

# Intelligent Tracking Prevention

Five Factors to Ensure Digital Advertising Success in a Cookieless World

May 2019

In our earlier <u>companion piece</u>, we reviewed how web browser features such as Intelligent Tracking Prevention (ITP) have changed the game for digital advertisers. No longer can they rely on the same targeting and tracking methodologies that worked well for them over the years. With many users now browsing and transacting online in ways that are not visible to advertisers, companies must adopt new approaches. Instead of hoping that consumers overlook intrusive or disruptive ad experiences, marketers must now advertise in ways that meet the audience's demands.

These new approaches will help to ensure advertisers:

- Know what is performing well and contributing to their goals; and
- Are able to make like to like performance comparisons, even though datasets may be different compared to the prior period; and ultimately,
- Focus on and leverage what they have control over to drive audience engagement and action.

This guide isn't meant to be an A-to-Z prescription on how to adapt to the new paradigm of digital media buying. Rather, use this as a list of five key considerations to get the iterative process of preparing for the new environment started internally and with your partners.

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# Utilize Your First-Party Data

#### The Gold Standard For Marketing



#### UTILIZE YOUR FIRST-PARTY DATA

### The downside to walled gardens is that they make data sharing across partners in a media plan more difficult.

(Some, like Apple's <u>recently announced services</u>, don't even allow advertising, so even within a walled environment, the opportunity for advertisers is less than optimal.) However, since these sites require logins, advertisers benefit from the accuracy of deterministic matching for targeting purposes. Moreover, they get much better visibility into crossdevice measurement. The key to making this scalable and efficient is to find a platform that makes it easy to onboard and leverage first-party data.

**For example:** PMG's audience management platform allows clients to upload opt-in CRM data such as hashed email addresses, purchase history, location, etc., and create desired customer segments. The platform then distributes the target profiles to media partners, allowing the advertiser to reach the right person at the right time with the right message.

Some companies now require users to create an account to access content or parts of their sites, even without fees. The value is that people share their email addresses and other data that allow the company to expand its CRM data for future targeting.

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While people-based marketing isn't new, it still hasn't been fully embraced by advertisers yet. Our

expectation is that the adoption rate will rise very soon. More marketers will realize how difficult it is to maintain a cookie-driven approach, and see the new approach in the same way that brands like Spotify do, that is to say, the gold standard for marketing.

# 2. Develop Micrometrics as Performance Indicators

**Measures of Success** 



#### DEVELOP MICROMETRICS AS PERFORMANCE INDICATORS

#### Key performance metrics such as conversion rate and transactions won't go away, even in a cookieless world.

However, the confidence with which marketers view them will vary, and likely depend on the media partners and how well analytics are set up. That said, there are other metrics that could serve as proxies and early indicators of how well a campaign or publisher is performing. We call these micrometrics and strongly recommend that marketers identify which ones portend both success and failure.

#### To illustrate the value of micrometrics, we share a story of a PMG client.

When we first started working with this brand on its digital campaigns, their team was pretty much operating blind when it came to channel and media partner performance. The lack of visibility wasn't due to any cookie issues, but more so a lack of investment at the corporate level in the proper site analytics configurations. To make matters worse, the timelines given by their IT teams for fixing the issue were constantly being pushed back. They turned to us because they didn't know what worked, what didn't, and where to invest or pull back.

#### In a cookieless world, micrometrics will be valuable proxy measures of success or signals for improvement.

With our help, the brand adopted micrometrics, segmented by audiences targeted, that intuitively told them how well things were performing. The micrometrics we followed closely and optimized against included, among others, impression share, CTR, ad rank, and number of unique traffic-driving keywords. By tracking these metrics, the team was able to make informed investment decisions that ultimately flowed to topline and bottom line revenue. The segmentation of the micrometrics also allowed the client to get indicators of LTV by audiences and contribution of media vehicles.

Admittedly, that brand would have preferred greater insight into data based on robust tracking and targeting, but this was the hand they were dealt. It is not too dissimilar to the situation many digital advertisers now find themselves in. In a cookieless world, each advertiser should identify their own micrometrics as they will be valuable proxy measures of success or signals for improvement.

