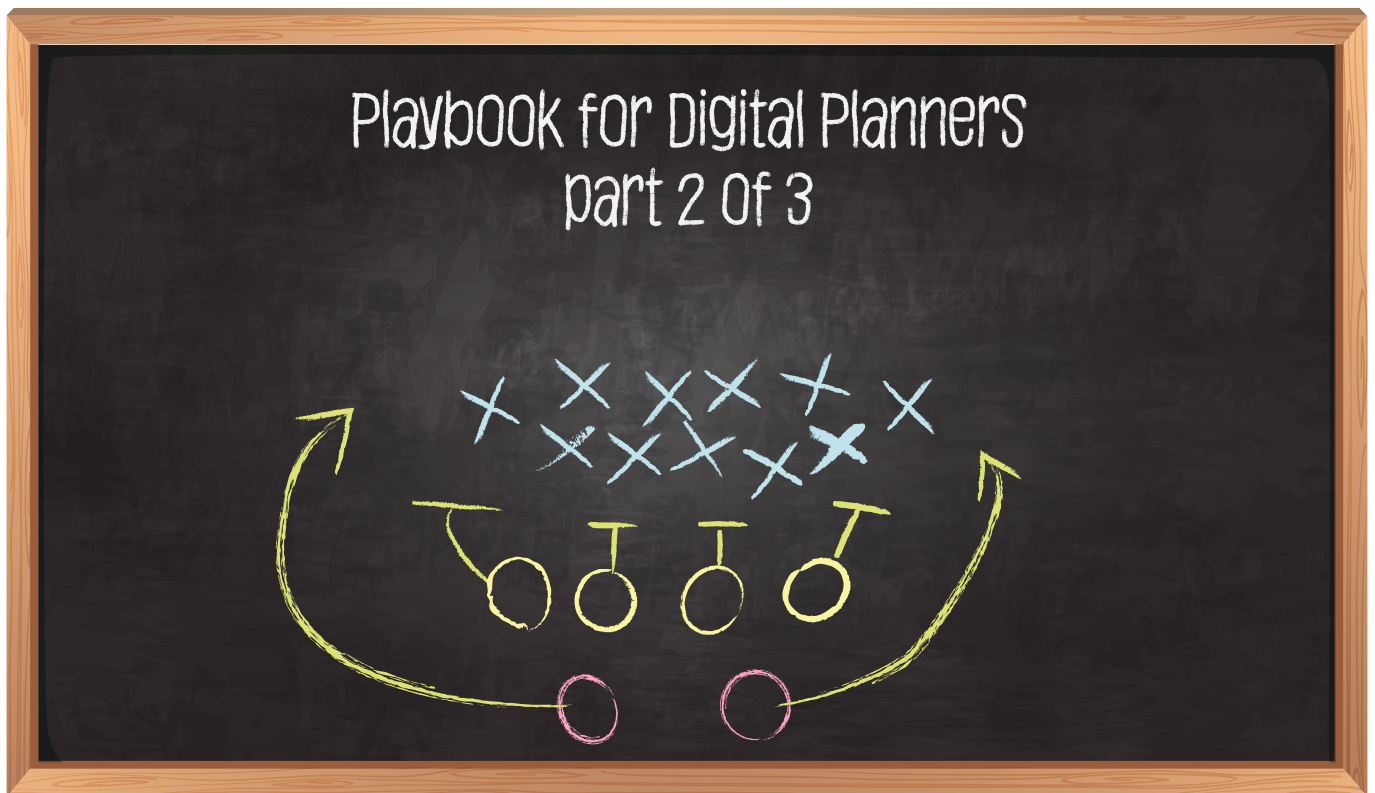# Campaign Planning in a Cookie-Free Post-Corona World Part 2: Overview of Cookie-Free Technology

This 3-part blog series looks at the challenges and opportunities for digital planners to thrive in a cookie-free, post-coronavirus world. Part 1: Digital Planners Live in a Stressful World examined the trends that are driving the digital planner's new reality. Part 2 examines the cookie-free technologies available to digital planners: location data, contextual targeting, and targeting by household/neighborhood characteristics.

