Everything you need to know about third-party cookies

What are third-party cookies?

Websites use cookies to remember a user's action so they aren't asked to perform a task again and again. As a result, they help provide a better, more personalized user experience.

Third-party cookies are cookies that are stored under a **different domain than you are currently visiting**. So you might be browsing on `example.com`, but third-party cookies are set by `cookieweb.com`. They are mostly used a) to track users between websites b) display more relevant ads between websites. The most common third-party entities are advertisers, marketers, and social media platforms.

It is essential to remember that **third-party cookies are not the same as first-party cookies**. **First-party cookies**, on the other hand, are stored under the same domain you are currently visiting. So, if you are on `example.com`, all cookies stored under this domain are considered first-party cookies. Those cookies are usually used to: a) identify a user between pages, b) remember selected preferences, c) store your shopping cart. You can hardly find a website nowadays that does not use first-party cookies.

Why are third-party cookies used?

Cross-site tracking: the practice of collecting browsing data from numerous sources (websites) that details your activity.

Retargeting: using search activity to retarget visitors with visual or text ads based on the products and services for which they've shown interest

Ad-serving: making decisions regarding the ads that appear on a website, deciding when to serve these ads, and collecting data (and reporting said data including impressions and clicks) in an effort to educate advertisers on consumer insights and ad performance.

How do third-party cookies work?

Third-party cookies work by embedding JavaScript from one website into another. Third-party cookies store data remembered between browsing sessions. They remember information this way because HTTP, the web browsing protocol, is a stateless protocol. A "stateless protocol" means that data is not saved between browsing sessions. In the HTTP response header, cookie attributes determine whether a cookie is a first- or third-party cookie.

Third-party cookies... one common example. Let's say earlier in the week you looked up some vacation rentals in South Africa. You browsed a few websites, admired the photos of the sunsets and sandy beaches, but ultimately decided to wait another year before planning your vacation. A few days go by and suddenly it seems like you are seeing ads for South Africa vacations on many of the websites you visit. Is it a mere coincidence? Not really. The reason you are now seeing these ads on vacationing in South Africa is that your web browser stored a third-party cookie and is using this information to send you targeted advertisements.

You're unintentionally creating a "trail of crumbs." Most web users don't realize that a browser window with multiple tabs open constitutes a single "session." As you move from tab to tab, you are unwittingly relaying information about your web visit history to other websites and parties. And, closing the web browser doesn't always eliminate the cookies your computer stores following the session. Depending on the browser you use, you may have to activate this manually.

You may be on a website with 3rd party cookies and not even know it. One of the failings of cookie notices is that they don't often specify what types of cookies are being used on the site. They could be first-party, third-party, or both. But, if the website has advertisements (which many do), then you can reasonably expect the website to be generating both first- and third-party cookies.

Are third-party cookies actually useful?

Since the late 1990s, online marketers have built their businesses on the ability to track online users and then target them with advertisements, and much of this has been through the use of third-party cookies. Let's play "devil's advocate" for a moment. Could third-party cookies actually be useful for users? In a way, yes. The two largest online advertising firms, Google Ads and AdSense, make a valid point that 3rd party cookies are useful to consumers as they create advertisements that are in line with individual interests. After all, if you are forced to see the ads, it's better if they are related to your interests.