



Intelligent Tracking Prevention

How to Stop Playing
Whack-a-Mole

March 2019



Apple recently released the latest version of its browser feature that's designed to further foil companies' attempts to track users across the internet, pushing advertisers to make a difficult choice in light of version 2.1 of Safari's Intelligent Tracking Prevention (ITP). With Firefox having already started its own version of ITP and Adweek's report last Friday that Google is contemplating major changes of its own, including in Chrome, even the holdouts will have to confront the issue directly very soon.

The most challenging thing, though, is that regardless of what decisions are made today, choices with even bigger ramifications will have to be made right after. This piece will attempt to guide advertisers through the here and now, and hopefully motivate brands to plan for what we see as the inevitable future of post-cookie media buying and optimization — people-based marketing where advertisers target and reach the same person across all platforms and devices without the need for cookies.

60-Second Summary

- *Driven by increased government regulation and consumer demands around data privacy, web browsers have started to implement features – most notably, Safari’s Intelligent Tracking Prevention (ITP) – that upend digital media tracking and targeting methods that many brands rely on for measuring success.*
- *Between ITP, GDPR, and California’s new data privacy law (CCPA), most advertisers saw an immediate impact on their campaign measurement and site analytics data, with numbers notably down across the board due to tracking challenges.*
- *The industry responded by developing workarounds to Apple’s ITP protocol on Safari. Now, Apple released its latest update which renders those workarounds moot and other browsers are following suit. Firefox has already rolled out the early stages of its version of ITP, and Chrome may soon launch its own.*
- *Short-term solutions that mitigate tracking and targeting loss due to the implementation of these new features and legislation are offered by Google and Facebook for advertisers. However, those options have limitations and pose potentially significant risks to the brands that adopt them.*
- *Regardless of their choices in the immediate future, advertisers must also confront the inevitability of buying digital media absent of cookies. The proven solution is people-based marketing.*

What's Happened To Date

In September 2018, Apple rolled out an update to its ITP standard on the Safari browser. The enhancement appealed to privacy-minded consumers and included a browser setting that effectively disabled third-party cookies for domains that use cookie data to track user activity. It is an understatement to say that advertisers, publishers, and ad tech vendors were justifiably alarmed. The major players, including Google and Facebook, eventually unveiled workarounds that would allow marketers to retain most of the tracking visibility and audience targeting they enjoyed prior to ITP 2.0.

These workarounds mostly focused on converting third-party cookies into first-party cookies, thus mitigating ITP's impact. However, by the end of February 2019, Apple unveiled ITP 2.1. While 2.0 is related to third-party cookies, 2.1 takes aim at first-party cookies. In essence, by targeting the accessibility and longevity of first-party cookies (i.e., expiring them after seven days), ITP 2.1 significantly decreases the effectiveness of the workarounds that were created to store third-party cookies as first-party cookies.

First, let's look at the most straightforward, and likely least controversial set of workarounds, which come from Google. (As one might expect, these are subject to change based on if and when Google rolls out the changes they have been debating internally.)

Google's ITP Best Practices

Given its reliance on advertisers justifying their ad spend with the support of discrete data, it's no surprise that Google offers several solutions. Even less surprising is that all these solutions involve one or more elements of Google's growing advertising tech stack. The options essentially require advertisers to go from just tagging select pages on their site to implementing sitewide tagging so that cookies are effectively first-party, instead of third-party.

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IMPLEMENTING GLOBAL SITE TAG

Using the Global Site Tag is the simplest solution, especially if you are currently using Google Ads conversion tracking and/or floodlight tags via DoubleClick

Campaign Manager. A global site tag is made up of two JavaScript snippets: a global one and an event snippet. By implementing it, you would place the global snippet on every single page of your site then place the event snippet on pages where events you want to track (e.g., shopping cart, purchase confirmation, store locator) take place.

GOOGLE TAG MANAGER

A more comprehensive solution that also works with non-Google tags would be implementing Google's tag management system which allows advertisers to easily update tags and code snippets across their entire website. Once you have installed this

system on your entire site, you would add the Google conversion linker tag and set it to fire on all pages.

LINKING GOOGLE ANALYTICS WITH GOOGLE ADS TRACKING

This solution would work for marketers who are already using Google Analytics, though it is limited in that it does not work with floodlight tags. To implement, advertisers would simply link their Google Ads and Google Analytics accounts. This solution takes advantage of the fact that the Google Analytics tag has already been implemented site-wide.

Google's official communications indicate the search engine expects ITP 2.1 to affect only a small share of overall conversions for two reasons — Safari's relative share of browsers in use, and most advertisers see conversions happen within seven days of an ad click. To mitigate the situation, Google will allow advertisers to recover potential loss through conversion modeling to ensure consistent measurement across all browsers.

