

THE POST THIRD-PARTY COOKIE COUNTDOWN

Industry Readiness
Survey Results
February 2024





Introduction

How ready is the digital advertising industry for a post-third-party cookie world?

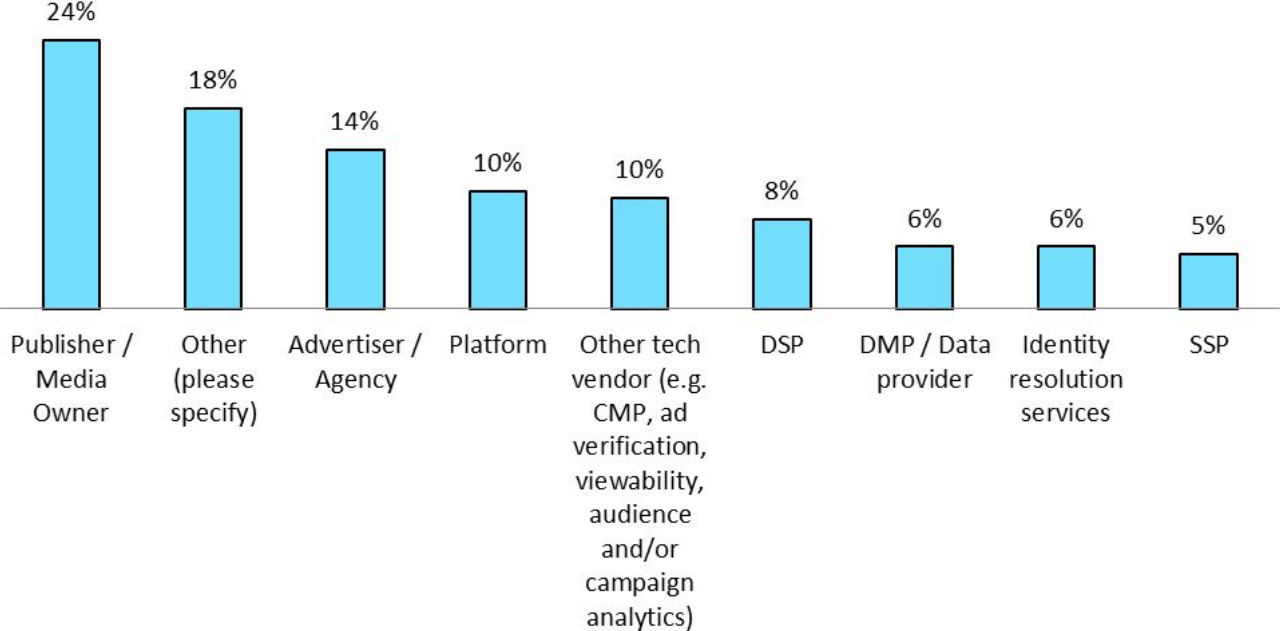
With less than a year to go before third-party cookies are deprecated in Chrome, IAB Europe was keen to understand how the digital advertising industry is gearing up for this new era. We invited stakeholders from across the industry to take part in a short survey to help us understand the level of readiness, which solutions are being tested, and where our industry needs more support. The survey received responses from over 160 industry professionals across Europe.



