

Lotame's Open Letter to the Industry re: Google Chrome Privacy Sandbox News

"Bring out your dead."

"Here's one."

"I'm not dead!"

"Here, he says he's not dead."

"Yes, he is."

"No, I'm not."

"He isn't."

"Well, he will be soon, he's very ill."

"I'm getting better."

"No, you're not — you'll be stone dead in a moment."

— Monty Python and the Holy Grail: **"Not Dead Yet"**

Dear adtech, martech, publisher, brand and agency friends,

What a week, right? We've barely got a toe into 2020 and already folks are whipped into a frenzy over the [Google Chrome Privacy Sandbox](#) hysteria, an unexpected sequel to 2019's Xanax-inducing Safari ITP panic. Many in the media and in our industry are shouting from the rooftops that, yet again, "The sky is falling!" Thankfully, I looked up today and it's sunny and clear.

Change is hard. It's the fear of the unknown that spurs these gut reactions that "The DMP is dead!" "Third-party data is dead!"

Nope and nope.

I encourage us all to take a collective breath and assess the facts before we start piling on incomplete information and doomsday predictions. The details are what's important. The sky is not falling; it's changing colors.

As a follow-up to my [Fact Check Series](#) in 2019, here are three important facts to keep in mind.

1. DMPs and third-party data ARE NOT dead.
2. First-party data, while valuable, CANNOT ALONE deliver a panoramic view of the consumer.
3. Adapting to change is necessary to survival and advancement.
This situation is no different.

More on these three important facts:

Long live the DMP and third-party data.

Marketers and publishers are wise to the value of their first-party data. All of these moments where your customers interact with your brand produce this wild, wonderful exhaust of data. But it's no good to anyone if you can't collect that data, organize it in a useful way, enrich it, and yes, activate it. Hello, DMP.

Quick refresher. DMPs collect first-party data across all of a brand or publisher's touchpoints and provide tools to make sense of those signals. Under the hood of DMPs are collections of tools and technologies that associate those signals with cookie IDs, mobile app IDs, and OTT IDs. This includes translating contextual web activity into consumer behavioral segments — which companies such as Lotame have had in our toolkit for over 13 years. When stitched together, those IDs represent an individual or household. With third-party cookies under fire in Safari, Firefox, and now Chrome, one of those ID types — third-party cookies — is coming off the menu. But modern DMPs are built to work quite well with first-party cookies, mobile app IDs, and OTT IDs. So from a first-party data collection perspective, the DMP isn't dead at all, and saying otherwise creates unnecessary confusion and panic.

Yes, certain things will become trickier. Change is inevitable. More partnerships will spring from this change — and that's a good thing too. At Lotame, we work with everyone, and that openness has allowed us to be nimble and fast when adapting to change and seizing on opportunities. Take a page from our playbook and start talking to people about what's possible.

Now third-party data . . . First things first — THIRD-PARTY COOKIES ARE NOT THE SAME AS THIRD-PARTY DATA. Examples of third-party data include demographics, new home buyers, people who watched certain TV shows, people who purchased certain products in the past, and people in-market for certain products and services. Much of this data originates from offline or cross-channel data sources — not the seller nor the buyer in a media transaction. Once collected or licensed, this data can then be associated with hashed email addresses, cookie IDs, mobile app IDs, and OTT IDs.

The elimination of third-party cookies in Chrome (or Safari or Firefox) has limited impact on the associations between much of this data and non-cookie IDs. In the cookie ID world, there will be challenges associating this type of data with actionable third-party cookies. Therefore, marketing technology providers will have to look for alternative solutions using first-party cookies and/or new techniques using the Privacy Sandbox (e.g., <https://github.com/michaelkleber/turtledove>).

First-party data is great, but it won't give you the whole picture.

First-party data is important and valuable. There's no mistake there. However, most brands and publishers with first-party data have a SLIM VIEW of their consumers because you only see what you're able to see within the confines of your properties. For CPG brands, for example, who are disintermediated from the customer experience, they know even less. Are they out of luck then?

No.

If we truly want to know customers, and if we hope to find our next batch of loyal customers, then we should aspire to a PANORAMIC VIEW of the consumer. And, how do we attain that Holy Grail? By working with quality data partners who can tell us more about our customer's demographics, affinities, viewing behavior, purchasing history, etc.

And you know who has that kind of data? Second and third-party providers. There is nothing evil, yucky, or wrong with the concept of second- or third-party data and data providers. It's data that comes from someone else to round out your picture of the consumer. As with anything and everything in life, you can work with solid, trusted, quality data partners, or you could work with shady, low-quality data partners. We choose the former in every case. It's unfortunate that a few bad actors, coupled with confusion as to where and how data is sourced, have created a negative association for the term third-party data.

It's time to come together.

As I said at the top, Lotame works with everyone. As an independent data solutions provider, we pride ourselves on that luxury of making connections and passing on the fruits of those valuable relationships to our clients. We encourage you to do the same.

Fear can be motivating. And yes, there's a lot of uncertainty out there. But exaggerating the stress put on other companies and botching the facts helps no one.

I believe that there are some really good and interesting ideas lurking in Google's Privacy Sandbox announcement. As an industry, we should embrace the good and find ways to work together to protect and empower consumers, while also finding the right ways to advance commerce in an ethical manner. Surely an industry full of smart and entrepreneurial people can thread the needle for consumers and businesses alike.

So let's get to it. Let's have an open and honest conversation about what we've done in the past, where we've gone wrong, and what we can all do better in the future. And although it's not sexy and full of click-bait goodness, let's also sprinkle some facts and nuance into the discussion.

Long live the living — and truth!

Best,
Adam Solomon
CMO
Lotame

P.S. I'd like to invite everyone (especially the press) to a more extensive Lotame Fact Check [webinar](#) on **Thursday, January 23 at 10 a.m. ET**. I'll go into even greater detail and take questions to help fill in knowledge gaps or educate those new to the space. A rising tide lifts all boats!