

# Your Unfair Advantage in a Privacy-First Era

The digital realm is undergoing a seismic shift, heralding the end of the cookie era and ushering in a privacy-first world. As cookies crumble under regulatory scrutiny and consumer demand for data privacy, businesses are at a crossroads. The challenge? To innovate beyond traditional data collection and advertising strategies or risk obsolescence.

# ABOUT GLUED NETWORK

Glued Network gives personalized advertising back to small marketing agencies in a privacy-first era. The result is low-cost, high-margin campaigns that exceed your clients' expectations



# **Privacy-Driven Change**

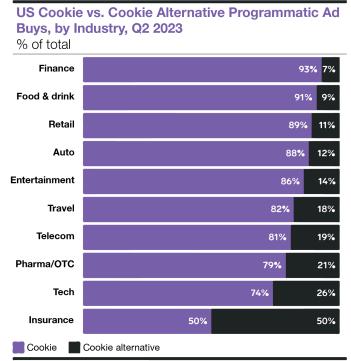
As of 2023, a handshake agreement has continued to dominate digital marketing: Big Tech owns the information required for targeted advertising, and digital marketers lease it from them. It's been this way for 20 years.

But in 2024, this dynamic is experiencing a seismic shift: Google Chrome is set to eliminate support for third-party cookies by the end of the year.

Simply put, privacy is paramount for both people and governments, and the internet is adapting accordingly. A side effect of these sweeping changes is Big Tech further consolidating their grip on consumer information.

Marketers must adapt as well. Virtually every sector is still heavily reliant on

third-party cookies, and significant change is on the horizon.

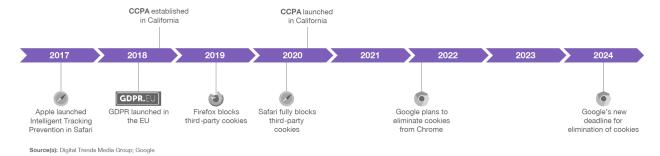


Insider Intelligence | eMarketer

# The Steady Evolution Toward Privacy

In 2017, Apple launched tracking prevention in Safari. Advertising groups protested the move, arguing it would undermine the economic model of the internet.

Apple stood by its decision, and digital marketers were forced to adapt. With Safari representing only 15% of browser market share, disruptions were significant but also highly targeted, most notably for higher-end consumers with iPhones.



And for the seven years since, advertisers and marketers have been adapting to a growing list of changes, seeking new ways to target and measure their campaigns.

# From Gradual Adjustments to Sudden Disruption

In January 2024, Google Chrome eliminated third-party cookies for 1% of users. Their public commitment is to eliminate 100% of third-party cookies by Q3 of 2024.

With Chrome's market domination, this move has far-reaching implications for the digital advertising industry. It will force a broader and deeper pivot than has ever been required before.

As we move into 2024, the challenge for marketers lies in navigating this new landscape and finding innovative ways to connect with audiences in a world where traditional cookies are no longer the currency of the internet.

#### **Alternatives to Panic**

Marketers are exploring alternatives. One prominent option is first-party data, which offers precise targeting. Zero-party data, which is actively shared by consumers, also has high accuracy and relevance.

Contextual advertising – aligning ads with content – is gaining traction.

Meanwhile, identity resolution strategies unify customer profiles across platforms.

Google's Topics API takes a different approach, grouping users based on

Data Types US Marketers and Agencies Most
Commonly Use for Transactions With Media
Sellers, April 2023
% of respondents

Proprietary identifier (e.g., first-party data)

43%
Third-party cookie

25%
Third-party ID graph, non-cookie (e.g., Unified ID 2.0, Yahoo ConnectID)

23%

Non-audience data (e.g., contextual)

8%
Don't know/unsure

2%

interests. While this method promises privacy, Tara DeZao from Pega critiques Google Topics as a less targeted method, predicting a return to broader, less relevant advertising.









DeZao emphasizes that brands should deploy a variety of the tactics shown above. Diversity in approach is particularly pertinent for CPG brands, who often lack access to first-party data and rely on partnerships with retail media to reach consumers.

#### First- and Zero-Party Information in an infoLake™

Consumers are willing to share their data if they see a benefit in return, and finding the right incentive requires strategic creativity. Done well, this strategy pays off in spades, with better online experiences, greater consumer trust, and the collection of highly valuable information.

One effective tactic is personalized product recommendations. For instance, a furniture retailer might provide an online tool for customers to select their preferred style, and in return the retailer suggests furniture to match. Such zero-party data is highly relevant to your marketing.