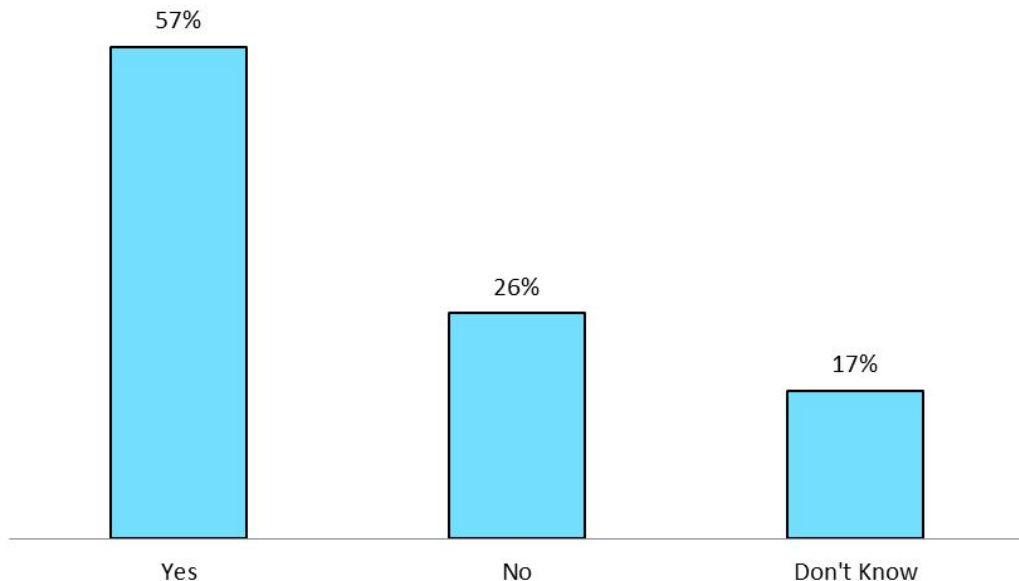
Summary / Key Takeaways

- Whilst over half of the respondents agreed that deprecating third-party cookies is the right thing to do, 43% either said no or were not sure.
- Businesses within the digital advertising industry are clear on their third-party cookie dependency and around half are prepared for the deprecation.
- There is some work to be done in getting ready as a just over a third are not yet prepared.
- In terms of work to be done - the respondents want to see stronger first-party data strategies, more industry collaboration and education, and innovation beyond the use of cookies.
- The majority of respondents are looking at contextual advertising or publisher / first-party IDs as the key alternatives to third-party cookies.
- Over half are not yet testing any Privacy Sandbox APIs with barriers being around the uncertainty of the benefits of the new features....

Respondent Breakdown (167 responses)



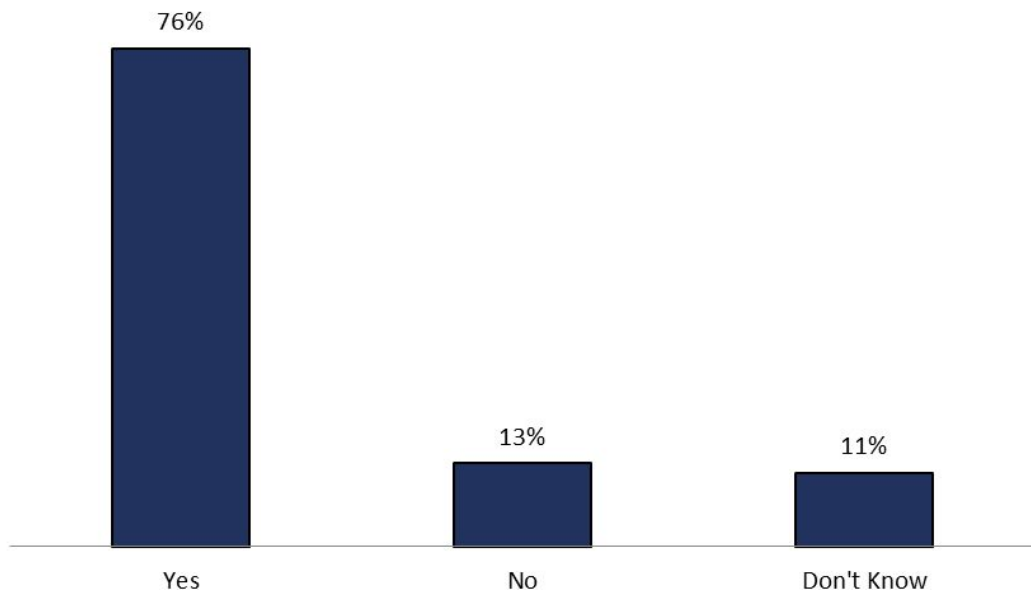
Q1. Do you think that deprecating third-party cookies is the right thing to do?



