

## RESEARCH SUMMARY

# Preparing for a world without third-party cookies

## The marketer's perspective

### Introduction

2020 has been a year of seeing online identifiers fade away. In January, Google announced that it's phasing out third-party cookies (3PCs) in Chrome. In June, Apple made a similar announcement about changes coming to IDFA.

Google and Apple claim that identifier deprecation is about honoring consumer privacy. But it's also true that these companies' moves personally benefit them, because their direct customer relationships will keep them relatively unaffected while many other identity solutions are weakened.

These moves are disrupting the industry, sending adtech companies, agencies and publishers scrambling. And while there's been much reporting and speculation on the topic by industry pundits, firsthand marketer sentiment is hard to come by.

So Epsilon went straight to the source and conducted a survey to find out:

**How do marketers feel about these changes? What are they doing to prepare?**

This summary provides highlights of our findings.

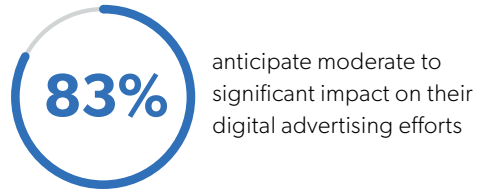
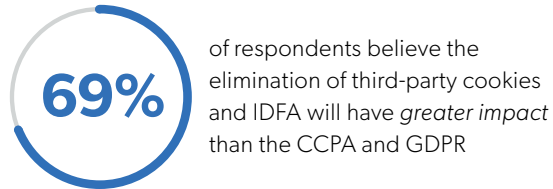
### Methodology

In partnership with Phronesis Partners Inc., Epsilon conducted an online survey of 259 U.S. marketers who are key decision-makers or influencers for digital advertising in their organizations across the retail, financial services, CPG, restaurants and travel industries. The survey ran from August 26 through September 15, 2020. Respondents were screened to be at least "somewhat familiar" with the deprecation of third-party cookies.

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## Marketers' perception: This news is *big*—but not necessarily good for brands or consumers.

### The moves by Google and Apple are having a significant impact on the industry.



### These plans have left most marketers with negative feelings.

67% of them feel a combination of disappointed, frustrated, overwhelmed, helpless and even confused.

### Actual benefits to consumers are in question.

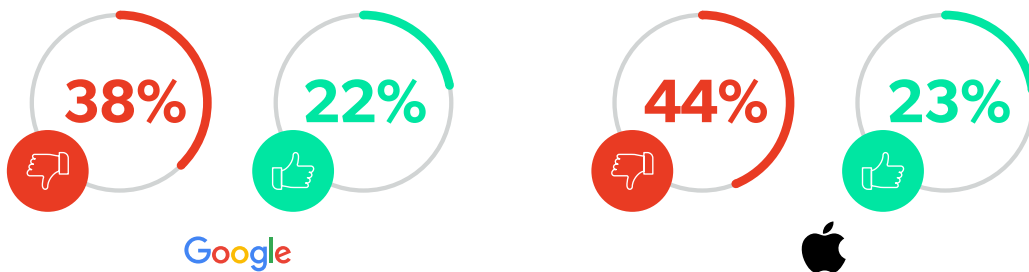
The purported driving force behind these changes was to protect consumer privacy, yet most (62%) marketers believe the changes will *not* help consumers.

- 63% think the changes will result in little or no improvement in consumers' control of personal data.
- 55% think the changes will lead to less personalized consumer experiences.
- 50% believe privacy concerns will persist.

### Many marketers aren't feeling the love.

Based on the reactions to these changes, it's not surprising that some marketers have a more negative perception of Google (38%) and Apple (44%).