Location Data

Contextual Targeting

Household
Characteristics
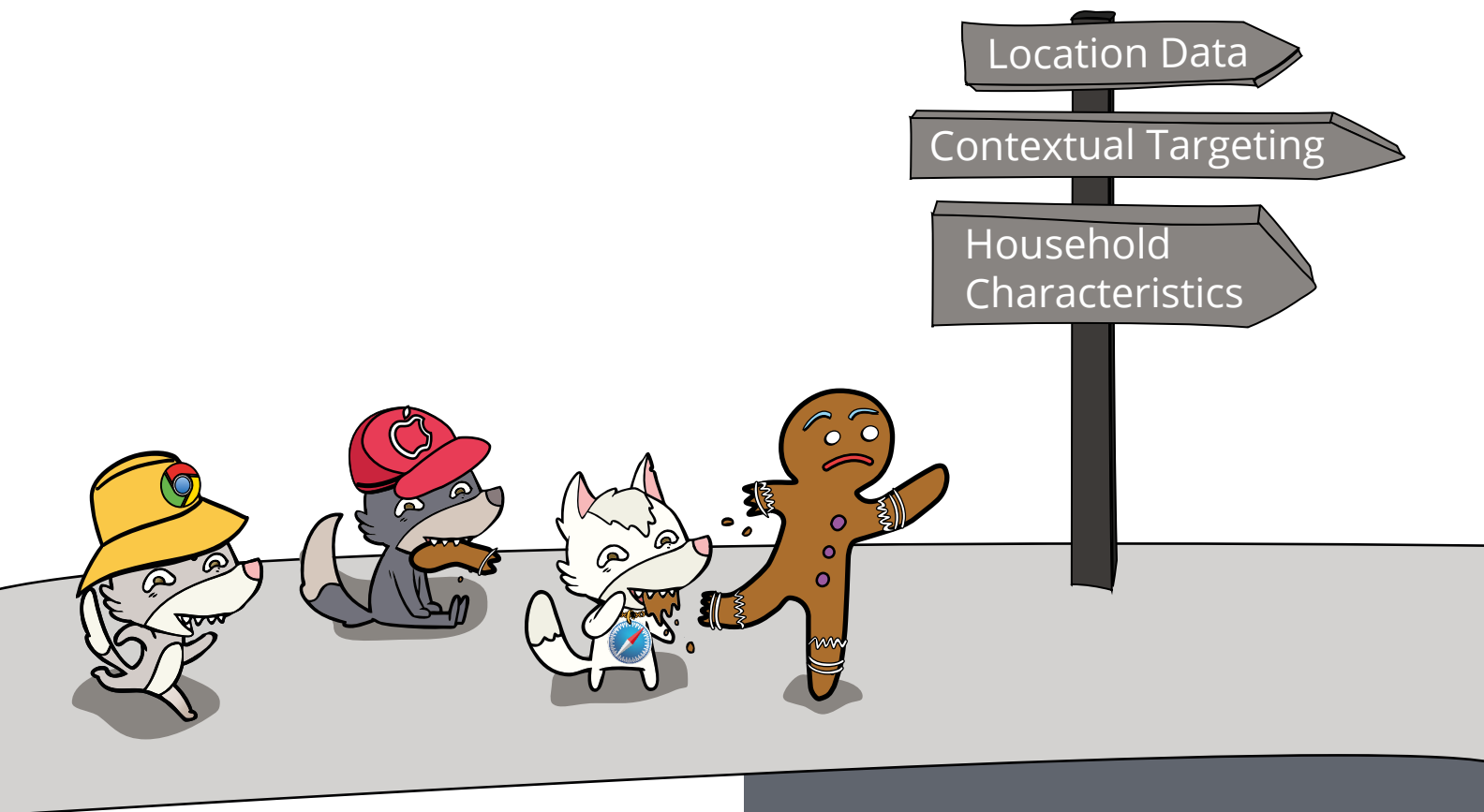
Your Cookie-Free Options

When it comes to planning a media campaign in a cookie-world it's important to remember you have options. It's quite possible to design and traffic a campaign that delivers great results for your clients without ever using third-party cookies or running afoul of GDPR or CCPA. This blog post looks at those options in detail.

Before we get started let's just address what we mean by "cookie-free." Technically, it means you don't drop a cookie into a user's browser so you can track him or her. But overly focusing on the word "cookie" is pedantic. Consumers, and the regulators who watch out for them, object to being tracked. This should really be called cookie- and targeting-free technologies.

*Now, let's look at the three major strategies for cookie-free targeting in detail.*

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Location Data

Pros

One of the advantages of location data is that it's plentiful, which means it's easy to achieve scale in your campaigns. And because consumers almost always have their phones with them, the chances of ads being seen are high.

