



STOP KICKING THE
COOKIE CAN: THE TIME
HAS COME TO ACT ON
IDENTITY

ACX IOM

Since 2018 we've been standing at the end of the diving board waiting for someone to push us into the post-cookie pool. Now that Google has finally set a timeline for third-party cookie deprecation, brands have no choice but to take that plunge. And their approach to identity will be the difference between those that sink and those that swim.

The truth is we shouldn't be talking about [third-party cookies at all anymore](#). While we've been distracted by the impending deprecation, immense innovation has taken place. We're at the cusp of a technological explosion that will create infinitely more data than simple browser activity on a website.

Instead of thinking narrowly about how to cope without cookies, brands should be taking a far broader view of identity. They should focus on how they can use cloud-enabled identity to deliver engaging, privacy-compliant customer experiences in a world where technology is far more immersive, but also far more intrusive, than it is today.

ACCELERATION IN AI AND IMMERSION

The current acceleration in innovation is palpable. You only have to look at the number of generative AI chatbots and models—like Chat GPT, DALL-E, and Bard—released in the last year to understand that.

And innovation is particularly fierce with immersive technologies such as virtual and augmented reality. The price of the Apple Vision Pro may prove a barrier to mass adoption for the time being, but the tech—which includes 12 cameras for a variety of purposes from mapping the world around you to scanning your iris for eye tracking—is mind blowing and gives us a snapshot of the future.

Wherever Apple leads, other technology companies are sure to follow. You only have to look at how quickly smartphones took off in the wake of the 2007 iPhone release (and then how quickly the app economy emerged thereafter) to get an idea of what might be coming.

To older generations, the concept of AI and immersive technology becoming mainstream can be difficult to accept. But members of Gen Z and Gen Alpha are growing up in a world dominated by gaming, where many spend more time with their friends in [virtual environments](#) than they do in real life. Brands need a strategy to interact with people in these generations as they emerge into adulthood.

It's hard to know at what point these immersive capabilities will completely change the way brands need to think about customer engagement, but it's not far away. And the vast volume of data being thrown off by immersive technologies will have a downstream impact on identity in the data-driven world, as it's used to drive meaningful, personalized experiences.



A PARALLEL TECHNOLOGICAL CONVERGENCE

At the same time innovation is accelerating, we're also seeing a convergence where technologies that previously operated in silos are being democratized and overlapped.

From an identity perspective, capabilities such as authentication and verification are converging with identity access management (IAM) making everything more interoperable. Where customer accounts and advertising used to be completely disconnected, for example, there's now an interrelationship.

While this convergence and interconnectivity is positive from an operational standpoint, it does inevitably raise questions about security. When activity in virtual, digital environments can be linked to objects or actions in the physical world, strict controls need to be put in place to govern accessibility. This is particularly important when we get into the realms of one-click shopping, smart homes or—even more crucially—autonomous vehicles.

There are also important questions to be answered about data privacy, consent, and preferences. In the evolving landscape, where privacy concerns are growing and regulations such as GDPR and CCPA are tightening, obtaining explicit customer consent is becoming paramount. It ensures personal data is collected, processed, and utilized in a transparent and respectful manner the individual has agreed to. A consent-driven approach empowers individuals to control their information, builds trust between brands and customers, and aligns marketing practices with ethical standards, fostering a sustainable foundation for effective data-driven strategies.

To future-proof against tighter regulation and growing privacy concerns, brands need to aim for zero exchange of personally identifiable information (PII). By using the right combination of marketing cloud, clean room, and [identity technology](#), brands can move identity closer to the data (rather than moving PII to the identity solution) and achieve functional anonymity in downstream processes.



MAKING POST-COOKIE RHETORIC INTO REAL CAPABILITY

It's time for brands to take a broader perspective on identity and look to a future where data doesn't just come from web browsers but from a mass of innovative, immersive technologies and experiences that are all coming together to transform the way we think about customer engagement.

But in the short term, as [cookies are finally phased out](#), there's bound to be a reckoning. Addressability will decrease, and brands will need to be more strategic about reach. Disintermediation of ad-tech platforms will make direct deterministic matching between brands and publishers critical to future engagement. Measurement won't function the way it does now, and brands and publishers will have to think differently about how they gauge success. Those paying lip service to "cookieless capabilities" without really transforming what they do will be under immense pressure.