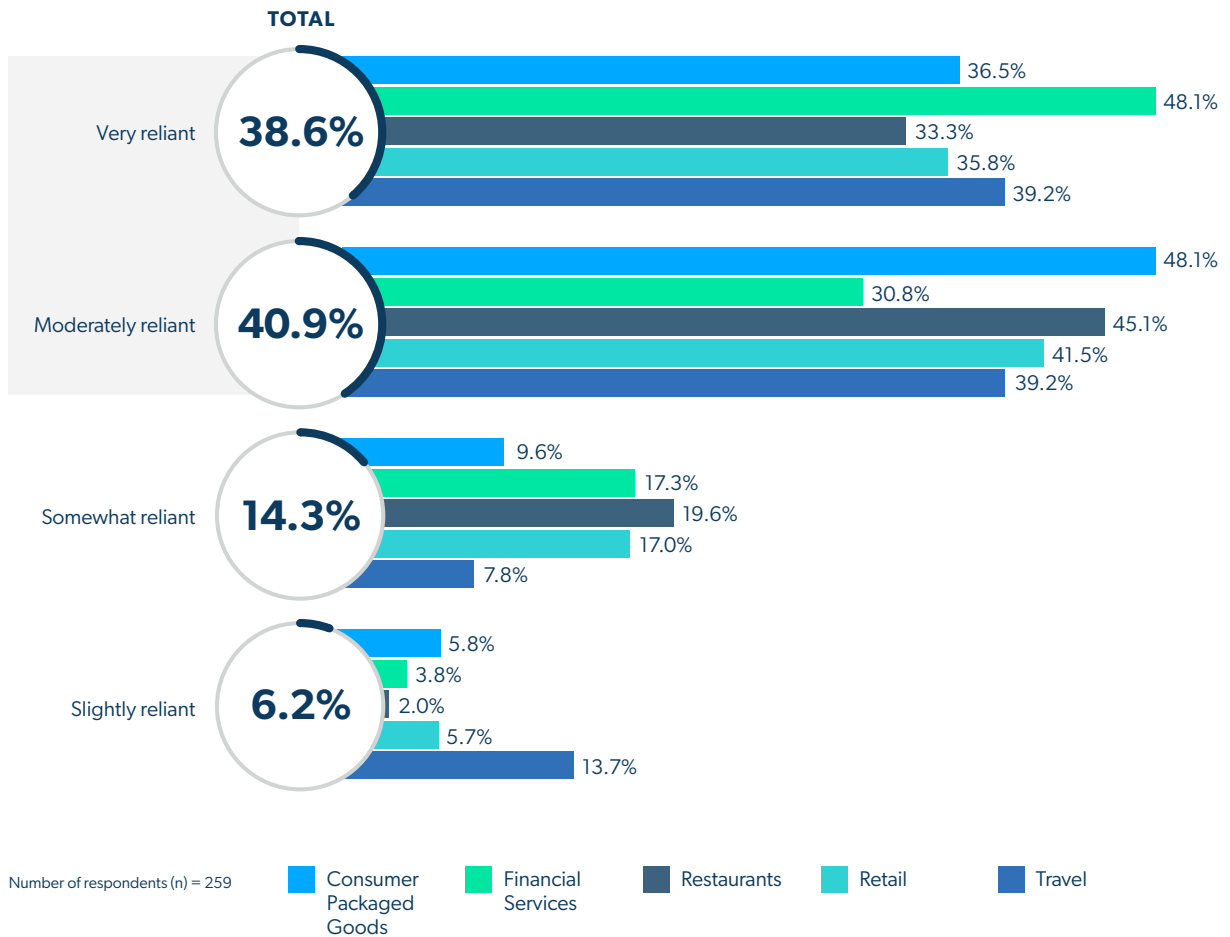
### Marketers' perception of Google and Apple with new measures in place