Over half (57%) of respondents think that deprecating third-party cookies is the right thing to do.

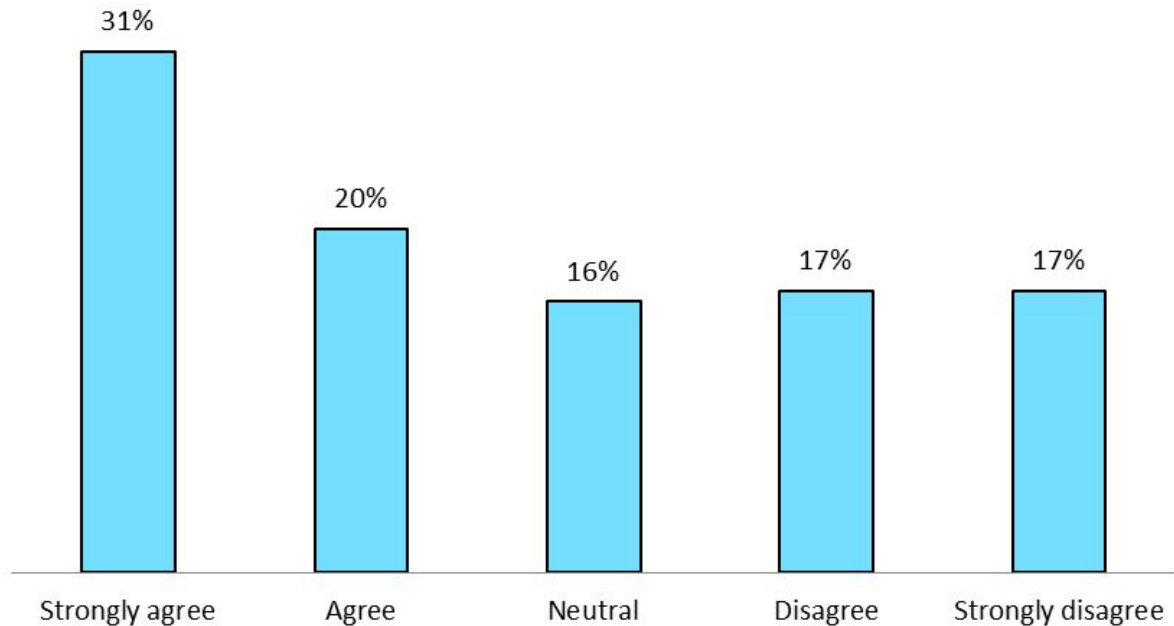
1 in 4 disagree, whilst the remainder are unsure.

Q2. Do you understand the full extent of your third-party cookie dependency?



3 in 4 people understand the extent of their organisations' third-party cookie dependency.

Q3. Overall, do you agree that you/your company is prepared for the deprecation of third-party cookies?



Half of respondents (51%) say they are prepared

Just over one third of respondents (34%) disagree with being prepared

Q4. What would be needed for your company to be ready? (Open ended question)

We detected 5 themes from respondents:

1. Clear up Uncertainty and Remove Concerns for the Future

Respondents expressed uncertainty about the future of digital advertising in the absence of third-party cookies and voiced concerns about the impact of changes, such as "cookie mageddon." They sought clarity and concrete plans from tech companies.

2. Stronger First-Party Data Strategies

Many respondents emphasised the importance of relying on first-party data for targeting and advertising. They mentioned the need to develop first-party data strategies and utilize Customer Data Platforms (CDP).

3. Industry Collaboration and Standards

There was a strong call for industry-wide collaboration and standards to address the challenges posed by cookie deprecation. Respondents stressed the role of industry associations like the IAB in leading discussions and finding alternatives to third-party cookies.

