Understanding
True White-Label Tracking

TRACKING DIGITAL ACTIVITIES

The digital world has greatly expanded, with ever more businesses advertising online. In doing so, marketers have taken on tracking as a necessary part of it, in order to analyse the effectiveness of their digital marketing efforts.

Many are familiar with this scenario: While monitoring their online marketing activities using 3rd-party tracking providers, they face the issues of browsers blocking 3rd-party cookies, users deleting their cache and even technologies completely blocking all possibilities of cookie tracking. This causes the accuracy of their tracking data to be in question – and their understanding of the decision-making cycle of their customers is compromised.

Because of that, marketers turn to white-label tracking solutions in order to move away from 3rd-party tracking technologies, which should close the gap, but in fact, it does not always. What tracking technology providers often offer is only white-labelled halfway, and that is with a purely customized look and feel, along with big empty promises. To gain an understanding of what true white-label tracking technology is and how it solves the commonly-faced tracking issues, we first need to take a step back and take a look at tracking itself.

HOW DOES TRACKING WORK?

Online tracking is a term that comprises many different methods that websites, brands and advertisers use to learn about the user's web browsing behavior. This includes information about the navigation patterns of the user, and the things they like and dislike. This information is often used by companies to show ads, products or services specifically targeted to the user.

Cookies are the most well-known form of online tracking; they are generated upon the interaction between the user and the ads. These tracking cookies are small scripts saved locally on the users' computers and do not contain any personal information that would identify an individual. Instead, they usually consist of a value and a name.

Cookie		
Value		**Name**
Unique ID	Touch point	Time stamp	Owner (Domain specified)
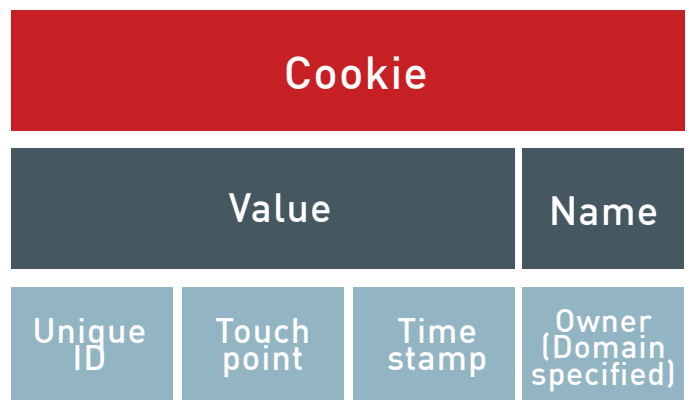
The value is used to uniquely identify this user during every subsequent interaction by assigning a unique ID code to the user, and thereby recognize which marketing partner and channel the user has interacted with and for how long. Making use of this, cookies then record a log of online activities from the user and send it to its owner for marketing analysis.
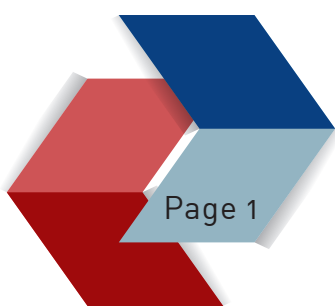
The name on the cookie refers to its owner, which is the domain specified in the cookie. For example, a user sees an ad from a particular advertiser. At the same time, the advertiser places a cookie on the user's computer through an external partner. In this case, the domain specified in the cookie will be that of the external provider, and the user's browser will recognize the domain to be different from the advertiser's and therefore identify it as a 3rd-party cookie. If the advertiser were to set the cookie under its domain, it would be identified as a 1st-party cookie.

In both cases, the tracking data will be gathered and sent to the owners of the cookies, which could be the external partners (3rd-party cookie) or directly to the advertisers (1st-party cookies).

TRUE WHITE-LABEL TRACKING

In order to ensure that the tracking data gathered is of highest accuracy possible, true white-label tracking combines several tracking technologies, making it an essential means of differentiation in a crowded marketplace.

First-party tracking

Although 3rd-party cookies are known to be the core of the online marketing world and are hence frequently used for tracking, measuring 3rd-party data is getting more and more problematic.