## Marketers' preparedness: There's still work to be done.

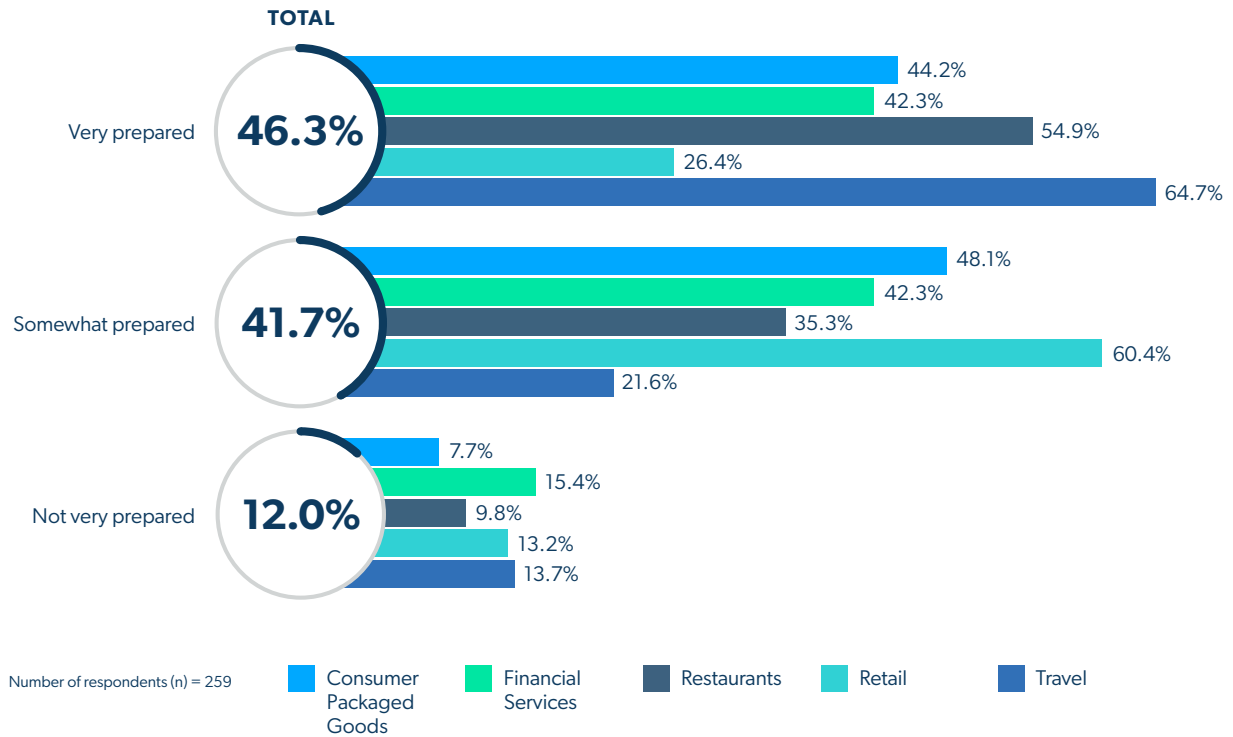
**Most marketers (about 80%) in all five sectors are very or moderately reliant on third-party cookies.**

How reliant are your digital advertising efforts on 3PCs?