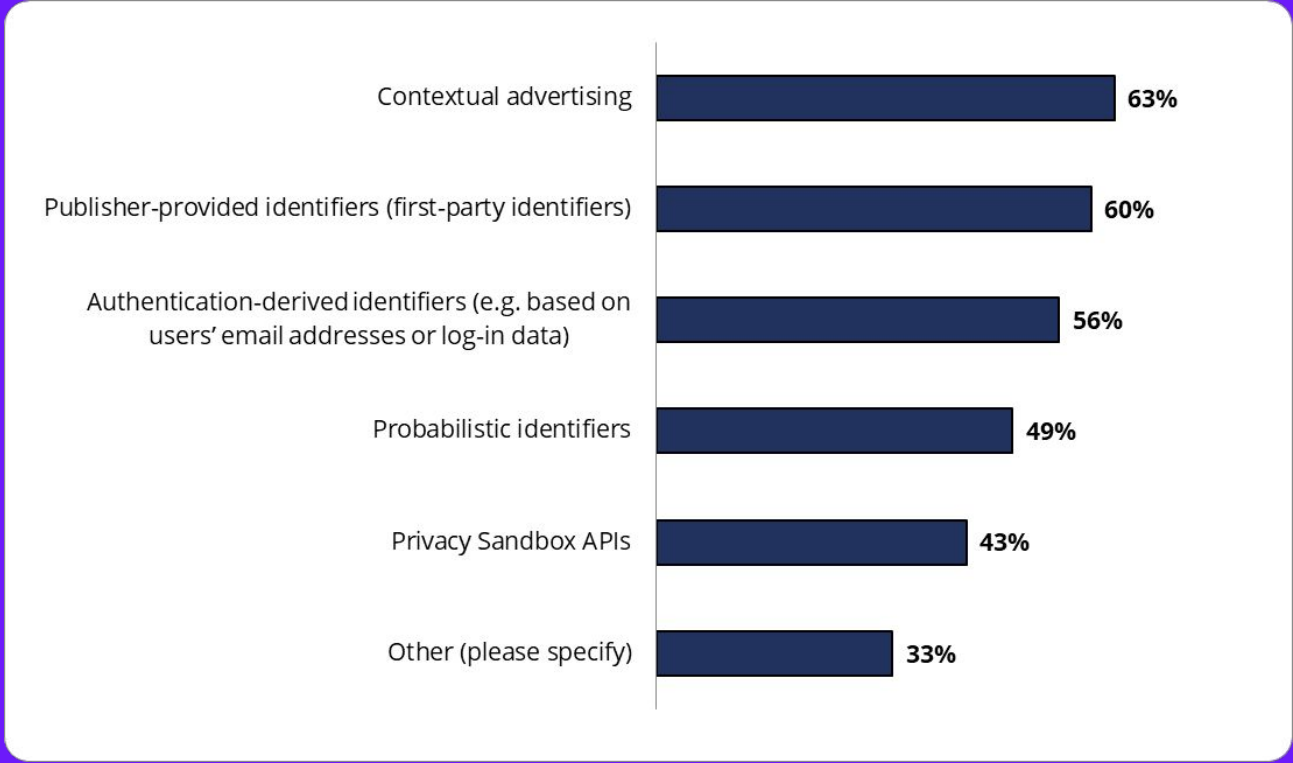
4. Education and Communication

Respondents highlighted the need for educating advertisers and agencies about alternative targeting options. They also expressed a desire for better communication and understanding of technologies, privacy solutions, and their consequences.

5. Innovation and Solutions Beyond Cookies

Many respondents emphasised the importance of seeking innovative solutions beyond mere cookie replacements, especially in areas such as attribution and identity. They also stressed the importance of interoperability and cost considerations when implementing new tracking technologies.

