MARKETER BRIEFING

Are You Training Your Competitors' Ads?

How Meta, Google and TikTok tracking code works for you — and for them.

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Every major advertising platform gives marketers a piece of code to install on their website. The pitch is straightforward: track conversions, build better audiences, spend smarter. What the pitch leaves out is the other side of the ledger. When you install that code, you are not simply measuring your own campaigns — you are contributing behavioural signals and identity data to a platform that uses all of it to improve its advertising product, available to every advertiser on the platform, including your competitors.

THREE QUESTIONS ASKED OF EACH PLATFORM

1. **What code does the platform ask to be implemented?**
2. **What is the stated benefit for the marketer?**
3. **What is the ancillary benefit for the platform?**

PLATFORM: META — Facebook / Instagram / WhatsApp

WHAT CODE	**The Meta Pixel** — a JavaScript snippet placed in the <head> of a website. It fires on page load, tracks defined events (page views, add-to-cart, purchases, form completions) and attempts to link website visitors to their Facebook or Instagram accounts using cookies and browser-side matching. **Advanced Matching** — extends the pixel by sending hashed first-party identifiers (email address, phone number) from conversion pages directly to Meta. Hashed using SHA-256 before transmission. **The Conversions API (CAPI)** — Meta's server-to-server solution, introduced in response to iOS 14's App Tracking Transparency update. Sends event data directly from the advertiser's server, bypassing browser restrictions entirely. Can transmit purchases, leads, subscriptions, and any defined event, along with hashed user identifiers. **Meta Datasets** — unifies pixel events, CAPI events, app SDK events, and offline conversion data into a single data source per advertiser account (introduced 2023).
STATED BENEFIT	**Conversion tracking** — attributing website purchases and goal events to specific Meta ad campaigns, enabling return on ad spend calculation. **Retargeting** — building Custom Audiences of users who visited specific pages or reached checkout, for follow-up advertising. **Lookalike Audiences** — using conversion data to find new users who share characteristics with existing best customers. **Algorithm optimisation** — feeding conversion signals to Meta's delivery system so it optimises ad placement toward users most likely to convert. **Measurement resilience** — CAPI preserves signal quality in environments where the browser-side pixel is blocked by ad blockers or iOS privacy settings.
ANCILLARY BENEFIT	**Model training across the entire platform.** Meta's advertising system is a machine learning system. When an advertiser's pixel fires a purchase event, that signal contributes to Meta's broader understanding of purchase intent across the web. Meta's documentation confirms event data is used to 'refine targeting' and improve its 'machine learning algorithms' — not just for the contributing advertiser but for the platform's models as a whole. **Identity graph enrichment.** Every pixel event that successfully matches a website visitor to a Facebook or Instagram account extends Meta's identity graph — its understanding of which real people are behind which online behaviours. Meta's Business Tools Terms acknowledge this data is used for 'providing and improving its online advertising services' — language covering the entire Meta ad ecosystem. **Competitive availability.** Advertiser A's purchase signals improve Meta's ability to identify high purchase-intent users across its network. Meta then sells access to those audiences to every advertiser who bids for them — including direct competitors. No individual customer lists are shared. However, the signal quality that makes Meta's targeting powerful is a collective good, built from every advertiser's contributed data and made available to all.

Sources: Meta Business Tools Terms of Service; The Markup, 'How We Built a Meta Pixel Inspector' (2022); Schjodt Law, 'Thoughts on Behavioural Advertising, Meta and Privacy' (2023); Meta Privacy Centre for Advertisers.

