

# 5 charts on how third-party cookie deprecation will change ad buys

Article

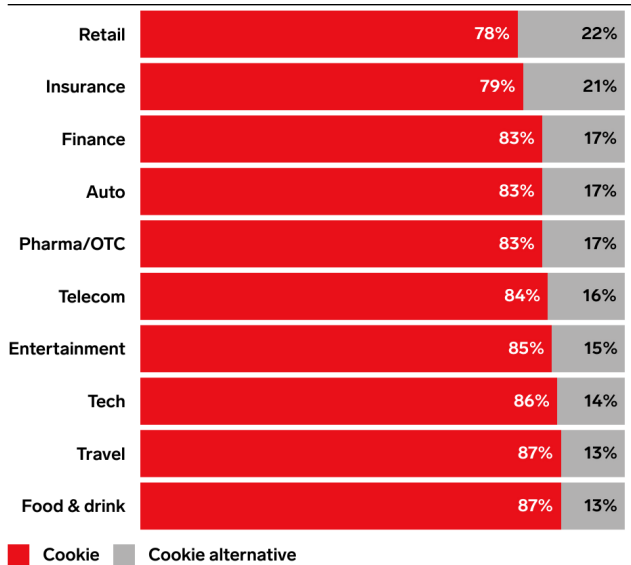


Although Google delayed third-party cookie deprecation until 2025, marketers should be preparing now. Here are five charts on how the loss of cookies is impacting the industry.

## 1. Most advertisers are still relying on cookies for their programmatic buys

## As of Q3 2023, Cookied Inventory Still Accounts for Most Programmatic Activity

% of total US programmatic ad buys, by industry



Note: represents activity on the 33Across platform; broader industry metrics may vary  
Source: 33Across, "Programmatic Cookie Alternative Trends Report: Q3 2023," Nov 2, 2023

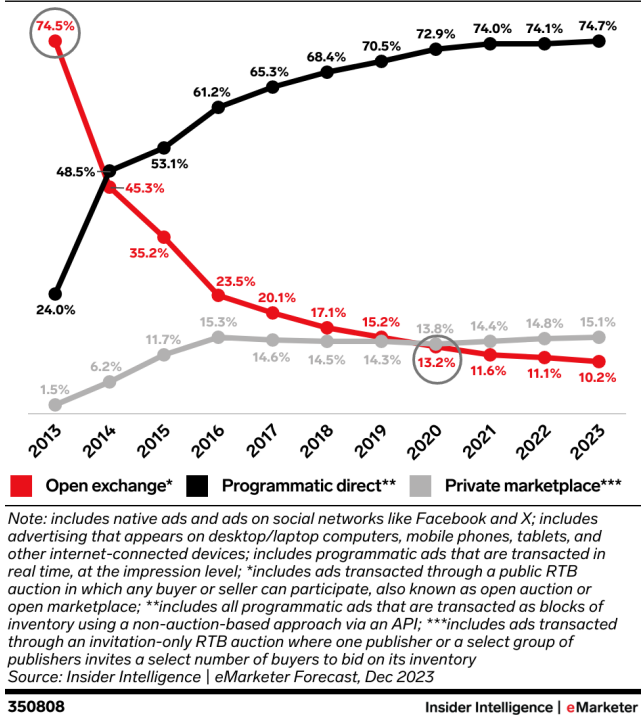
350696

Insider Intelligence | eMarketer

More than three-quarters of US programmatic ad buys in 10 industries relied on cookies in Q3 2023, per November 2023 data from 33Across. Less than two months later, Google deprecated Cookies for 1% of Chrome users worldwide. Advertisers should avoid waiting for Google to reach its deadline and instead focus on testing alternatives like attention-based metrics, activating first-party data, and contextual advertising.