Q5. Which alternatives to third-party cookies are you evaluating for the future? (Please select all that apply)

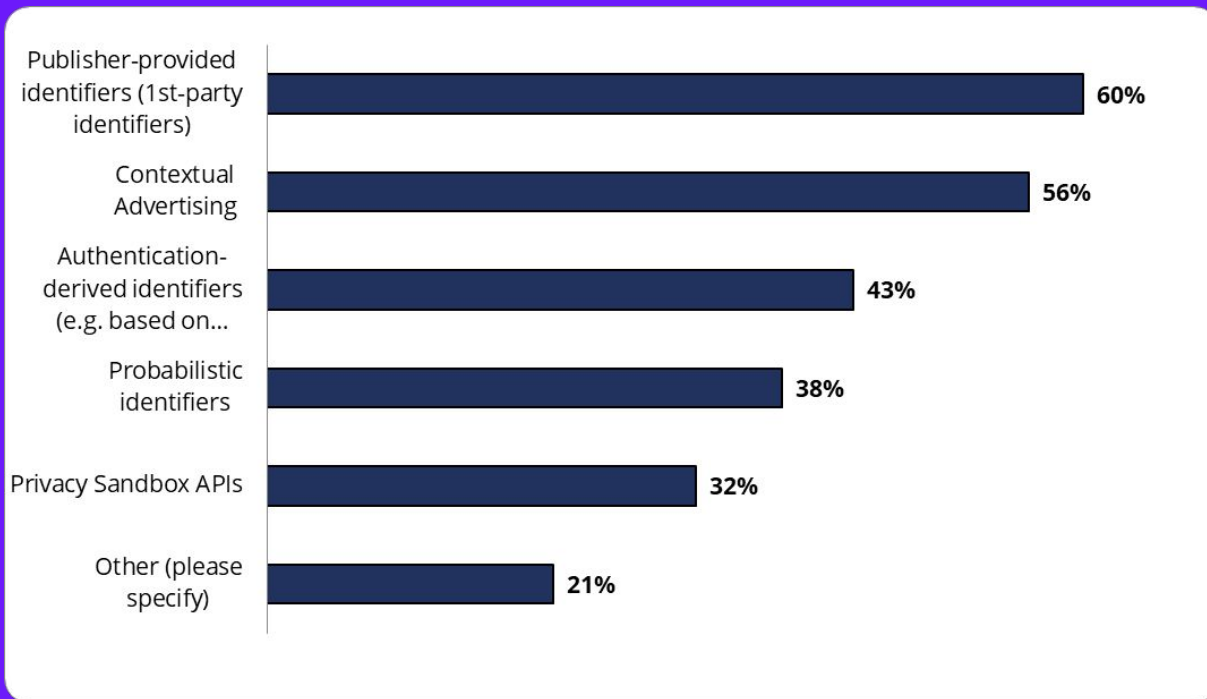


Q5. Which alternatives to third-party cookies are you evaluating for the future? (Please select all that apply)

