

No cookies? No problem. Find new clients with your first-party data

Google has made good on its promise to phase out third-party cookies by the end of 2024. This has huge implications for any brand looking to expand their customer base, as it means the conventional open web auction method based on third-party data — one of the top ways to prospect for new clients — is dead.

So it's time to start exploring what you can do with the data you've got: Your **first-party data**.

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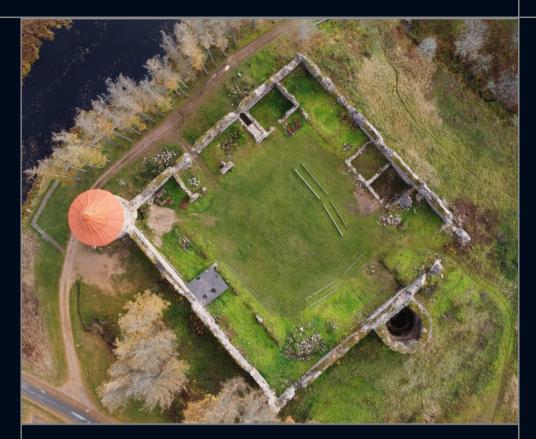
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Is it time to go all-in on walled gardens?

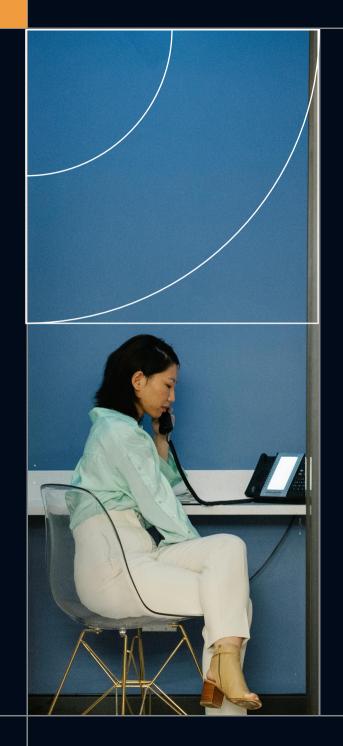
The first instinct for many marketers would be to use the "lookalike audiences" feature available on many walled garden platforms to support their prospecting efforts and extend the reach of these to the large volume of users boasted by these platforms. This way, they can simply upload their first-party data and quickly receive new target audiences based on characteristics identified within their original seed audience.

But this method has **two major shortcomings**:

- → Users don't spend the majority of their online time in walled gardens — they spend it on the open internet. To be specific, they spend 34% of their time in walled gardens and 66% on the open internet.
- → Sharing your proprietary data with an outside entity means you no longer have control over what happens to it.



Stand out from the crowd and reach new customers where they are: 60% of digital ad budgets are spent in walled gardens, even though users spend less time there than on the open internet, such as premium online newspapers or CTV. By braving the world outside walled gardens, you're more likely to be seen and won't have to compete for attention.



What are my options for prospecting beyond walled gardens?

If reaching new potential customers where they spend their time online is a priority for your brand, you'll want to weigh your options for running a prospecting campaign outside of walled gardens.

Here are the available solutions:

- → Contextual advertising
- → Google Privacy Sandbox via the Topics and Protected Audience APIs
- → Data clean rooms that support lookalikes

In the following sections, we'll introduce the basic premise behind each of these solutions. Then, we'll evaluate how they weigh in on three key factors:

- **1. Precision** to help you identify the best possibilities for ad spend effectiveness
- 2. Privacy to help you protect your first-party data (a highly valuable commodity in this new cookieless world)
- 3. Reach to help your ads resonate with enough people

Contextual advertising

Brands using contextual advertising for prospecting ensure full control over their data, since they won't need to use it for this type of targeting. Instead, they can target audiences based on the context of the article those audiences are reading.

This mitigates the risks associated with third-party data sharing and potential privacy breaches, making it a good contender for privacy-conscious brands.

Users also prefer contextual advertising to ads based on third-party data profiles, with 79% favoring contextual over behavioral advertising. And because contextual offers a broad spectrum of contexts in which the ad can be seen, it offers extensive reach as well.

However, because this type of targeting assumes user interests based only on the content consumed, its level of precision won't match what advertisers were used to achieving when third-party data signals were still strong.



