BOOSTING AD REACH AND ROI IN A COOKIE-LESS MARKET

How marketers can keep conversions from crumbling as third-party cookies go obsolete.

Blink twice and third-party cookies will be no more, killing off much of the intel marketers have relied on to reach buyers and sway them to click, register and buy. It's a watershed moment for advertising—coming at a time when marketers are increasingly under pressure to demonstrate ROI.

For better or worse, as third-party cookies become obsolete in 2024, marketers must rethink their marketing formula and adopt new ways to attract buyers and drive business growth.

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TALA ZURAIQAT,
Group Product Manager at Yelp

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KARAN VIRANI,
Head of Multi-Location Attribution Product Marketing at Yelp

WHAT'S AHEAD AND WHAT'S AT STAKE

We're inching closer to Cookie Doomsday, when Google turns out the light on third-party cookies, leaving marketers in the dark about behavioral and demographic insights they've leaned on to create target audiences. By the end of 2024, it will be much harder to reach customers with digital ads, understand who took action on ads, and measure ad interactions.

"As cookie data collection stops, large portions of the digital data universe will be frozen in time," says Eric Schmitt, Senior Analyst at Gartner. "Advertisers may feel caught in a slow-motion decline as they grapple with a drastically different digital ad-targeting landscape."

How big of a deal is this? Oh, it's big. "We're not at the start of cookie loss; we're near the long-awaited end," says Tala Zuraiqat, Group Product Manager at Yelp. "The digital advertising landscape has already been operating with lower cookie coverage for years, so now is the time to test if you haven't started," she advises.

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RESHAPING YOUR AD STRATEGY FOR HIGH PERFORMANCE

No doubt, the phaseout of third-party cookies will bring significant change—but also a significant opportunity to solidify marketing's role as a profit center. In order to seize that opportunity, researchers advise prioritizing two components in your marketing strategy:

First-party data

Marketers' best response to the death of third-party cookies is a strong foundation of first-party data—that is, data captured directly from target users. Less than half of marketers are prepared for this shift: Only 44% of surveyed marketing executives have implemented a first-party data strategy in the last 12 months, Forrester reports.

The best path to capturing first-party data? Create experiences in which consumers actively consent to sharing data. To that end, marketers are advised to design multiple compelling touchpoints to collect relevant data throughout the buying journey. Consumers will gladly share personal data for something of value—say, loyalty programs, rewards, special access or personalized support, to name a few.

But that's easier said than done, according to Karan Virani, Head of Multi-Location Attribution Product Marketing at Yelp. Effectively capturing data, integrating channels, and building systems to support and organize data for specific uses can be massively difficult (and costly) to do on your own. "People often talk about first-party data solutions without a real understanding of how hard it is to build technical stacks to support all that," says Virani. It's why many brands end up with first-party data that's fragmented, unstructured and scattered across disparate systems.

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Data partnerships

While first-party data is a great starting point for advertising in the post-cookie era, it's not enough to enable advanced targeting and attribution. "Unless you are Facebook, Apple, or Amazon, even analyzing all your data perfectly will only tell you about a tiny fraction of the world," caution researchers: "Additionally, first-party data is not sufficient to satisfy a brand's reach aspirations."

What to do, then? In the absence of sufficient or reliable first-party data, advertisers need to cooperate with "walled gardens"—platforms that collect consumer data at scale. Partnering with large, trusted publishers can be a solid strategy to leverage alternate data wellsprings without a major investment, Gartner reports.

With that in mind, most surveyed marketers say they expect to redirect more of their ad budgets to walled gardens to access their large consumer bases, scale, and knowledge of consumer affinities. In doing so, "marketers should embrace high-intent platforms to reach the right audience (e.g., targeting unbranded burger searches if your target audience likes burgers)," says Zuraiqat.

LaserAway, a leader in aesthetic dermatology with 120 locations nationwide, has refined that strategy. CMO Paul Baumgarthuber began experimenting with Yelp advertising 10 years ago. "When I came into LaserAway, I saw the opportunity of using Yelp, understanding how well their audience works for a multi-location brand like ours," he recalls.

Having used various Yelp ad products—Showcase, Spotlight, Search, Connected TV, Yelp Audiences—LaserAway's return on ad spend (ROAS) is impressive: "When we review the data to understand how Yelp ads influence our customers, we're at about 13X ROAS, which is substantial," says Baumgarthuber.

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RETHINKING ADVERTISING METRICS

As cookie data grows outdated, conventional advertising measurement and attribution practices will become irrelevant. What metrics, then, can advertisers rely on?

Looking ahead, data triangulation is a wise move, Zuraiqat advises: "Using three measurement solutions for a single campaign can give marketers multiple data points to measure performance as the industry stabilizes towards a new normal."

Colie E. and Megan W. lead a small marketing team for Bowlero, a national bowling chain. Together, they're tasked with driving business to more than 300 bowling centers. "We typically measure ad spend based on the channel. In the digital sphere, that's cost-per-click, CPM (cost per thousand impressions), website traffic … but it's ultimately about driving foot traffic into

each center, and there aren't many channels that allow us to measure whether that's effective or not. Yelp products enable us to do that," Colie shares.

