

A COOKIELESS WORLD:

Will segmentation and targeting live on?

From the **IOS privacy changes**, to the crackdown on **third-party cookies**, it's clear that targeting customers will become increasingly difficult for organisations.

With the growing uncertainty on data privacy, will we still be able to segment and target consumers in the same way?

What's changing & what's the impact?

Google delays the demise of third-party cookies across chrome



In the blog post announcing the 1 year delay, Google says that the decision to phase out cookies over a "three month period" in mid-2023 is "subject to our engagement with the United Kingdom's Competition and Markets Authority (CMA)." In other words, it is pinning part of the delay on its need to work more closely with regulators to come up with new technologies to replace third-party cookies for use in advertising

What's the impact?



Although Google's latest announcement reveals further delays to the demise of the third-party cookies across chrome browsers, **brands and ad-tech companies will still need to develop their alternative solutions to individual tracking to remediate the changes.** Google's Privacy Sandbox aims to provide a long-term solution to this, however this only puts further pressure on brands and advertisers to be more dependent on Google's marketing ecosystem

Apple's App Tracking Transparency Framework

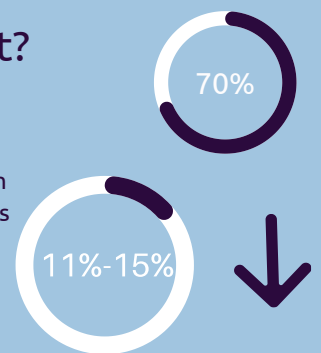


In line with Tim Cook's view on privacy being a **fundamental human right**"

This new framework now requires apps to ask for permission to track their user activity in-app and mobile activity
For users that have opted out, targeting users based on device-level targeting will no longer be possible across Apple Devices.
That said, you will still be able to segment across android devices.

What's the impact?

Since the updates to **IOS 14.5**, recent statistics indicate that opt-in rates have dropped from **70%** (from 2020) to opt-in rates ranging between **11-15% worldwide**
Source: Flurry Analytics



What does this mean for the role of customer segmentation?



Google is looking to offer advertisers an alternative solution for targeting customers without the need to share individual browsing data.
However, this new proposal has raised further privacy concerns around browser fingerprinting and cross-context exposure.

Despite the privacy changes, Facebook & Google will still have alternative methods for brands to target e.g. customer lists and custom audiences

Brands will become increasingly dependent on Facebook and Google given the amount of data that is available and the ease at which they can scale marketing activities across their ecosystem

However, brands will still need to look for solutions to measure the impact and performance of app-install campaigns given the multiple restrictions Facebook looks to introduce...



What can brands do to prepare?

Despite the significant changes to tracking across mobile apps and desktop, there is still a need for customer segmentation and targeting, to not only provide a personalised experience but also allow advertisers to be more efficient with marketing budgets

To prepare, brands should focus on 3 key areas...

01 Data collection strategies

Brands need to build trust with consumers and develop a strong value exchange. This means they'll be able to collect zero party, first party and second party data which they can leverage across digital marketing activities, whilst also analysing, clustering and identifying customer cohorts for ongoing activities



02 Data modelling and analysis

Brands should think about how they use this data to improve their marketing campaigns. Different types of mathematical models like clustering algorithms and propensity modelling can be used to further analyse customer data to provide greater insight into a brands customer base.



03 Measurement and campaign attribution

Clean rooms and data warehouse solutions will be vital to measuring campaign performance and contributions to sales. Solutions such as Google Ads Data Hub allow you to link your CRM 1st party conversion data to your campaign performance data within the google ecosystem