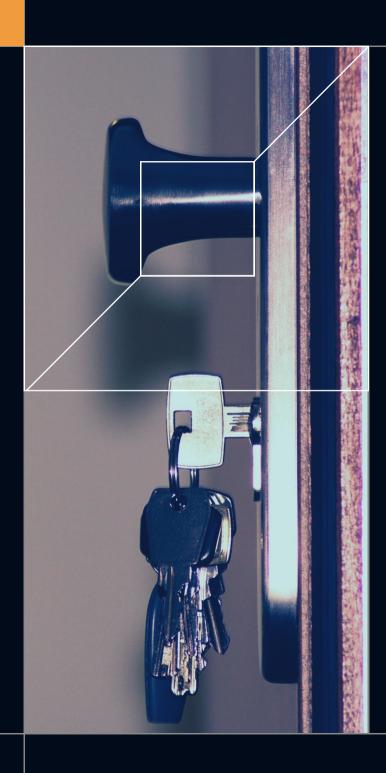
Google Privacy Sandbox: Topics API

Google's own initiative to help advertisers pick up where thirdparty cookies left off, the Privacy Sandbox helps preserve user privacy by enabling tracking through anonymized signals rather than accessing the browsing behavior of individual users.

Two main components of the Privacy Sandbox are relevant to serving ads, the Topics API and Protected Audiences API.

Similar to contextual advertising, with the **Topics API**, marketers will only be able to access information about users interests without knowing any specifics about users' browsing habits. So while this has good implications for user privacy, the result will be similar to the restricted precision and reach achieved by contextual targeting. Furthermore, it will be limited to users using the Chrome browser only. And within Europe, users must proactively select to engage in interest-driven data aggregation via Topics, greatly reducing its usefulness to marketers.





Google Privacy Sandbox: Protected Audience API

With the **Protected Audience API**, the user's browser preserves advertiser-defined interest clusters and conducts on-device auctions for ad placements. Similar to cookies, these clusters are crafted from user activity across websites. Unlike cookies however, they remain private and are not shared with third parties.

This is especially useful when a brand applies this information to user behavior on its own website. Meaning if a user places a few items in their cart but never completed the checkout process to purchase them, brands can retarget this user on publishers' websites across the internet.

So while this solution is well-suited for typical retargeting use cases (and more precise for this scenario), it comes up short for brands looking to expand their audiences to completely new groups of people who don't yet have any touchpoints with the brand.

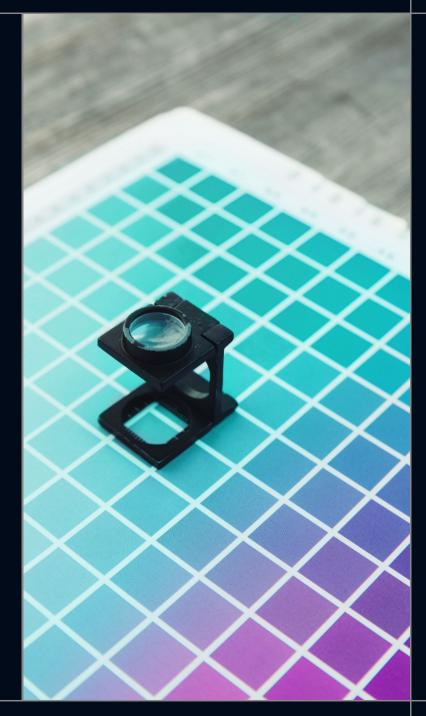
Its reach has also been compared to what brands were able to accomplish with third-party cookies when these signals were still strong, meaning marketers can expect large numbers of people to see their ads with this method. But like the Topics API, it is also limited to Chrome users who can opt out.

A data clean room that supports lookalike audience creation

At this point, lookalikes still stand out as the optimal solution for prospecting. But in order to be effective, they need to enable your brand to reach customers outside of walled garden environments and, ideally, protect your valuable proprietary data.

Data clean rooms that support lookalikes are the best option to reach new customers in the new cookieless digital advertising landscape. With these solutions, you can use your first-party data to expand your reach through advanced Al lookalike models and create high-converting audiences.

With Decentriq's Lookalike Clean Rooms, your data remains encrypted and invisible to any collaborating parties at all times due to our integration of confidential computing within our solution. Designed for business users, you can get started uncovering insights right away by inviting publishers you work with directly to the clean room, or selecting from our network of publisher partners.



Post-cookie prospecting options overview

Navigating this new territory doesn't have to bring about uncertainty. Let's sum up the options we've explored so far as they apply to most brands' major concerns: privacy, precision, and reach.

	Control over your proprietary data	Targeting precision (for prospecting)	Reach
Walled garden lookalikes	×	✓	✓
Contextual advertising	✓	×	✓
Google Privacy Sandbox via Topics API	✓	×	(limited to Chrome users)
Google Privacy Sandbox via Protected Audience API	✓	✓	(limited to Chrome users who are "warm prospects")
Decentriq: Privacy- preserving data clean rooms that support lookalike audience creation	✓	✓	(limited to premium publisher inventories)

How to get started expanding your audience in a privacy-preserving way

Watch the demo to see how Decentriq Lookalike Clean Rooms enable collaboration with publishers in just a few clicks of a button — from setup to analysis to activation:

