

Industry Review

2024: An era-defining year



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Post-cookie Technology

The Post-Cookie Technology Quadrant



IDS

Like much of the PCTs, IDs will be part of a bigger mix. Deterministic and probabilistic will be core to the ID strategy. All data sources must have opt-in (legally and on specific platforms). This should be requisite regardless. There will likely be scale issues but should be core to any post-cookie data strategy.



"CLEAN ROOM"/ DATA STACK

Clean rooms are going to be integral to data segmentation and activation post-cookie. The sweet spot for ad tech will be built around ops tools, partnerships/marketplaces/activation layer and service solutions. From productising on top of "enterprise infrastructure" to enrichment to strategy, the clean room segment could be the ultimate enablement technology in post-cookie world.



CONTEXTUAL & SDA (SELLER DEFINED AUDIENCES)

Contextual will be the fall back for most in the industry. Many ad tech companies are building new signals on top of page level data - from search to attention to location. Seller Defined Audiences could be the go-to framework to scale these signals. The one big problem for contextual like everything else in the PCT quadrant is measuring campaign performance.



MEASUREMENT LAYER

The biggest issue in a post-cookie world is going to be campaign measurement. With cookie and ID deprecation it gets harder to evaluate the efficacy of digital advertising. There will be a move to panel-based solutions, particularly attention. This last quadrant will work with IDs and contextual, and clean room to offer buyers and sellers with a post-cookie measurement and targeting framework.

→ Post-cookie Technology

Rejoice because the digital sky is not falling!

In the dynamic landscape of digital advertising, the evolution of tracking mechanisms has been a rollercoaster ride, with cookies playing a pivotal role. Unfortunately, like many technologies, they were great... until they weren't.

Originally designed with the well-intended cause of providing tailored and personalised experiences for consumers, cookies have unfortunately fallen victim to abuse. This misuse has given rise to heightened privacy concerns, a surge in virtual private network (VPN) usage to evade tracking, and ultimately led to legislative measures that define the extent of information that can be collected about consumers. While this legislation is a win for consumers, brands, advertisers, and marketers are left to deal with a massive data deficit in the face of ever-increasing sales, impressions, and ROAS goals.

So what is an advertiser, brand or marketer to do? Read on for four immediate actions you should take and the questions you should be asking along the way.

First, take a deep breath

Next, rejoice because the digital sky is not falling — as a matter of fact, there is not even a cloud in sight!

While digital marketers were busy leveraging cookie data to (somewhat successfully) reach consumers, major advancements in the technology surrounding IP address monitoring, data collection,

and data mining were taking place. The result: IP Address Intelligence, a more-than-suitable replacement for cookies that provides a robust, and inherently more secure solution, while sidestepping the pitfalls of cookies and presenting a promising avenue for a more responsible and privacy-conscious era in digital marketing.


Second, look within

Hint: within your Customer Management System (CMS).

The treasure trove of data at the disposal of marketers is immense. What's more, it can seamlessly intertwine with IP address data, providing a robust foundation for constructing nuanced audience segmentation and targeted marketing strategies. By harnessing the power of IP addresses, advertisers can transcend many of the limitations posed by cookies, creating more accurate and refined audience profiles.

But try not to get ahead of yourself. Having the data solves approximately one-third of the post-cookie marketing challenge. The other 66%? Well, it consists of clearly outlining what you are trying to achieve, and finding the right IP address intelligence partner that can provide the expertise and enterprise-level consultation on how to best leverage IP address data to drive results. (Bonus hint: if you can buy the data with a credit card it very likely doesn't come with the level of consultative support you need to maximise impact.)

As teams reflect on what they'd ultimately like to accomplish, it is an optimal time to also consider what they don't want to happen: a repeat



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of legislators having to intervene because of an industry that has collectively failed to treat sensitive information, well, sensitively.