Since we are increasingly dealing with walled gardens, we must also consider the workarounds available from the other player in the online advertising duopoly — that is, Facebook. This is where things get a bit grey.

We present the options here, but we urge brands to proceed with caution as they determine their best path forward.

Facebook Dances On Ethical Edge

As a workaround to ITP, Facebook has been pushing advertisers to enable its “automatic advanced matching” feature. According to Facebook, its technology detects certain website text fields and automatically associates them with corresponding events.

FIELDS CAPTURED INCLUDE:

Email address Phone number First name Last name Gender City State Postal code

Data hashing happens locally on the browser before going to Facebook’s servers for matching. Facebook states that it deletes all matched and unmatched hashes immediately after the matching process ends, and no personally identifiable information is stored on its servers. According to Facebook, enabling this feature will allow advertisers to attribute more conversions, facilitate better optimization, and ultimately deliver higher reach for remarketing campaigns. According to reports received by PMG, advertisers that have enabled this feature have seen 8% more matched purchases.

This feature may seem like a dream come true for advertisers as it uses the current Facebook implementation of their pixel to attribute revenue without using a third-party cookie. Bring on ITP, you might say. However, there are dangers in the way Facebook has implemented its advanced matching protocol, and with that brings significant risks for brands.

HOW AUTOMATIC ADVANCED MATCHING REALLY WORKS

The data being passed back to Facebook is essentially scraped by Facebook, rather than being proactively passed back by an advertiser. In other words, Facebook will grab email

address, first and last names, and other data listed above by relying on the acceptance of its terms and conditions as consent, even though explicit consent isn't as prominent as one would hope. Once enabled, marketers are ceding total control over what data is collected by Facebook, as opt-in essentially requires sending all, or nothing.

This opens the question of whether or not advanced matching will stand up to close privacy-compliance scrutiny, particularly given GDPR's standards for data processors to ensure anonymous usage data cannot reasonably be used to

identify the information source. We are not lawyers at PMG, but given the specter of your brand being called out by the press for allowing Facebook to grab your users' data without their knowing consent, this is something you definitely want to consult your own lawyers about.

Whatever choices
are made are likely
to be short-lived.

THE ALTERNATIVE TO AUTOMATIC ADVANCED MATCHING

With automatic advanced matching firmly sitting in a grey zone, PMG reiterates that brands should have their legal teams do a full vetting before enabling that feature. So, is there an alternative then? As of now, advertisers' best bet is to enable first-party cookies in Facebook.

That option is in line with what Google has released to help mitigate the lack of tracking visibility. When a user clicks on a Facebook-served ad, a unique string gets appended to the landing page URL. When there are pixels on the site that are opted-in to share first-

party cookie data with Facebook, that URL parameter will get written into the users' browser as a first-party cookie. The pixels are then able to include this unique data to better pass back pixel event data.

To be clear, this is not a perfect alternative. Our estimates are that advertisers may lose visibility of up to 20% of conversions, and cede the same amount of its ability to optimize media or retarget site visitors. The upshot is that you stay out of any ethically grey areas, with the added bonus of not having to explain to your CEO why the Washington Post or the New York Times has included your company in its latest story about consumer data overreach.

We understand that brands have to choose between imperfect choices right now. As an agency, PMG works with clients to maximize the performance of their investments, regardless of what option the brand chooses. However, as a partner, we also need to call out that whatever choices are made are likely to be short-lived, as we march towards the inevitability of buying media in a post-cookie world.

Make Your Choice Now, But Start Planning for the Future Too

The good news is that many brands are already preparing for a digital media buying environment without cookies, because of mobile's increasing share, as well as the enactment of privacy regulations such as GDPR. The solution is to work towards people-based marketing, which is also referred to as identity measurement or management, or addressable media.

The people-based marketing approach means advertisers would target individual consumers across their devices, apps, and browsers. A user's behavior would be tracked

and aggregated under a unique ID and identified by something like an email address. Instead of targeting specific devices only, which would be based on cookies, the future of digital media buying will focus on targeting people and reaching the same person across all platforms and devices without the need for cookies.