HOW POST-COOKIE SOLUTIONS STACK UP TODAY

There's no need to panic. We've been discussing solutions for the post-cookie world for years, so we just need to dust off those plans and put them into action. Right?

Well, yes. And also ... no. The situation has changed since the cookie first began to slowly crumble. Let's take a look at five potential solutions to alleviate the disruption of cookie deprecation and see how they stack up today.

1 FIRST-PARTY DATA GIVES MORE CONTROL

First-party data continues to move into the primary seat and will be by far the best way for brands to generate insights to make up for a loss of addressability in the immersive, post-cookie world. There's a lot we can't predict about what happens next, but the one thing we do know is that collecting first-party data in a privacy-compliant way—and having the right tech in place to activate it—will be absolutely key.

For brands, the difficulty with first-party data is the extent to which data privacy regulations have evolved and will continue to evolve. The onus is on brands to manage and protect first-party data in line with continually changing regulations. They will have to take responsibility for direct customer interactions, such as requests for data access or deletion.

And they will need to manage consent which—as we discussed earlier—is moving quickly in the direction of explicit rather than implied consent as different U.S. states pass laws that look increasingly like GDPR. Knowing people isn't just about understanding the signals of who they are but also finding out how they want to engage and applying that knowledge to every interaction.

As regulatory oversight and privacy demands continue to emerge, it is critical to understand the whole person. First-party data is the way forward, and it gives brands more control, but it also brings great responsibility, and brands are likely to need expert support with data governance and oversight.

2 FEDERATED IDS ARE A PROMISING AVENUE

New Federated IDs let brands transform post-cookie discussions into tangible capabilities for personalized advertising while safeguarding user privacy.

One example is UID2.0—an intermediary translation of email addresses and phone numbers processed through the UID2 operator, tokenized, and transformed into audiences for activation by platforms like The Trade Desk.

Unlike traditional bidstream-based delivery, UID2.0 employs a consent-driven model, so advertising respects user privacy preferences while remaining effective. The UID2.0 system's multifaceted approach underscores its potential as a bridge between privacy-conscious practices and personalized marketing capabilities.

3 CONTEXTUAL ADS NEED MEASUREMENT

One often-touted solution to cookie deprecation is moving away from people-based targeting and back to the simpler concept of contextual advertising. This view does have value, and moving forward we're likely to see a rise in contextual ads in some sectors.

However, the main question for contextual advertising is how brands measure its effectiveness. Technology is evolving to enable this. For example, Acxiom's [Real Identity](#) can ethically associate a contextual ad impression with customers if they subsequently visit the brand's website. This is something brands need to think about if they're considering the contextual route.

4 DATA COHORTS COME WITH CONCERNS

A fourth option for the post-cookie world is data cohorts, with people grouped together for advertising purposes based on certain similarities. Google is pushing this approach with its Topics API (part of the Privacy Sandbox initiative and the successor to FLoC), but few brands have yet to come to grips with the cohort concept.

Despite an apparent focus on privacy, there are important questions about whether cohorts are really a viable option. Building out the Topics ID, for example, requires Google to put a browser-based cohort ID on people's devices as they consume content across the open web. Whether or not people are willing to consent to that type of activity remains to be seen.

5 WALLED GARDENS ARE MULTIPLYING

Finally, the traditional walled gardens of Google and Meta might have been seen as an easy fallback option for post-cookie advertising. After all, they provide a handy intermediary between the brand and people to provide data and deal with regulatory compliance.

But that landscape is changing quickly. Amazon, TikTok, and various streaming platforms are already [challenging the dominance](#) of Google and Meta, causing their share of the digital advertising market to fall. And with joint ventures underway like the one between the [European telcos](#), this trend is likely to continue.

What's more, a new iteration of walled gardens is emerging in the form of retail media networks (RMNs). These networks bridge the gap between contextual advertising and people-based engagement, and their influence in the post-cookie world will increase.

Walled gardens offer some possibilities, but in an increasingly confusing landscape with little standardization, brands will need help to navigate them.

IT'S TIME TO MOVE PAST THE COOKIE CONVERSATION

So, much has changed since the death of the cookie was first declared, and brands need to take a fresh look at the solutions available. Ultimately they'll need a patchwork of capabilities, across multiple platforms, combining direct integrations with single intermediaries, to deal not just with the final disappearance of the cookie but also with the technological explosion ahead of them.

Find out more about how Acxiom can help you accurately identify and ethically connect with people in this new immersive world.

EXPLORE IDENTITY SOLUTIONS

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