Location data has some very good use cases, especially when data is aggregated. For instance, a restaurant chain can monitor traffic flow to determine where to open a new outlet. Other retailers use location data to send SMS messages to consumers who are in the vicinity of an outlet, or even as they are within a specific aisle within a store.

Location data, when used correctly, can help you identify users most likely to respond to a campaign.
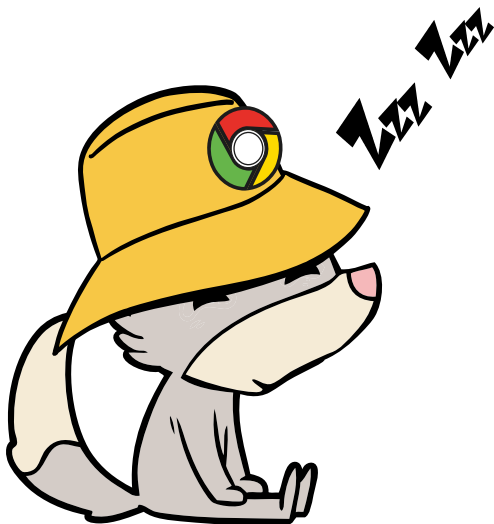
Cons

Targeting based on geo-location can have a bad reputation and for good reason: Consumers don't like it. In the US, the Federal Communications Commission announced plans to fine AT&T, Sprint, T-Mobile and Verizon mobile carriers for sharing user location data.

And while location data may be cookie-free it still tracks users. Last year the New York Times demonstrated how its reporters were able to track the US President, and identify individual secret service agents using legally purchased location data.

Generally speaking, much of the location data available to digital planners can only locate a consumer within a two mile radius of a cell tower which, in many areas such data covers a tremendous number of stores and houses. Furthermore, location data alone can't provide any insight into the users or their needs; you only know that a consumer was, at some point, with a specific radius of a cell tower.

Contextual Targeting

Pros

Contextual target doesn't use cookies, which means it won't run afoul of the regulators. It's also a proxy for interests, in that it assumes people who read a house and gardening site have an interest in gardening. It's hard to argue with that logic; if consumers didn't have an interest in these topics they wouldn't take the time to visit and spend time on these sites.

Contextual targeting has come a long way since its first iteration when ads were inappropriately placed near content that was considered unsafe for a brand (e.g. an ad for an airline near news stories about a plane crash). AI and computer vision can help avoid embarrassing incidents.
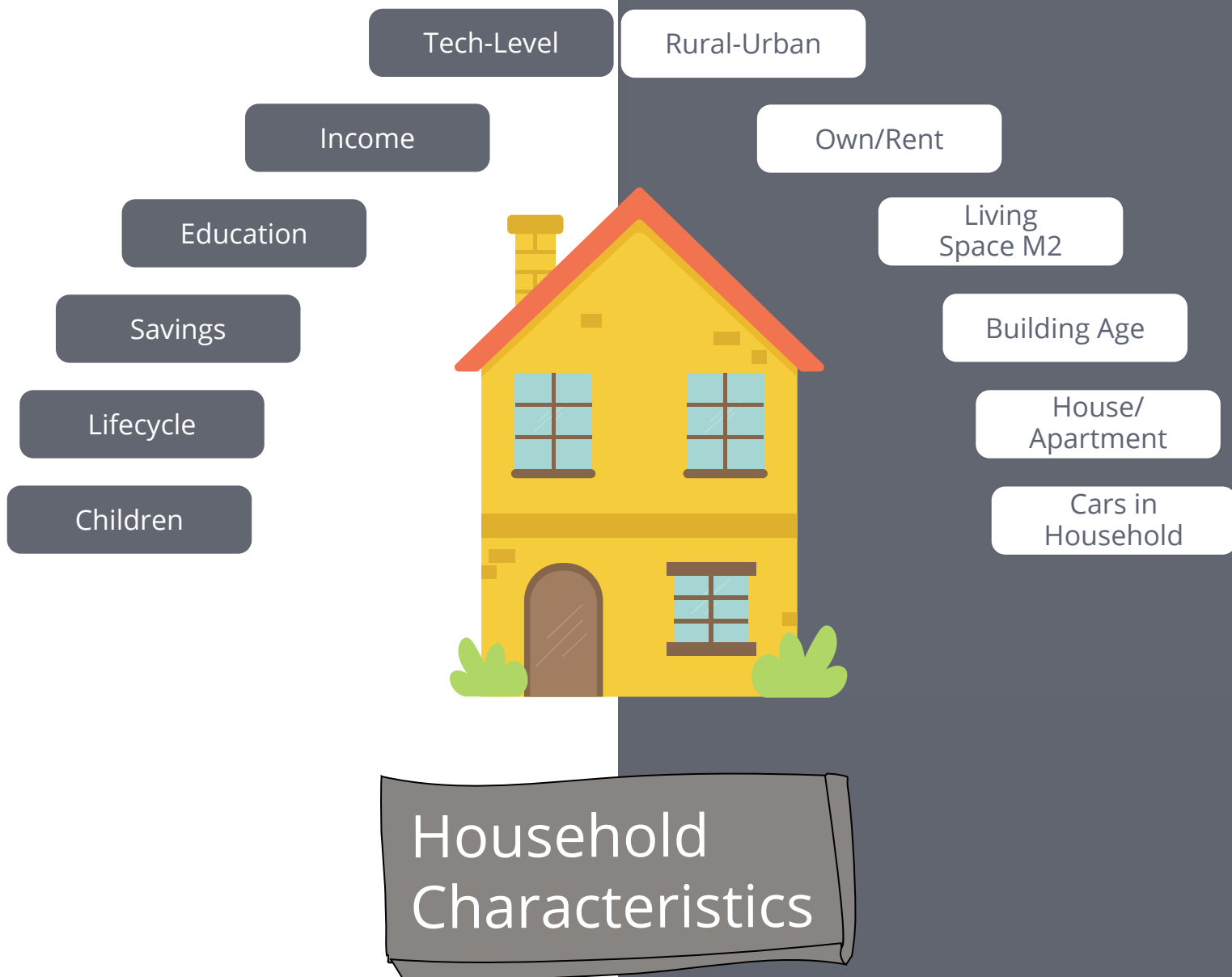