# **3. Identify Channel Incrementality**

#### Start Quantifying Now



#### **IDENTIFY CHANNEL INCREMENTALITY**

### Another consideration is to take advantage of still having good visibility into cross-channel performance.

Savvy marketers should identify and quantify the incrementality of areas like nonbrand search, paid social, and more. The objective is to learn each channel's ability to directly drive key business levers like net new site traffic or new customers. Gaining that knowledge now will give advertisers the confidence they need to push in key areas based on objectives, even if their data is less transparent.



#### There are several approaches to take.

One potential path to incrementality testing would be to measure lift by turning off specific channels in select markets. Doing so could give brands insight into how those channels contribute to overall digital performance. The flip side of the pause approach is to instead blast your way to quickly determine the potential cap of an opportunity.

Regardless of your chosen approach, successfully gauging incrementality could take many iterations, so this is something every advertiser should start doing now.

Successfully gauging incrementality could take many iterations — so start now.

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### 4. Strengthen Your Search Game

#### What is Old is New Again



#### STRENGTHEN YOUR SEARCH GAME

#### Not that it ever went away, but paid search's importance to a marketer's media mix will be even more valuable once cookies go away.

That's because search allows advertisers to target by intent, intent that a user expressly shares via their query. Search queries — both textual as well as by voice — make up one example of behavioral signals whose importance will be paramount in the future, as they will allow us to get closer and closer to user intent. Other examples could include what questions come up after a user has engaged with a click-to-call prompt on a search ad, or actions taken (or not taken) on a product page after an ad click.

Google is the dominant platform for most searches, so you'll want to make sure your search accounts are robust and refined. But remember that the search landscape has

#### Google is the dominant platform for most searches. But remember that the search landscape has changed dramatically.

changed dramatically in recent years. The majority of shopping searches now begin at Amazon, and the platform offers a cost per click bidding system similar to Google Ads. And the voice search landscape will undoubtedly continue to evolve, with both Amazon and Google likely to lead advances and monetization efforts.

# 5. Ensure Creative

# and Content Are On Point

#### A Critical Role



#### ENSURE CREATIVE AND CONTENT ARE ON POINT

The last area of focus for marketers looking to mitigate the impact of data loss is to, paradoxically, reexamine creative and content, and how to fully leverage both to drive audience engagement and transactions.

Let us preface this by stating we are not challenging all brands to create online video ads that tug at the heartstrings, though if that would be effective for your goals, then have at it.

#### Instead we are saying two things:

- **1.** Remember that emotional connections with your customers can be just as beneficial as showing them what your product's value proposition is.
- **2.** Great creative and content can be arrived at through data and innovation.

We won't belabor the first point, but we want to call particular attention to the second. Even in a cookieless world, marketers will have many data points to inform their decisions, especially on the creative front. Look at non-PII signals that could help you create an ad experience that is relevant to the audience. In fact, PMG currently manages efforts for several clients as if the post-cookie world is already a full reality. As an example of some of the innovation that's come out of that, take an advertiser who chose not to target customers based on their profile data. Instead, PMG used the audience's location (via the GPS coordinates their mobile devices are sharing) to serve ads that highlight nearby locations with available inventory. That ad experience was hugely resonant with audiences, and offered a utility that consumers found valuable and engaged deeply with.

To be sure, there have been some short-term challenges that stem from operating without the use of cookies for these advertisers. However, it is an advantageous approach for them, as they are ahead of the game in terms of working through kinks around user experience, customer service, and product innovation. The above only scratches the surface of how creative can and should play a critical role. That said, that's an area brands should focus on right now, regardless of how cookiebased targeting and measurement evolves.

#### In summary, these five key areas are starting points for brands seeking a long-term solution to changes in digital media brought on by data privacy demands and regulation. None of these are quick and easy jobs and require organizations to deem them as priorities, and invest not just money but also time to properly implement. The good news for advertisers is that following through on these will ensure they are steeped in best practices — and that their campaigns likely do not need

to be overhauled each time there's an update to Safari's ITP protocol, or a government regulator imposes new rules around online consumer data usage.

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Want to learn more about people-based marketing?

Connect with us at insights@pmg.com