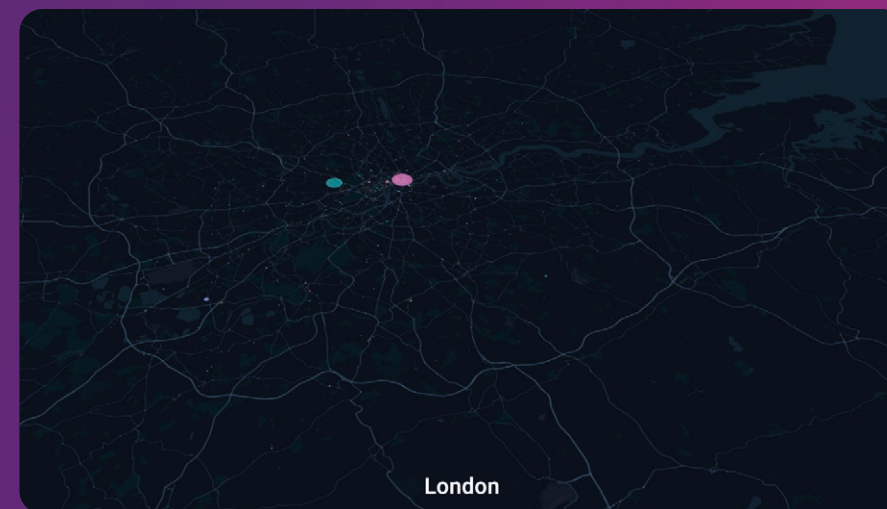
While building out your strategy around using alternate data sources, like IP addresses, for target marketing, it is a great opportunity to also build out your plan to incorporate privacy measures into how you use or offer your data. (Extra bonus hint: a good IP geolocation partner can help with this!)

Third, understand that not all IP address geolocation data was created equal — not even close

Among many, here are three of the most important factors to consider when evaluating IP address geolocation data.

Distribution of Address Location:

As a marketer, you understand the importance of precision when it comes to segmentation. While you work through your evaluation of IP address geolocation data, pay very special attention to how IP addresses are placed throughout a metropolitan area. If the vast majority of the IP addresses for a large metropolitan area are placed in the center of a



The images above illustrate how IP geolocation providers place IP addresses throughout the city of London. With Digital Element data (top), brands can segment much more effectively and drive improved campaign results.

large city, you won't get the benefit of segmenting beyond the city center.

Context is KING: Geolocation is the tip of the iceberg when it comes to the useful data that can be mined from IP addresses. There are many more contextual clues that can inform whether IP addresses are useful for a campaign or not. (Hint: Think VPNs, Proxy networks or mobile IP addresses). Each data point will help inform what you can expect from your campaign.

Data Timelines: Geolocation is all well and good so long as an IP address is stable, but what if it is dynamic?

In that case, you're going to want to make sure that your IP address geolocation partner takes that into account. To do this, they will need to be able to provide the behavioural characteristics of IP addresses and be able to update their data frequently to ensure marketers have the latest and most up-to-date information.

Collaborating with a partner who delves several levels deeper than basic IP address geolocation is essential for the impending shift away from cookie-based tracking. The intricacies involved in this partnership extend beyond traditional methods, requiring a depth of

understanding that goes far beyond mere geolocation. Such collaboration is pivotal in navigating the complexities of transitioning to alternative tracking mechanisms and ensuring a successful adaptation to evolving digital landscapes.

Fourth, relax

While the post-cookie journey is a transformative one, it is not an insurmountable one. To navigate it successfully, however, it is imperative to scrutinise the objectives at hand and embark on comprehensive research into IP geolocation providers. Asking the right questions during this exploration will be pivotal, ensuring that the chosen providers align with the specific needs and goals of the advertising and marketing initiatives.

As the industry adapts to a post-cookie era, the strategic integration of IP addresses emerges not only as a viable replacement but as a catalyst for precision and effectiveness in audience targeting in a privacy-centric way ●



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