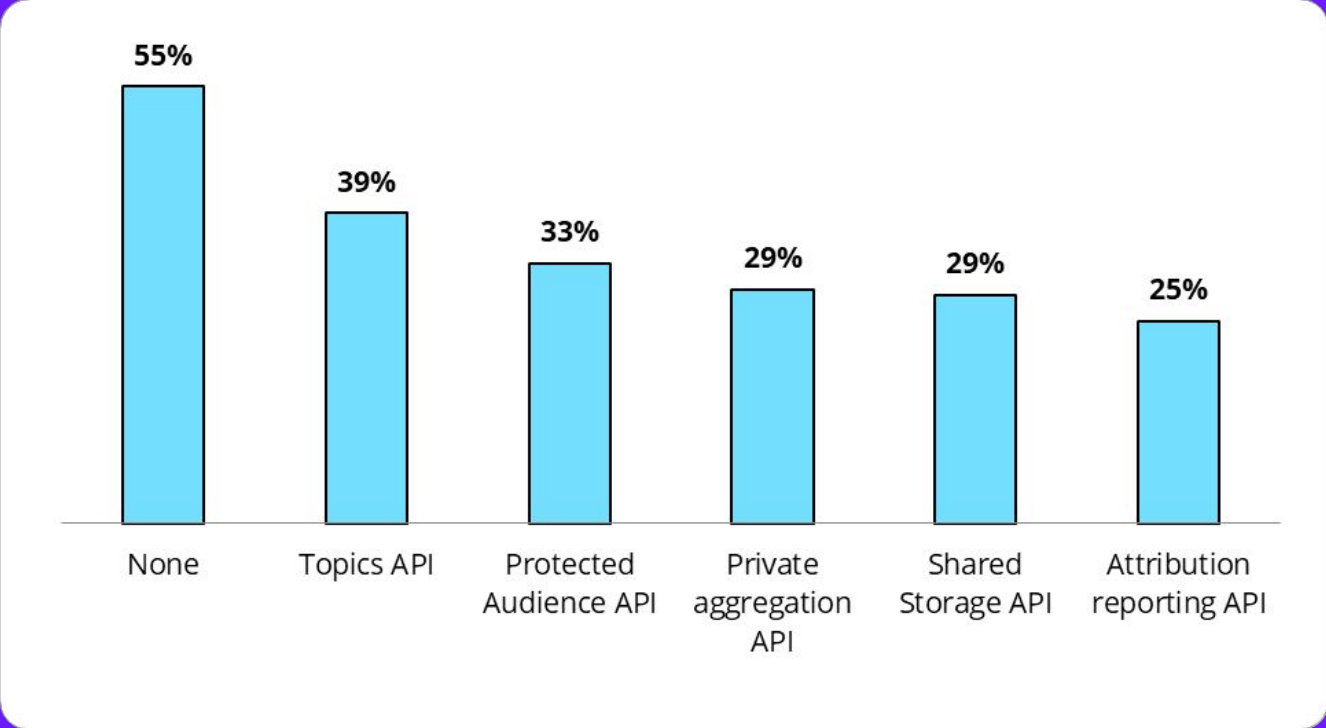
33% of respondents selected 'others', this included:

- Telco based IDs
- Random identifiers - not personal data
- Federated IDs
- Seller defined audiences
- Clients own data
- Strong connections to publishers
- DCR solutions
- CDP

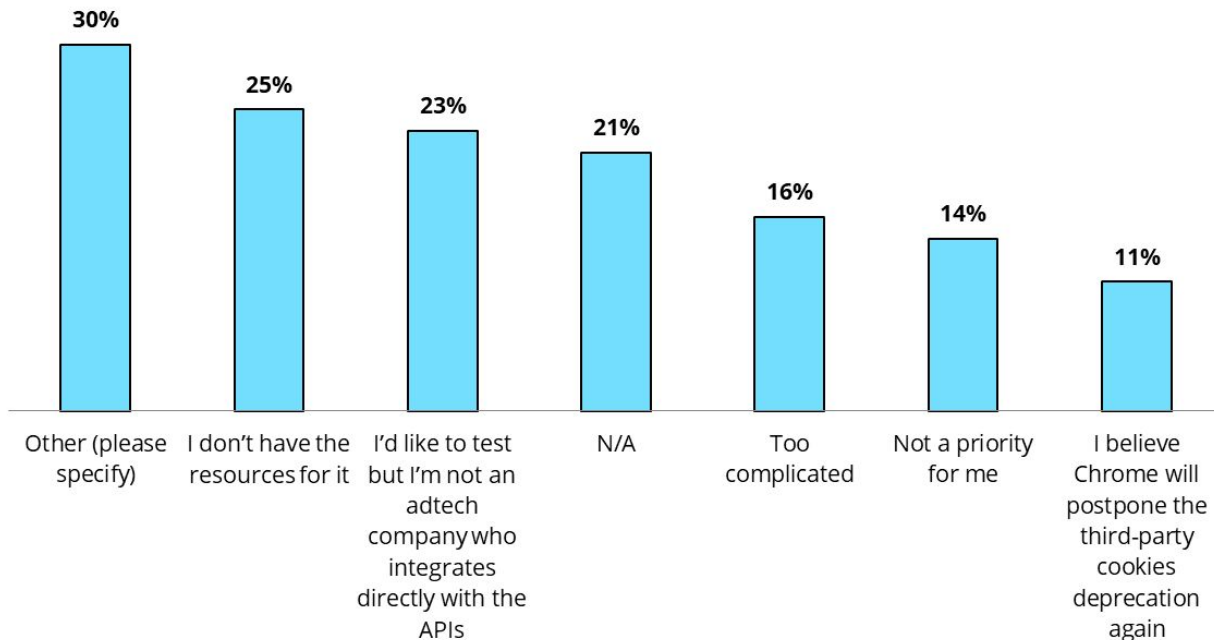
Q6. Which of the alternatives to third-party cookies do you find the most promising to balance out privacy requirements and advertising effectiveness?



