This solution allows you to capture all behavioral events directly on the server side, resulting in more accurate data collection and conversion tracking.



AUTHENTICATED TRAFFIC SOLUTION

Solution that enables individuals to participate in a two-way value exchange with brands and publishers.



CUSTOMER DATA PLATFORMS

Marketers are investing in CDPs to capture and store the first-party cookies and link them with their data from other platforms (CRM, social media, Marketing Automation Platforms, website, eCommerce platform or apps).



FOCUS ON LOYALTY

Focusing on existing customers (loyalty & retention) to drive revenue and shifting away from prospect acquisition.



DATA CLEAN ROOMS

This solution offers an encrypted, secure location where first-party data is anonymized, layered, and matched, allowing advertisers to run targeted campaigns, apply frequency capping, measure and report on the performance of campaigns, and run attribution — all in a privacy-friendly way.

Our approach to get prepared

ADVISE – IMPLEMENT – OPERATE APPROACH

At Deloitte, we're helping our clients navigate this transition through a three-phased approach:

- > **Advise** – assessment of the current 3rd party cookies usage and impact followed by imagining and shaping the future
- > **Implement** – translation of the strategy into impactful and tangible results
- > **Operate** – scaling out the solution to the broader business and ensuring stability and sustainability

Most important for companies right now is to start getting prepared. Knowing what area of their business is going to be impacted and to what extent, is the first step to success. Afterwards, they can start evaluating the different possible solutions in the market, decide what the best mitigation actions are and what concrete solutions they want to implement in the future, once the 3rd party cookies are gone.

Client Spotlight

Context

A leader in the Belgian gaming industry enlisted Deloitte to help them navigate through the challenges caused by the disappearance of 3rd party cookies and turn these into opportunities. Deloitte was asked to help accelerate the client's readiness for the Cookieless future through a value-based approach with a focus on the future.

Solution

Deloitte's approach to the solution was two-fold: we started with an 'As Is' assessment followed by a 'To Be' definition. During the first phase, we assessed their current ad activities and technical landscape which was summarized into a detailed overview of risks and impact of their current practices. The 'To Be' phase is where we focused on the future state. We mapped the business values and risks and defined the future roadmap by combining technological, legal and collaboration perspectives. Based on this information, Deloitte delivered a detailed roadmap to the client on how to pursue the Cookieless future going forward.

Impact

Following the project, the client has a complete grasp of their readiness for the Cookieless future. On top of that, the deliverables created by our team provided included a customized list of mitigation activities and a detailed roadmap that the client can use to optimize their advertising activities for the future.

IS YOUR COMPANY READY FOR A FUTURE WITHOUT 3rd PARTY COOKIES?

Contact Deloitte Digital for a **custom, 3rd party cookie assessment** which includes:

- A calculation of how the loss of data from third-party cookies will impact your revenue through **Deloitte Digital's impact calculator**.
- **A detailed audit** of your marketing- / ad-tech stack, third-party data usage, measurement, tagging, media plan and digital advertising strategy.

Contact us



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