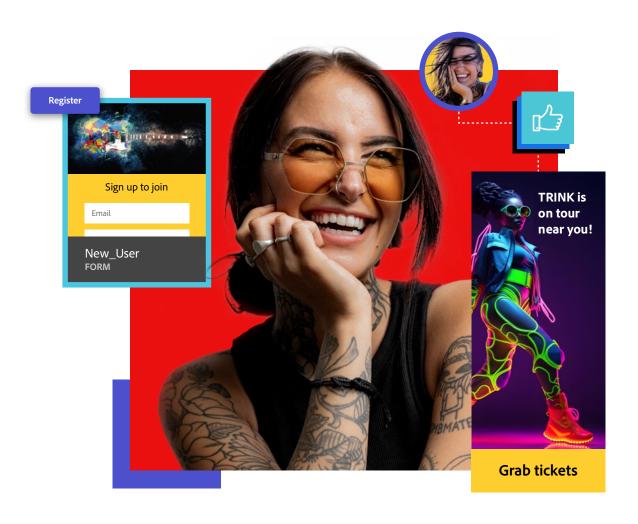




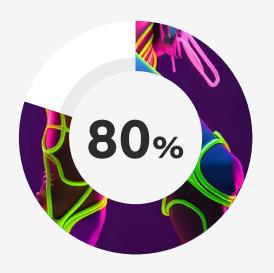
## Third-party cookies are deprecating. Your CX doesn't have to.

How to create targeted ads with Meta Conversions API and Adobe Real-Time CDP Connections.



Delivering a personalized customer experience (CX) is pivotal to the success of every business. Making informed, customer-first decisions to tailor the CX improves loyalty, retention, and brand advocacy—in fact, Adobe's <u>Thinking Beyond the Third-Party Cookie</u> report revealed that 80% of consumers are more likely to make a purchase with a brand that provides personalized experiences.

The same report showed that 63% of consumers will stop buying from brands that use poor personalization tactics. But some consumers are skeptical of third-party cookies that brands use to extract the data that allows personalization to happen. This, plus the upcoming deprecation of third-party cookies, calls for new customer data strategies that provide the CX consumers want with the privacy they need.



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### How third-party cookies shape the CX.

Since the late 1990s, marketers have relied on third-party cookies to track online user behavior for targeted advertising at scale. These cookies are used in cross-site tracking to collect data on customers' online activities including article views, ad clicks, product views, and much more.

By tracking users between websites, advertisers can meet customers where they are in their journey through personalized ads. This level of personalization results in a better CX, improved lead generation, and better conversion rates.

As the name implies, third-party and browser-dependent cookies are cookies set by other websites—not the website a person is currently using. For example, when someone clicks a social button or an ad on a website, cookies from those social networks or brands get stored on their computer.

Social networks such as Meta's Facebook and Instagram can access these stored cookies to see and track user activity across websites. These networks also use cookies to collect user data for behavioral targeting so that marketers can center ads around the customer and their highly specific interests.

Change is ahead for the types of cookies that companies can use to deliver an optimal, relevant CX

This trades one-size-fits-all, static campaigns for ones that truly resonate with consumers. Until recently, third-party cookies were the default tool for delivering personalized experiences. Now, however, governments and regulators have been pushing brands to notify users of the presence of cookies, the data they collect, and how this data is used. This has led to the passage of regulations like ePR, GDPR, and CCPA to create penalties for brands that fail to comply.

This strict regulatory environment means that change is ahead for the types of cookies that companies can use to deliver an optimal, relevant CX.

#### Third-party cookie deprecation and its impact.

Third-party cookies have had a good run, and their impact is undeniable. For decades, they've been a boon to companies that rely on them to publish the right messaging at the right time—increasing trust among consumers by empathizing with their exact needs. According to Adobe's <u>Trust Report</u>, which surveyed 12,066 global consumers, valuable personalized experiences built trust with 69% of respondents.

However, the third-party cookie crumble is inevitable, and businesses need to be prepared. In 2023, Adobe released a study titled <u>Brands that Rely Too Heavily on Third-Party Cookies</u>

<u>Are Leaving Money on the Table Today, Risking Long-Term Business Harm</u>. Of the 2,667 full-time marketing and consumer experience leaders who participated, it was determined that:

- 83% of leaders say that at least 30% of their total potential market is in environments where third-party cookies don't work.
- 75% of marketing and CX leaders still rely heavily on third-party cookies.
- Over three-quarters of leaders expect the end of third-party cookies to hurt their business.
- 51% of leaders say they view third-party cookies as a "necessary evil" even though they realize third-party cookies aren't a long-term strategy.