Cons

Aspirational shoppers are a fact of life. People look at homes, automobiles, vacation spots, or high-end furniture they can't afford or have any use for. And yet, your clients want assurance that you won't spend their budget targeting aspirational shoppers. The truth is, contextual targeting isn't up to that task because it has no way to validate whether or not a consumer has a need prior to targeting. In a post coronavirus world where budgets are tight, this inability to validate need will become a bigger issue.

And as with location data, contextual targeting offers no insight into the users themselves. Media buyers are left to guess whether or not a particular ad on a particular page will drive their client's campaign goals.

Another challenge: contextual targeting and reach don't go hand in hand. There aren't a lot of sites that are of real interest for a brand, so as a planner you'll need to consider the more niche opportunities, which can result in complex campaigns for your team.

The quest for scale often forces buyers to accept synonyms and replacements in order to achieve pacing requirements, but performance inevitably takes a hit.

Finally, contextual targeting can be pricey, as there is often a lot of competition for users as it is assumed they are lower funnel, and more apt to make an immediate purchase.

Tech-Level

Rural-Urban

Income

Own/Rent

Education

Living
Space M2

Savings

Building Age

Lifecycle

House/
Apartment

Children

Cars in
Household

Household Characteristics

Targeting by household/neighborhood characteristics is among the newer strategies, which is why you may be unfamiliar with it. Household and neighborhood characteristic data is all the data that's gathered, vetted, curated, maintained and anonymized by National Statistics Offices across Europe and the US, and is proving remarkably effective in delivering campaign results.

There are two key characteristics of this kind of data, namely that it is highly reliable and that it is highly stable. Why? Because it covers long-term characteristics of people: number of children in households, household income, home ownership vs. renters, number of cars in household, education level, level of technical sophistication, and so on.

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Pros

First and foremost, targeting by households characteristics is inherently privacy compliant, as it comes fully anonymized directly from National Statistics Offices. More strategically, because it's based on household characteristics, it validates a need, which means you can drive media efficiency for your clients. For instance, this data will prevent a campaign from targeting an enthusiastic reader of gardening magazines who rents an apartment and lacks a garden.