To that end, Yelp Store Visits reporting provides insight into Bowlero's conversions. "It measures how many people saw or interacted with one of our ads, then went to a bowling center," Megan clarifies: "We've seen double-digit returns with foot traffic attribution."

This level of visibility into Bowlero's advertising performance is possible thanks to Yelp's pairing of first-party data and integration with third-party providers. From clicks to call tracking and even offline behaviors like in-store purchases, Yelp advertisers like Bowlero can access a variety of measurement and attribution tools at every stage of the buying journey.

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LEAN INTO EXPERIMENTATION

In a cookie-less future, there won't be a silver bullet that meets all marketing use cases. "Existing solutions will come together, and marketers will need to get comfortable with the discomfort of change," says Zuraiqat. To grow revenue, advertisers must intensify experimentation to validate their investments or face higher acquisition costs going forward.

"In an environment of testing, you're always going to have products that work and don't work. Candidly, we've tested some products with Yelp that didn't move the needle for our business," Baumgarthuber concedes. "We've also found many products that work really well, and that's why we've doubled our investment with Yelp."

Just as important, marketers should diversify targeting methods such as first-party data, walled gardens, sharing data with strategic partners, contextual targeting, and more.

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VETTING AN ADVERTISING PLATFORM

With so many platforms vying for your marketing dollars, it can be tricky to choose one. Here are five key considerations for your best chance of success:

1. Trust & intent
Look for publishing platforms your ideal customers visit and trust for making purchase decisions. (Bonus points for discovery platforms like Yelp, where customers come ready and eager to spend.)

"Yelp users are unique in the fact that they come to Yelp to research and when they finally reach us as a destination, they're well-informed and ready to buy. That's what makes a Yelp user a lot more valuable than many other types of users we get into our website," Baumgarthuber shares.

2. User data volume
Prioritize platforms with high volumes of user data sourced from website forms, customer reviews, and surveys.

"At LaserAway, we let the data tell the story," Baumgarthuber says. "Yelp is near or at the top when it comes to things like revenue per lead, lifetime value, these kinds of metrics that marketers look at to determine success."

3. Full funnel solutions
Consider the ability and ease of reaching consumers at various stages of the buying cycle—Awareness, Consideration, Conversion, Loyalty. For the best advertising performance, your visibility and messaging should match consumer mindset at different stages.

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4. Consultative support

Prioritize platforms that offer consultative support, helping you discern "best bet" investments. For Zuraiqat, working directly with publishers is essential to access experts who can help you craft a measurement strategy that stands without cookies - especially to gain access to pilot testing opportunities as the market evolves.

"I've really leaned on Yelp's customer success team and try to get into any new product offerings: any alphas or betas, anything that gives us an edge. The amount of money Yelp invests into their customer success teams to help clients like us be successful is super important," Baumgarthuber notes.

5. Results

Proof, as they say, is in the pudding: Consider documented results that brands similar to yours have achieved on the platform. Better yet, run your own trial campaigns, measure results, and adjust accordingly. After all, choosing an advertising platform comes down to generating revenue, as Baumgarthuber points out:

"You want to drive revenue efficiently, and there are lots of players in the game. You have Google, Meta, Snap, TikTok—a lot of platforms where you can allocate your budget. With Yelp, we're getting fantastic returns."

YOUR TURN: MAKE A MOVE

It's been said that marketing is undergoing an existential crisis in 2024. Virani agrees. "In the next 18–24 months I expect it will be obvious which marketers embraced change and which did not. It will be clear in the outcomes they're able to drive and how they measure performance," he reasons.

Already, nearly half of surveyed B2C marketers have invested in new targeting methods in the past year, according to Forrester. Months from now, those who hasten to experiment with new solutions will come out ahead, having figured out how to grow revenue in a post-cookie market—before their competitors do.

MAGNIFY YOUR AD DOLLARS AND ACCELERATE CAMPAIGN GOALS

Learn how Yelp ad solutions and measurement tools can help you grow your brand's reach and revenue. Schedule a complimentary consult with a Yelp for Brands expert.

"I've tried every platform out there. Yelp is right up there, neck-and-neck with referrals… Yelp users are my highest-retaining customers. This year, we've seen a brand lift greater than the big guys in [our] industry, **and a 20% increase in leads and sales over the last year. That's huge."**

THOMAS BALLANTYNE,
Director of Marketing, Bulwark Exterminating

SOURCES

McKinsey
The demise of third-party cookies and identifiers

McKinsey
As the cookie crumbles, three strategies for advertisers to thrive

Forrester
Google Makes Good on Its Resolution to Deprecate Third-Party Cookies in 2024

Gartner
3 Steps for Marketers to Prepare for a Cookieless World

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How to Target Your Audience Without Third-Party Cookie Data

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Yelp for Brands connects your company with the ideal customers—those ready to spend and become your biggest fans. Every month, millions of consumers turn to Yelp to find the businesses and services they need. We've enabled brands like Sephora, PetSmart, LaserAway, The UPS Store, and many others to meet their advertising goals, whether at a national or local level. Our track record of generating results is backed by a dedicated team of specialists committed to your success, ensuring that each ad campaign is a partnership aimed at maximizing your business growth.

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