

The death of cookies raises the bar for ad quality

Article

With third-party cookies facing deprecation, advertisers will need to get creative to reach target customers.

“To me, the absence of cookies doesn't mean absence of audience targeting,” said Vitaly Pecherskiy, co-founder and CEO of StackAdapt, on the [Outlook and Strategies for 2024's Second Half](#) EMARKETER summit. “You can have the world's best targeting, reach the right

user at the right time [on the] right device, but if the ad is actually not good, it can probably do more bad than good,” he added.

Beyond using alternative IDs for audience targeting, Pecherskiy said advertisers should be “tapping into channels that inherently don't rely on cookies, such as connected TV (CTV) or digital out-of-home,” he said.

The bottom line: Advertisers must embrace experimentation. They should understand their existing customers and map out where they spend their time and what messages they respond to before focusing on the specific tactics they'll use to reach them.

The need for high-quality ads is higher with CTV. “One of the reasons that connected TV has been on a total rocket ship the past few years has been precisely because the targeting infrastructure does not rely on cookies,” said our analyst Evelyn Mitchell-Wolf.

Here are some key stats to consider:

- US CTV ad spend will grow 18.8% this year to reach \$28.75 billion, per our March 2024 forecast.
- That means CTV will account for 16.7% of all US display ad spend this year.
- People expect CTV ads to have the premium quality they're familiar with on TV, which means as CTV ad spend continues to grow, ad creative will need to shine.

Despite the need to set the creative bar high, advertisers shouldn't rush to use AI to build all campaigns, Pecherskiy said. “Not everything has to use AI to create value.”

Instead, advertisers should use generative AI for optimization. “It can offer marketers a more intelligent way to strategize around their campaigns. It can maybe surface unique audiences that maybe they have not thought about. It can help them create plans around specific channels or a marketing mix,” Pecherskiy said.

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