This phase-out will turn off many data taps used by marketers, and this completely redefines the advertising landscape. But there's good news for companies that usher in these changes with open arms. The Trust Report also found that 84% of consumers cited "keeping data safe" and providing them with transparency and control over their data as the top ways brands can build consumer trust. And, nearly a third (29%) will spend at least \$1,000 more per year with brands they trust the most.

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#### The privacy opportunity.

While third-party cookies may be crumbling away, that doesn't mean companies are out of options. New data protection and privacy laws just mean it's time to get creative with finding the right information to fuel the one-to-one experiences consumers demand—all with their consent and in a privacy-compliant way.

With the shift to first-party cookies, consumers have transparent ways to willingly offer their personal information in exchange for personalized offers and content. This presents tremendous opportunities for brands to convert consumers across channels, and for consumers to receive the messaging they actually want to see with privacy top of mind.

Marketers are already scouting first-party cookie solutions, such as customer data platforms (CDPs) and increasing their budgets for contextual advertising. CDPs allow companies to create customer profiles that combine data from every touchpoint—and companies that adopt them are winning. The 2023 Adobe study also showed that 97% of leaders whose companies use customer data platforms report positive results, with 47% saying they've already gained more direct customer relationships, 40% noting a rise in customer loyalty, and 33% experiencing an increase in the number and value of completed transactions.

## Target ads effectively with Meta's Conversions API.

As third-party cookies deprecate, marketers and advertisers may anticipate losing out on sales—but it doesn't have to be that way. Investing in a durable data strategy is helping many companies get a more complete view of their consumers and create lasting connections built on value and trust. To help companies achieve this, Meta has developed the Conversions API. The Conversions API is a business tool that creates a direct connection between your marketing data and Meta's platforms. You can use this data to optimize ad targeting, decrease cost per action, and gain visibility into campaign outcomes while respecting consumer privacy.

Like many advertisers, you may be used to sharing web data with Meta using the Meta Pixel. But the Conversions API isn't just for website data—you can also send cross-channel marketing data about your customer interactions, allowing you to focus on the most important data for your business. Large global advertisers are already seeing a difference. Those with the Meta Pixel who set up the Conversions API <u>saw an average of +19% additional attributed purchase events</u>.

# Adobe Real-Time CDP Connections connects you to customers.

Adobe Real-Time Customer Data Platform (RTCDP) Connections is the easiest way to get started with Meta's Conversions API. In partnership with Meta, Adobe has created extensions within Real-Time CDP Connections that seamlessly connect to Conversions API, eliminating the need to build and maintain custom connectors.

Adobe and Meta have also developed extensions for Real-Time CDP Prime and Ultimate, the more advanced solutions in the RTCDP family. Prime lets you assemble known and unknown data into unified profiles, create audiences, and personalize experiences. And Ultimate lets you establish a single view of customers across all enterprise systems and channels, with advanced personalization, API connections, and governance requirements. Learn more.

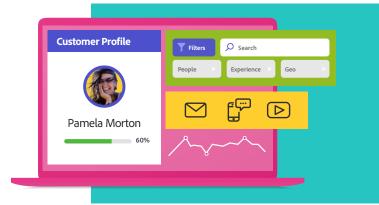
#### How it works.

Adobe RTCDP Connections can help businesses gain a deeper understanding of how their ad creative performs on Meta platforms. For example, let's say a customer is interacting with your ad on one of Meta's networks. A conversion event will occur if they click on the ad and then use their email address to sign into your website. The conversion event data—such as customer ID, email address, etc.—is sent to Meta in milliseconds by the Adobe Edge Network in a privacy-compliant way. Then Meta uses deterministic matching to link your customer's email address to their Meta account and credit your ad for the conversion event.

### Adobe Edge Network gives your data an edge.

Adobe RTCDP focuses not only on providing solutions to data collection but on doing so quickly and efficiently. Adobe RTCDP allows marketers to collect, transform, enrich, and deliver data in seconds. The Adobe Edge Network has been optimized with nine Edge servers worldwide that are strategically and geographically placed to ensure quick speed and performance within the data collection and conversion process.

With the Adobe Edge Network, you can use filters allowing you to organize the data efficiently including options for coding JavaScript conditions for coders. This allows you to forward data to external locations in a way that is unique to your company so you can ensure that you're collecting and storing the data that is right for you and your business.



