How Will Online Advertising Work In A World Without Cookies?

Advertising relies on cookies

- Capping
- Measurement & Attribution
- Tracking & Ad Personalisation
- Fraud monitoring
- …

➢ On-site activity may rely on *1ˢᵗ party cookies*
➢ Cross-sites activity may rely on *3ʳᵈ party cookies*

Legal framework in Europe

- Under the ePrivacy Directive, consent is required for cookies
- All cookies are affected: 1st party and 3rd party cookies

- Advertising relies on cookie ids, IP address…
- Therefore, a legal basis is required under GDPR.

- Mainly :
  - The contract for publishers
  - Legitimate interest or Consent for 3rd parties

What's next ? Cookie alternatives...

- Identity-based ids : a user id is generated, based on 1st party (personal) data (mainly the hashed @)

➢ If the user registers on various websites with the same email address, cross-sites advertising activities may work

- Device-generated cohort ids

➢ GDPR may not apply but a device access is required

- IP Address-based advertising

➢ Coming ePrivacy Regulation : consent may be mandatory in Europe

What's next ? Advertising alternatives…

- Contextual and Semantic Ads : target the context instead of the user

- Modelling and AI : the hybrid approach. Use knowledge about consenting users and the context to predict what happens for not-consenting users

➢ Consent may not be required under ePrivacy

➢ No legal basis required under GDPR

The advertising market will be polarized

- On the one hand, advertising will be even more relevant than today for users and profitable for the publishers able to collect personal data and consent (*walled-garden*).

- On the other hand, advertising may be mostly irrelevant for users and not profitable for the publishers unable to collect personal data and consent.

- There is a major risk of degraded experience:

➢ Data regulation may lead to cookie-walls

➢ "Browsers' regulation" may lead to log-walls

Thank you !