When paired with first-party data in an infoLake<sup>™</sup>, you now have a laser-focused marketing engine that enables a deep understanding of consumer preferences, which then guides more personalized marketing efforts.

While the direct methods described above are at the forefront of strategic data collection, some brands also utilize third-party services to gather non-personal data. This indirect approach may not foster the same depth of engagement or rich insights.

#### **Contextual Advertising**

Contextual advertising is not a new concept; it harkens back to when advertisers targeted soap opera viewers as likely to buy soap powder. Modern-day equivalents include running shoes on a sports website, pasta makers in an Italian cooking magazine, and hotel deals in a travel blog.

While such contextual advertising offers the advantage of aligning ads with relevant content, it faces challenges in today's rapidly shifting digital environment. The main limitation is its reliance on static content cues, which might not fully capture the dynamic interests of users who engage with diverse content across multiple channels.

Additionally, this approach may overlook the user's broader journey, potentially missing opportunities to connect at various touchpoints. Advertisers seeking deeper engagement need solutions that not only respect user privacy but also adapt to the complex web of user interactions, suggesting a need for more sophisticated, privacy-conscious targeting methods.

# **Identity Resolution**

Using statistical modeling, identity resolution services connect identifiers like postal and email addresses with observable user behaviors like transactions. Some solutions, like The Trade Desk's UID and LiveRamp's RampID, are designed to work together.

Such services can greatly improve customer insights, enabling tailored marketing efforts and consistent cross-channel messaging. The interoperability of these technologies is also helpful, given the complexity of today's marketing technology stacks.

Notably, marketing stacks have become increasingly cumbersome, with brands using a diminishing portion of their capabilities, even while continuing to integrate new tools. Brands should streamline their vendor list by opting for integrated solutions.

Finally, while larger marketing agencies with dedicated data teams may have the capacity to develop and implement identity resolution solutions in-house, smaller marketing agencies may face more significant challenges.

#### **Google Topics**

Google Topics, part of Google's Privacy Sandbox initiative, offers a browser-based solution that categorizes user activity into topics that refresh every seven days, aiming to replace traditional cookies. This system encompasses just over 450 broad categories.

Initial tests by Google partner Criteo revealed that audiences in the first generation Topics API are five times less relevant than those from third-party cookies. Criteo additionally observed that almost half of all topics in the new API are not commercially relevant.

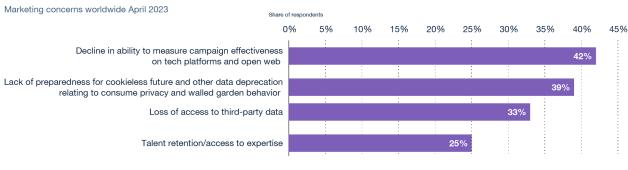
Importantly, shared browser use will result in misplaced ad impressions, such as a husband receiving ads for products that are aimed at his wife or daughter.

Moreover, Google Topics does not provide demographic information, making first-party data a more reliable source for detailed audience insights, especially for sectors like finance, telecommunications, and arts and entertainment.

# **Addressing Concerns on the Future of Marketing**

Glued Network has identified four primary concerns of today's marketers: Measuring campaign effectiveness, lack of preparedness, losing third-party cookies, and talent retention.

#### Leading concerns in marketing initiatives



statista 🗷

With several alternative strategies available for 2024 and beyond, and an accelerating need for a diversity of tactics, these concerns are both reasonable and warrant action.

#### **Concern #1: Campaign Measurement Effectiveness**

Agencies are finding it increasingly difficult to accurately attribute conversions, understand customer journeys, and measure the ROI of their campaigns. This uncertainty complicates budget allocation and optimization strategies, leading to potential inefficiencies in ad spend.

#### **Ensure Effective Measurement in 2024 and Beyond**

Focus on first-party data, consent-driven tracking, and privacy-compliant analytics. By prioritizing the collection of data from users who willingly share their information, agencies build trust while still gaining valuable insights.

Implement user-centric tracking solutions, such as federated learning of cohorts (FLoC) and similar privacy-preserving technologies, in order to maintain campaign measurement capabilities while respecting user privacy.

If feasible, turn to advanced attribution models that rely on probabilistic methods and machine learning algorithms to fill the gap left by traditional tracking. These models consider a wide range of touchpoints and data sources to provide a holistic view of the customer journey.