First, the current blocking rate of 3rd-party cookies through browsers is higher than ever before. While browsers like Safari already have 3rd-party cookie blockers set by default, others like Firefox are considering this move.[1]

Next, many users are utilizing technologies to block ads served by 3rd-party cookies. Over 320 million downloads were made worldwide via Mozilla in 2014 and this is rising every year.[2]

On top of that, a ComScore study has shown that a staggering 30% of users are manually deleting their cookies and they do so about four times a month on average.

Because of that, online advertisers that are utilizing 3rd-party tracking technologies lose valuable tracking data for their businesses. Therefore, in order to raise accuracy in the analysis of customers, white-label tracking includes 1st-party tracking technology.

But there are more benefits: As mentioned, using 1st-party cookies means that the cookies are placed under the advertiser's own business domain directly, with no hidden redirects to another domain. Thus, the users are communicating directly with the ad. In addition, if this data is encrypted, no one else is involved in this conversation. Therefore, not only are 1st-party cookies better able to track far more than 3rd-party cookies, the 1st-party data is also much more secure.

As a result, 1st-party tracking has a great edge over 3rd-party tracking. With 1st-party tracking, advertisers are able to reach out to users with greater accuracy and users are assured of better privacy with their data.

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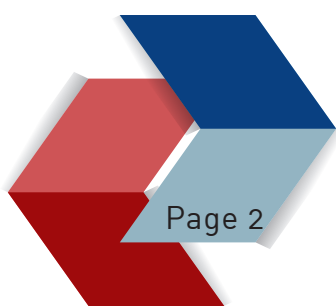
Owning your data asset

Marketers often face issues when their data is shared or given away. That is why apart from tracking under your own domain, true white-labelling should also guarantee that marketers have full ownership of all their tracked data.

This means that they are the rightful owner and have complete control over the acquisition, use and distribution of the data; they will not lose any data to external parties, thereby reducing the misuse of any business information. By owning all data, marketers can drive data analyses on their own initiative and transparently. Furthermore, without external parties in the way, marketers gain direct access to their customers, thereby developing better interactions with them.
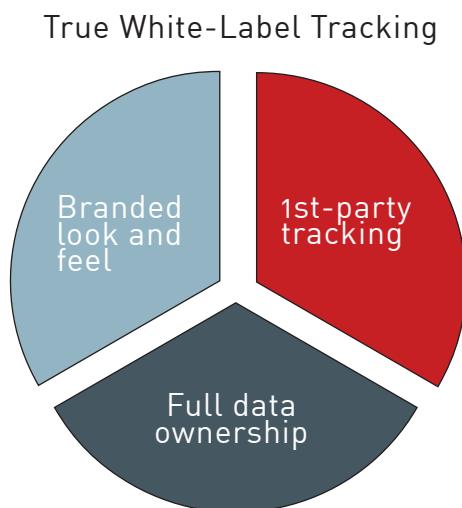
White-label tracking technologies are frequently marketed with a user interface that is customized to the client's corporate identity – but true white-label tracking entails much more. With increasing blocking of cookies from browsers and other technologies, it has become necessary to have a true white-label tracking technology. This makes use of 1st-party tracking, which also guarantees full ownership of all tracking data. With this, advertisers can finally truly understand their customers and optimize the marketing strategy for their business.

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[1] Murphy, David (2013, February 24). "Firefox 22 to Disable Third-Party Cookies by Default." PCMag. Retrieved February 26, 2015, from http://www.pcmag.com/article2/0,2817,2415810,00.asp

[2] Mozilla. "Statistics for Adblock Plus." Retrieved March 16, 2015, from https://addons.mozilla.org/en-us/firefox/addon/adblock-plus/statistics/?last=365

WHAT MARKETERS SHOULD TAKE AWAY FROM THIS

True White-Label Tracking

Branded look and feel

1st-party tracking

Full data ownership

For more information:
Ingenious Technologies AG
info@ingenioustechnologies.com
T +49 30 577 02 - 60 00
F +49 30 577 02 - 60 99
www.ingenioustechnologies.com