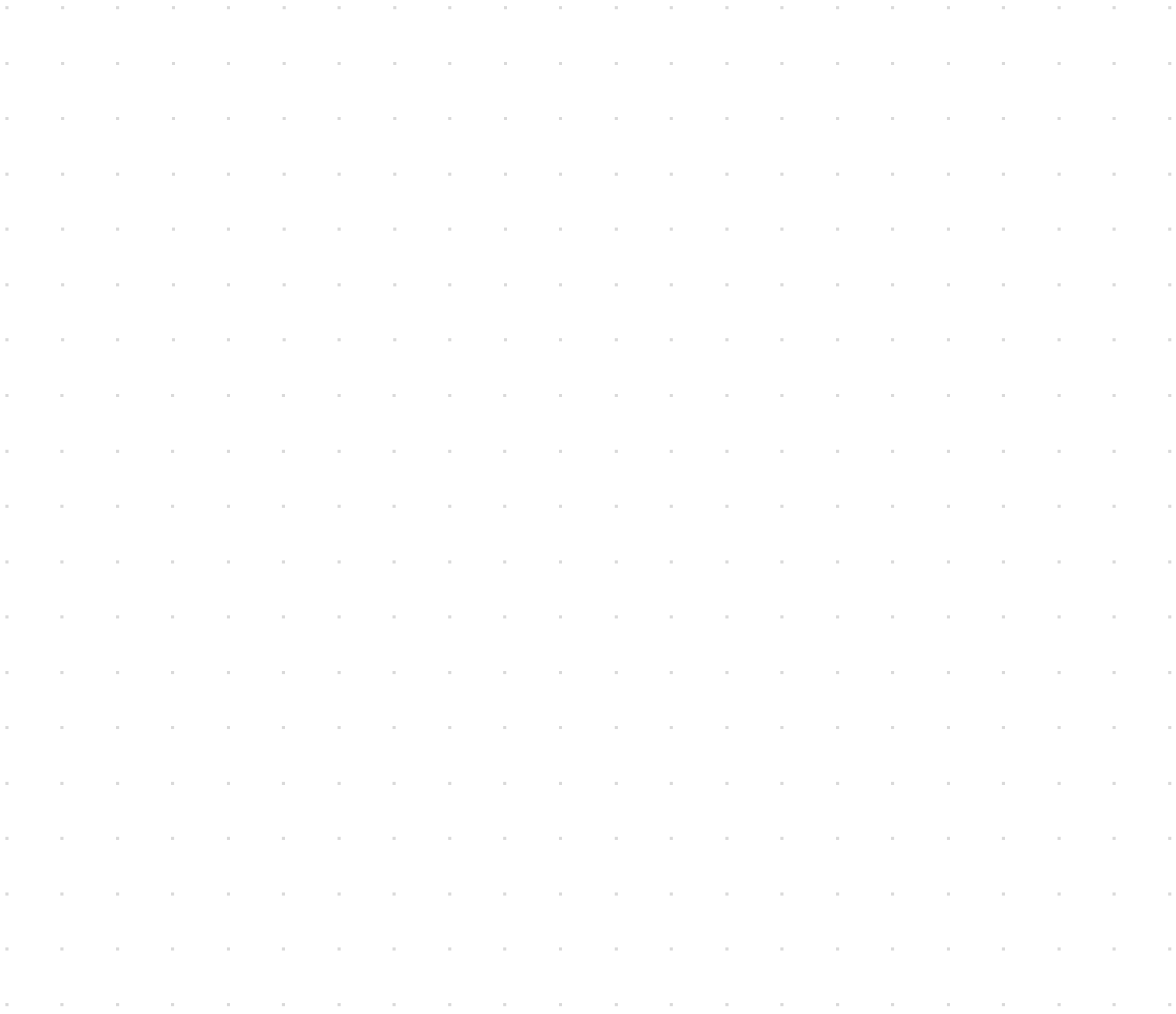
This is not a pipe dream. According to a study of North American media buyers co-sponsored by Econsultancy, one in four advertisers already allocates more than 50% of their digital spend to addressable media. The vast majority of them reported superior results compared to traditional display buys (83%) and higher conversion rates (60%).


Brands should reach out to their agencies today to learn more about people-based marketing if they haven't already done so. The game of whack-a-mole will continue, but only for so long. Whatever ITP workarounds are available today are

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likely to be stopgap at best. Additionally, with increased political scrutiny and regulations over online data usage becoming a trend that's likely to stay, it's easy to see the need for marketers to be informed and strive for sustainable solutions.

Be sure to catch our guidance document coming soon as Part 2 of this critical discussion. We will cover general best practices for media optimization in a cookie-less world, and also touch on addressing analytics data that is affected by new browser features and regulation. This includes lifetime value calculations, omnichannel-based optimization, year over year performance comparison, the rise of micrometrics, and more. ■



A decorative graphic on the right side of the page consists of several vertical bars of varying heights and widths, colored in a vibrant teal. A large, thick pink circle is positioned on the right, partially overlapping the teal bars.

Digital Made for Humans™

Want to learn more about
people-based marketing?

Connect with us at insights@pmg.com