#### Concerns #2 and #3: Lack of Preparedness for a Cookieless Future

Adaptation to the elimination of third-party cookies requires time, resources, and a deep shift in strategy, all of which strains the budgets and capabilities of smaller to medium-sized agencies.

# **Prepare Now to Prevent Surprises Later**

Encourage clients to embrace a multi-channel marketing approach. Instead of relying solely on one tracking method or platform, diversify the channels through which campaigns are executed.

If your agency needs custom or highly secure options, consider developing proprietary identity resolution and data analytics tools that are tailored to the agency's specific needs and client base. With in-house tools, agencies have more control and privacy compliance.

If flexibility is not a concern, place a strong emphasis on harnessing and maximizing the use of first-party data. While this approach may not fully replace third-party data, it can offer some degree of control and insights into customer behaviors.

# **Concern #4: Talent Retention/Access to Expertise**

The high demand for experts in digital strategy, analytics, and emerging technologies has led to a competitive job market where attracting and keeping such talent is both difficult and costly. And without access to such expertise, agencies will struggle to innovate.

#### **Educate Employees, Partner with Outside Experts**

Invest in the continuous learning and development of existing teams. In a rapidly evolving digital marketing landscape, keeping employees up-to-date with the latest trends and technologies is essential.

Where internal resources fall short, collaborate with external experts and consultants on a project basis. This approach allows your agency to tap into specialized skills and knowledge without the need for full-time hires.

# Consider the Strategic Advantage of an infoLake™

Glued Network provides a flexible, robust, and fully integrated solution called an infoLake™. With this solution, marketing agencies can easily address the concerns outlined above.

With an infoLake™, your agency gains access to a wealth of data types similar to those currently leased from Big Tech, but with greater control and customization. This data includes:

- **Demographic Information:** Detailed insights into the age, gender, income, education, and more of target audiences.
- Behavioral Data: Observations of consumer actions, such as purchase history and brand interactions, enabling more precise targeting.
- **Engagement Metrics:** Data on how users interact with content across platforms, helping to refine content strategies.
- Geographic Details: Location data that can inform geo-targeting and local marketing strategies.
- **Device Usage:** Insights into the devices and platforms used by target audiences, allowing for optimized ad delivery.
- **Interest-Based Information:** Understanding consumer interests and hobbies for more relevant ad targeting.
- Time-Based Data: Insights into when audiences are most active or receptive to messages, aiding in timing campaigns for maximum impact.
- **Psychographic Insights:** Deep dives into the attitudes, aspirations, and psychological profiles of consumers, offering a nuanced understanding of target markets.
- **Search History:** Analysis of search behavior to anticipate needs and interests, enhancing the relevance of marketing efforts.
- **Social Connections:** Information on social networks and interactions, providing a basis for influencer marketing and social media strategies.



An infoLake™ allows agencies to integrate and analyze these diverse data types in-house, reducing reliance on external data providers and the constraints associated with leased data. This approach enhances data privacy and security and allows for more tailored strategies.

Owning the data process end-to-end also enables agencies to generate unique insights, predict consumer trends more accurately, and deliver personalized marketing at scale.

An infoLake™ equips agencies with the power to leverage 360° view data analytics for strategic decision-making. Mining rich, multifaceted data for actionable insights can transform how agencies understand and engage audiences, driving superior campaign performance and ROI.

# How the infoLake™ is Implemented

Day-to-day, an agency team using an infoLake™ enjoys a seamless, flexible experience, ensuring no vendor lock-in and empowering agencies to innovate freely.

As the infoLake™ matures, it enriches data insights, enhancing personalized advertising strategies. This autonomy allows small- and medium-sized agencies to craft low-cost, high-margin campaigns that surpass client expectations.







**BUYER BEHAVIOR** 



**CLIENT BASE** 

#### Step #1: Sync Your Data

Sync your favorite third-party tools, facilitating the creation of a unified, enhanced data landscape for cross-account and cross-client insights. This comprehensive data picture is displayed within the portal, offering actionable insights at your fingertips.

# Step #2: Get Back a 360° View of Buyer Behavior

Get a 360° view of buyer behavior across all of your tools, transforming your data into actionable insights. Partner with your dedicated account manager for comprehensive analysis.

# **Step #3: Take Action Across Your Client Base**

Seamlessly take action in specialized marketing tools, such as email marketing platforms like MailChimp, ad buying interfaces, and other tactical marketing software. Measure the performance of campaigns in near real-time.