**Despite the impact and significance, fewer than half of those surveyed (46%) feel “very prepared” for the change.**

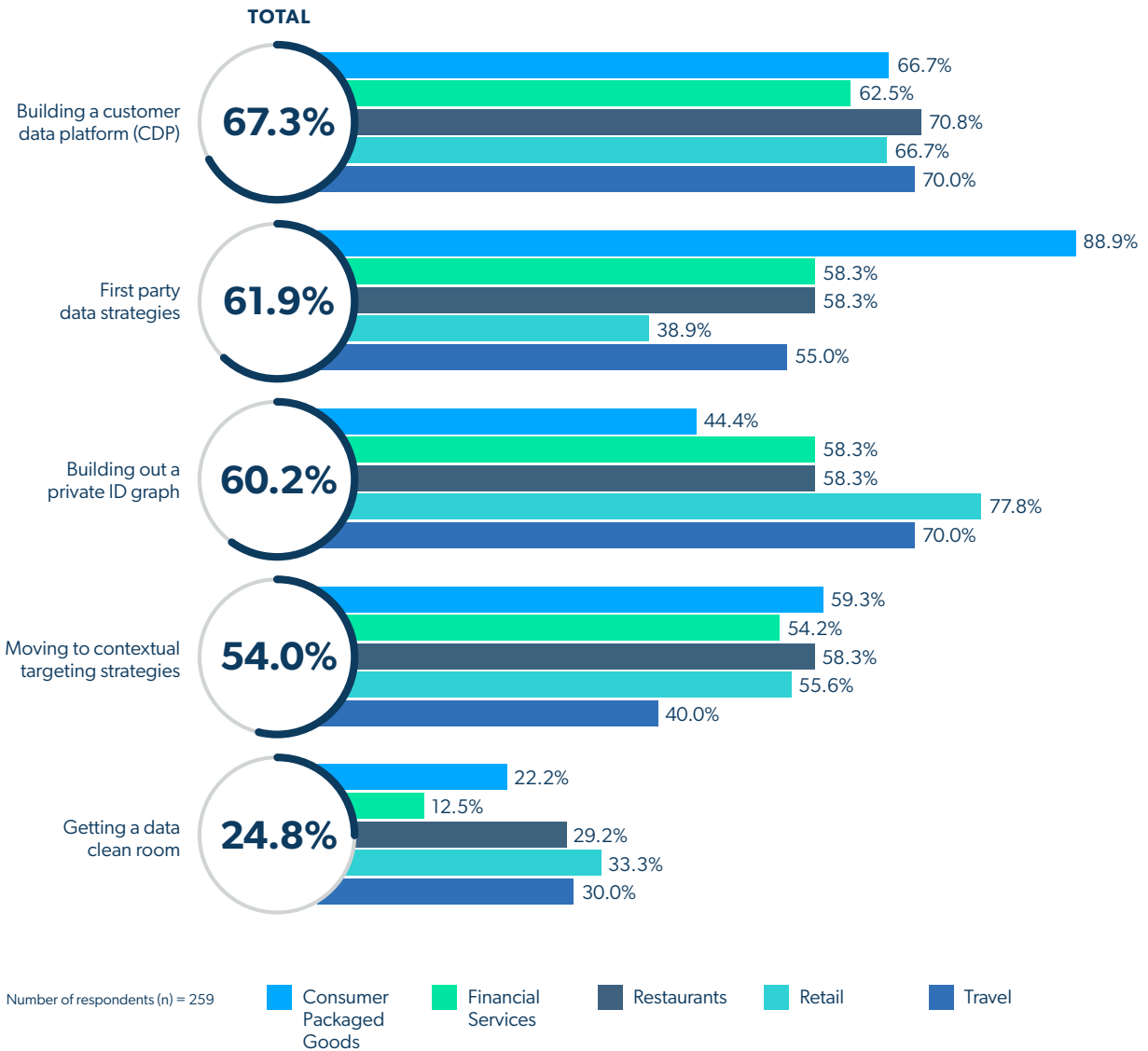
**How would you describe your organization’s current preparedness in adapting your digital advertising strategy (specifically display and video) to account for the deprecation of 3PCs?**



**The changes are forcing nearly all marketers (98%) to take active steps to prepare.**

Most of them (69%) are trying to take these steps with agency partners and vendors. Their top three actions: building a customer data platform (CDP), strategizing around first-party data and building out a private ID graph.

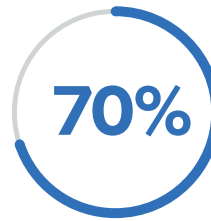
**What steps are being taken to address these impacts?**



## Marketers aren't confident that their partners can provide a comparable solution.

Though nearly half of respondents feel "very prepared," only 20% are "very confident" that their vendors will come up with viable solutions, and 40% are "not very confident" or "not confident at all."

That's likely why **most marketers (70%) believe digital advertising will take a step backward as a result of these changes**—specifically in terms of personalizing ads and proving marketing effectiveness.



**of marketers feel that digital advertising will take a step backward as a result of these changes.**

## How can brands move forward and not backward?

If you're among the 80% of marketers who rely on third-party cookies, it's time to act.

You'll need a plan that future-proofs against the loss of identifiers. One that prioritizes your relationships with consumers above all else, and ensures their privacy without sacrificing their experience.

Epsilon believes that the best plan requires a strong foundation of identity—one that connects brands' data with first-party data from web publishers.

Our consumer IDs are anchored in deterministic purchase data and continuously update, so they last for years and get stronger over time. Because we know that privacy concerns aren't going away, we've built our solutions with privacy by design.

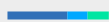
And we've developed direct integrations with 5,000+ high-quality publishers, so their first-party data links back to those same IDs. (Even though third-party cookies are fading, *first*-party cookies are not—and they're essential on the road ahead.)

Even as third-party cookies fade away, you'll **serve 98% of your ads to individuals**, not orphaned cookies or device IDs. And you'll **deliver personalized customer experiences on any browser**.

This isn't just talk. After Safari went cookieless in 2017, **our clients have seen ad delivery increase by 25%**, because we continued to identify their consumers when others could not.

And with the performance transparency we provide, you'll **have proof that your marketing reaches your goals and delivers real business outcomes**.

### Learn more



**If you want to deliver personalized customer experiences across all channels—without the need of 3PCs—[get in touch](#).**