## 2. Cookie loss won't affect advertisers' preferred transaction methods

**In Less Than a Decade, the Open Exchange Went From Most to Least Popular Transaction Method**  
 % of US programmatic digital display ad spending, by transaction method, 2013-2023



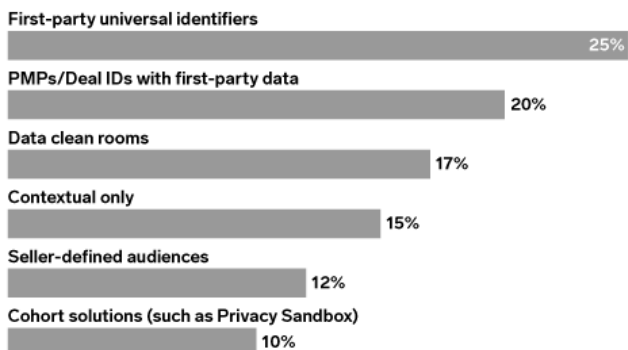
In 2013, open auctions were the most popular transaction method, accounting for nearly three-quarters (74.5%) of the programmatic display market. In the decade since, its share has dropped to 10.2% as advertisers rely increasingly on private marketplaces and direct platforms such as social media channels and retail media networks.

As they refocused strategies around first-party data, programmatic advertisers invested more in closed and private ecosystems, which reduce hidden fees, minimize the risk of data leakage, and lessen carbon usage.

**3. First-party data is the next-best solution**

## Types of Identity Solutions Marketing Professionals Worldwide Consider Most Viable Solution to Deprecation of Third-Party Cookies, Aug 2023

% of respondents



Note: numbers may not add up to 100% due to rounding  
Source: ID5, "The State of Digital Identity 2023," Oct 31, 2023

283774 Insider Intelligence | eMarketer

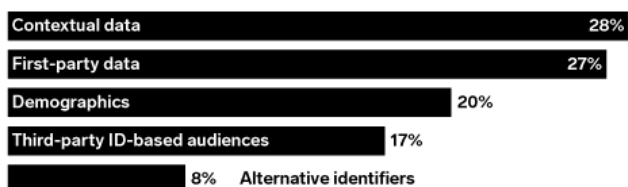
A quarter of marketing professionals worldwide believe first-party universal identifiers are the most viable solution to cookie deprecation, according to August 2023 data from ID5.

As alternative ID solutions become more critical, competition for first-party data has intensified. Solutions that rely on first-party data, however, favor large brands with vast data sets, while smaller players may be forced to shell out big investments to take the same approach.

### 4. Ad budgets favor contextual and first-party data

## Average Budget Allocation Across Data Types for Targeting in 2024 According to US Advertisers, Nov 2023

% of budget



Source: Proxemic, "2024 State of Programmatic Report," Jan 16, 2024

284671 Insider Intelligence | eMarketer

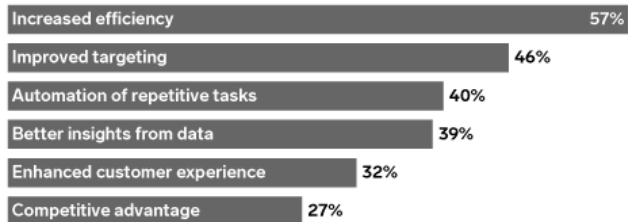
US advertisers say 28% of their targeting budget is put toward contextual data, while 27% is for first-party data, per a January 2024 report by Proxemic.

A different report from Proximic found that 54% of US marketers planned to increase their use of contextual data in 2023. But contextual targeting needs to be enhanced with AI and other behavioral tactics to be successful.

## 5. AI will be imperative to ID-free targeting

### Key Benefits of Using AI in Marketing According to Marketers Worldwide, Dec 2023

% of respondents



Source: Ascend2, "Leveraging AI in Marketing," Jan 4, 2024

284362

Insider Intelligence | eMarketer

Marketing professionals worldwide believe that improved targeting is the second-biggest benefit of using AI in marketing, following increased efficiency, per December 2023 data from Ascend2.

Generative AI is key in empowering advertisers with limited first-party data, as it requires little input to power probabilistic models. Smaller brands and agencies can take advantage of these tools to scale addressability without identifiers.

*This was originally featured in the eMarketer Daily newsletter. For more marketing insights, statistics, and trends, subscribe [here](#).*