Q7. Which Privacy Sandbox APIs are you currently testing? (Please select all that apply)



Q8. What is holding you back from testing Privacy Sandbox APIs? (Please select all that apply)

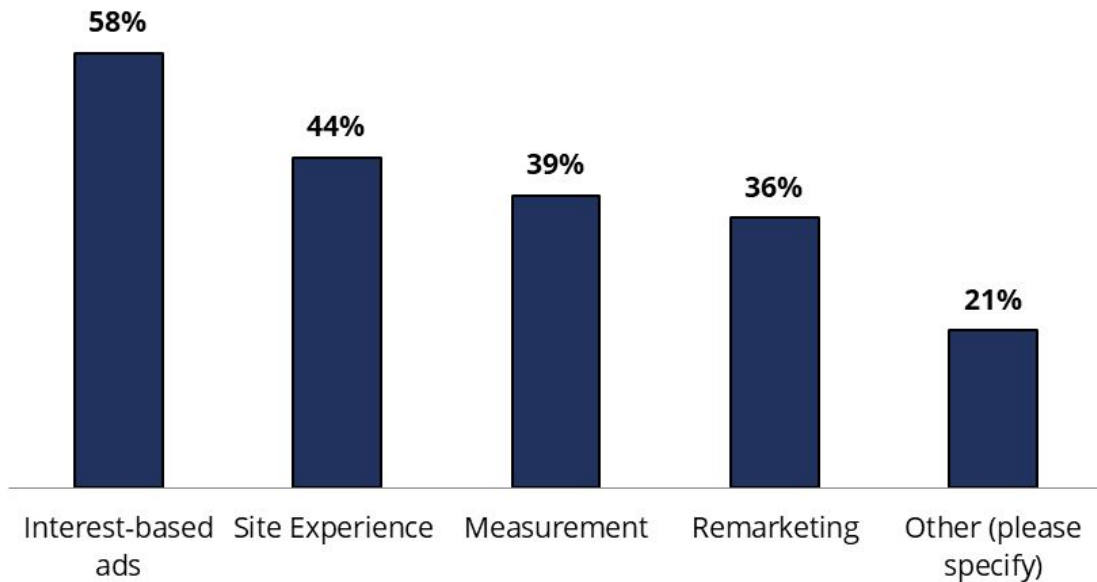


Q9. What are you missing in terms of resources or content in order to start engaging more on the Privacy Sandbox?

We detected 5 themes from this open ended question:

1. **Uncertainty and concerns** regarding the use and benefits of new features, particularly in relation to Google's interests over the open internet.
2. Proposal for a **separate advertising system** for Google Chrome, with compatibility for other browsers, amidst concerns about data insights, antitrust issues, and **reliance on Google**.
3. Challenges posed by **continuous changes** in the advertising system, leading to unreliability and unanswered crucial questions, especially regarding the post-deprecation period.
4. **Limited testing time** and expectations of **weak results**, suggesting a need for more robust solutions beyond a Chrome-only approach, with a preference for contextual ad solutions.
5. **Privacy guidance** regarding data privacy and security, underlining the importance of addressing these issues in any new advertising system.

Q10. Which area, that currently relies on third-party cookies, do you feel most comfortable with once they are deprecated?





Thank you

*For more information on upcoming Post Third-Party
Cookie events and resources, please contact Helen
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