#### Managing data made simple.

Marketers can deploy the tag management system on a website through Adobe that captures form data and sends it to the Adobe server, but most marketers need more than form data. Fortunately, Adobe RTCDP users can add on additional data from a non-Adobe endpoint. Then the data can be simplified, organized, and enriched within the Adobe server using sequential rules and conditions. For example, the second rule or condition can't happen without the data point meeting the requirements of the first condition.

When handling so much data on a day-to-day basis without proper systems in place, it can be challenging to stay organized—leading to costly slowdowns, inefficiencies, and mistakes. Adobe has made it a priority to ensure detailed organization throughout the process allowing for easy access to transfer data on the fly. Adobe RTCDP can help you optimize your data without reducing the volume of data you're taking in—all while reducing manual labor and increasing efficiency.

### Quick and easy integration.

With Adobe's Quick Start workflow available in Adobe's RTCDP, it takes just minutes to get up and running with Meta's Conversions API and start sending data to Meta on the server side. The workflow takes you through <u>four easy steps</u> to set up, implement, validate, and review.

### Preserving privacy for satisfied consumers.

Increased data controls and access to privacy-focused innovations in Meta's Conversions API and Adobe's RTCDP Connections assure brands and consumers that consumer data is protected. The Conversions API increases control over the data sent to Meta, helps simplify the usage of solutions that use privacy-enhancing technologies, and leverages Meta's Private Lift—a privacy-enhancing measurement offering.

Consent is built into Adobe's RTCDP portfolios. You can collect the intent then decide what to do with your data and gain better control of it with server-side rules and configurations.



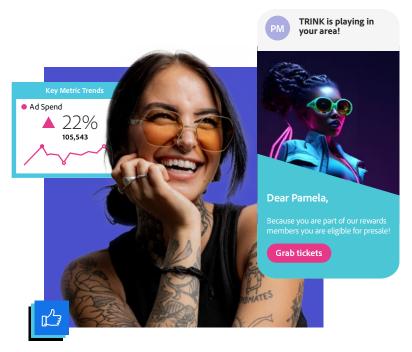
Increased data controls and access to privacyfocused innovations in Meta's Conversions API and Adobe's Real-Time CDP assure brands and consumers that consumer data is protected.

## Deliver your most relevant ads with Meta and Adobe.

Saying goodbye to third-party cookies doesn't have to mean saying goodbye to meeting customer expectations. Meta and Adobe make sure of this with Conversions API and RTCDP, a powerful combination that makes it possible to deliver ads that delight audiences with personally tailored messaging. Meanwhile, your team enjoys return on ad spend, meets campaign objectives, and satisfies customers who feel safe with their data in your hands. Everyone wins, third-party cookies notwithstanding.

#### Take the next step.

Contact the Adobe x Meta team at <u>metapartner@adobe.com</u> to learn more and see a live demo of the solution.



#### Resources

More on the Adobe Real-Time CDP Portfolio

**Information on Meta's Conversions API** 

Blog: Full-Funnel Marketing with Real-Time CDP and Conversions API featuring a 3-minute demo of the Quick Start integration

Blog: Featuring a success story with tech giant, Lenovo

**Developer resources on Adobe Experience League** 

**Best Practices for Privacy and Data Use for Meta Business Tools** 

#### **Adobe Experience Cloud**

Adobe Experience Cloud is the most comprehensive suite of customer experience management tools on the market. With solutions for data, content delivery, commerce, personalization, and more, this marketing stack is created with the world's first platform designed specifically to create engaging customer experiences. Each product has built-in artificial intelligence and works seamlessly with other Adobe products. And they integrate with your existing technology and future innovations, so you can consistently deliver the right experience every time.

#### Adobe Real-Time Customer Data Platform

Adobe Real-Time Customer Data Platform (CDP) is the foundation for data management that respects customer data privacy. Trusted by brands across industries, it's powered by governed customer and account profiles, helping brands bring their disconnected data to life exactly when they need it. As a central system of data, it helps teams establish a strong privacy strategy and a data-driven activation plan—all in real time. And it's built on Adobe Experience Platform, our unified foundation for customer experience, giving brands a single ecosystem that fuels a cycle of innovation and growth. So that they can earn trust, build the long-term relationships their customers want, and realize business value faster than ever.

#### Sources

"2022 Adobe Trust Report," Adobe, 2022.

Ryan Fleisch, "Brands That Rely Too Heavily on Third-Party Cookies Are Leaving Money on the Table Today, Risking Long-Term Business Harm," Adobe Experience Cloud blog, March 9, 2023.

"Thinking Beyond the Third-Party Cookie," Adobe, 2022.