Data based on household characteristics are very long term. A family with children is likely to buy for those children for decades. When used in the upper funnel, your clients have the opportunity to set a benchmark for consumer consideration, as well as build a relationship through brand storytelling. For instance, my parents sent me a link for a trampoline they intended to buy for my children. I read about the trampoline they had picked out, and then looked at others on the market, and compared them to my parents' first choice, which served as a benchmark in my decision making.
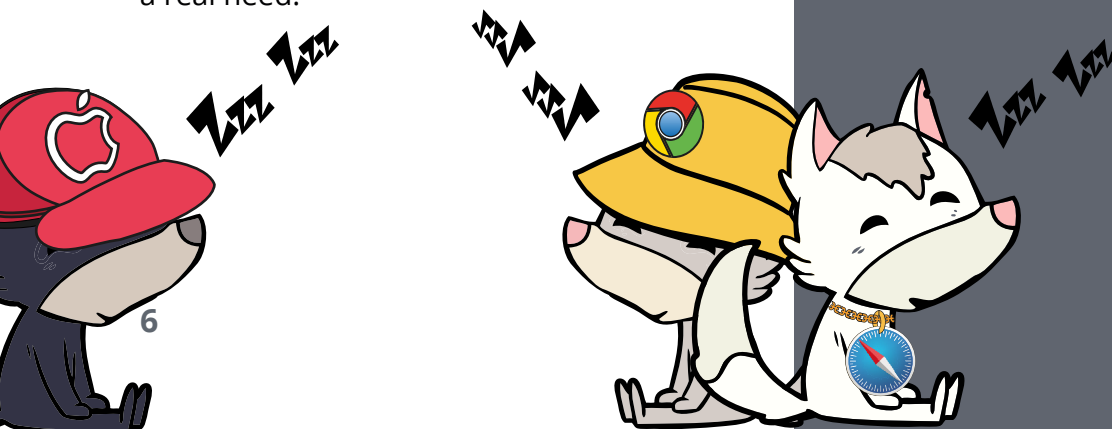
Targeting by household characteristics also drives lower lower funnel KPIs, including click-through-rates that trend higher than the industry average across many campaign types. This is to be expected, as campaign spend is hyper focused on consumers with a real need.

Cons

The Audience Names are not sexy sounding (you can't buy an audience segment that matches a specific line item, say, "Audi A6 buying intent"). As a wholly new data set, planners will need to learn a new taxonomy in order to link segments with actual campaigns. For instance, insight and experience are needed to link home renovation campaigns to home status (rent vs. own) and building year (houses built before 1945, 1945-1990, etc), or home size to the need for additional furniture.

Household characteristics data are static, and unlike behavior data, are inherently timing free (meaning, you can't target users who enter "home renovation" into a search engine). As a result, you can't use household characteristics to pick up the last click before someone buys a product.

Compared to "in-market" or "buying-intent," household characteristics line items need time and higher frequency to nurture consumers though the purchase funnel (i.e. consumers don't "raise their hands" to indicate buying signals). As a digital planner, you can't identify a consumer who has an immediate need for, say, an automobile, only that this particular consumer has a lifestyle that demands the need for a car. Homing in on an exact audience may require a custom build.

Pros

Another benefit is reach. Targeting by household characteristics allow you to reach 100% of an audience, regardless of device or channel, as there is just one set of audience data for all digital, mobile, Connected TV, and video inventory.

Finally, targeting by household characteristics will streamline campaign management. To begin, the unified data means you can easily compare apples to apples in order to assess which channel works best for each ad type. And the same audience data can be applied to analyze traffic back to your client's web traffic, allowing you to answer strategic questions such as: Did the people you reach come to the client's website? Did the people who saw the ad actually convert?

Cons

While household characteristics can and do have a dramatic impact on lower-funnel metrics, those effects typically occur two to three weeks into the campaign. After the ramp-up phase, KPI's often surpass other lower funnel line items compared to behavior data due to a combination of wider reach, needs that have been validated, and a lack of delivery constraints.

*So how do digital planners use these cookie-free technologies to plan successful campaigns for your clients? **Part 3 of this post offers a playbook for digital planners.***

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About Digiseg

Founded in 2015, Digiseg is the world's only provider of audience data that is inherently GDPR-compliant and 100% cookie free. Our audience segments and custom audiences leverage public, GDPR-compliant data available from national statistics offices and databases to segment the Internet into 39 audiences for use in online advertisement, such as household income, savings, and education levels, number of children or cars in the household, and other insights. Digiseg audience segments are the most comprehensive in the industry, covering 80% of the Internet. With clever traffic profiling and state-of-the-art machine learning algorithms we deliver outstanding results for advertisers and media agencies across Europe and the US.

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