PLATFORM: TIKTOK — TikTok For Business

WHAT CODE	**The TikTok Pixel** — a JavaScript snippet placed on website pages, tracking events including page views, product views, add-to-cart, checkout initiation, and purchases. Collects IP address, browser type, user agent, page URL, device information, and timestamps. **Advanced Matching** — available within the TikTok pixel configuration, sends hashed personal identifiers (email addresses, phone numbers) alongside event data, improving the pixel's ability to match website events to known TikTok users. TikTok describes this as its 'Enhanced' data sharing tier. **The TikTok Events API** — the server-side equivalent of the pixel. Sends event data from the advertiser's server directly to TikTok, bypassing browser restrictions. Combined with the pixel, TikTok describes this as its 'Maximum' data sharing tier. **Off-site Performance Analysis** (launched December 2024) — extends pixel function to track the downstream impact of TikTok content exposure on purchases made outside the TikTok platform entirely, connecting organic views, TikTok Shop engagement, and paid ad interactions to off-platform web revenue.
STATED BENEFIT	**Conversion attribution** — linking TikTok ad spend to on-site purchases across delayed purchase journeys. **Custom Audiences** — creating retargeting audiences from specific website events. **Lookalike Audiences** — expanding reach to new users sharing characteristics with existing converters. **Algorithm optimisation** — feeding conversion signals to TikTok's delivery algorithm to optimise placement toward high-conversion users. **Off-platform attribution** — demonstrating TikTok's halo effect on direct-to-consumer website sales, making the case for TikTok as a full-funnel channel.
ANCILLARY BENEFIT	**Building a younger identity graph.** TikTok's advertising platform is newer, and its identity graph less mature than Meta's or Google's. Pixel deployments on advertiser websites are a primary mechanism through which TikTok builds behavioural and purchase intent data on users outside the app. TikTok's own Privacy Centre acknowledges that pixel data is matched to TikTok user profiles and used to inform personalised advertising. **Platform model training.** TikTok's ad delivery algorithm is trained on engagement and conversion signals. Advertiser pixel data directly feeds this training. The more complete TikTok's picture of high-intent user behaviour off-platform, the more effectively it can sell targeting to all advertisers. **The data governance dimension.** Unlike Meta and Google, TikTok pixel deployment has attracted specific institutional concern from advertisers about where contributed data is stored and who has access to it. TikTok's Project Texas initiative (working with Oracle to store US user data domestically) was a direct response to advertiser hesitancy. Some brands have been willing to spend on TikTok advertising while declining to install the pixel, a distinction not typically made with other platforms. **Competitive data subsidy.** As with Meta, purchase conversion data contributed to TikTok's platform improves its ability to identify purchase-intent signals for a given category — signals available to every competitor running TikTok campaigns.

Sources: TikTok For Business Help Centre: About TikTok Pixel; TikTok Privacy Centre: Ads and Your Data; Marketing Brew, 'Advertisers Are Asking Questions About the Data TikTok Can Collect' (2022); Adweek, 'TikTok Turns to Pixels to Show Advertisers What Happens Beyond Its Walled Garden' (January 2026).

PLATFORM: GOOGLE — Google Ads / GA4 / YouTube

WHAT CODE	**The Google Tag (gtag.js)** — Google's unified JavaScript library that replaced separate tracking codes for Google Analytics, Google Ads, and other Google products. A single gtag.js installation can simultaneously send data to Google Ads, Google Analytics 4 (GA4), Campaign Manager 360, Display & Video 360, and Search Ads 360. This is architecturally significant: a marketer who installs gtag.js for what they perceive as an analytics implementation may, in the same action, be contributing to Google Ads' conversion modelling infrastructure. **Important distinction from Meta and TikTok:** Google does not ask marketers to place a separate 'advertising pixel.' The tracking code typically arrives on a site as a Google Analytics installation — often made by a developer early in a site's life, before advertising decisions are made. The connection to Google's advertising products is then made through account linking settings within the Google interface, with no new code required. The data contribution to Google's ad ecosystem is the cumulative consequence of several incremental decisions made by different people at different times. **Enhanced Conversions** — when enabled, conversion tracking tags capture hashed first-party user data (email address, name, phone number) and transmit it to Google, which matches it against signed-in Google Account data to attribute conversions to ad interactions even when cookies are unavailable. This requires a deliberate configuration step but can be implemented via Google Tag Manager without developer involvement. **Google Signals** — a GA4 feature that, when activated via a toggle in the GA4 Admin panel, draws on data from users signed into Google accounts who have enabled Ads Personalisation. Google's documentation states this data 'may include user location, search history, YouTube history, and data from sites that partner with Google.' Activation requires no code change — only an Admin setting.
STATED BENEFIT	**Conversion tracking** — connecting ad spend to on-site outcomes across all Google campaign types including Search, YouTube, Display, Shopping, and Performance Max. **Smart Bidding** — automated bid strategies (Target CPA, Target ROAS, Maximise Conversions) depend entirely on historical conversion data fed from gtag.js. Without sufficient signals, Smart Bidding cannot optimise. **Audience creation** — website visitor lists, custom intent audiences, and Customer Match lists for targeting and exclusion across Search, YouTube, Display, Gmail, and Shopping. **Cross-device measurement** — Google Signals enables advertisers to see, in aggregate, how users switch devices during a purchase journey. **Modelled conversions** — where direct attribution is unavailable due to ad blockers or privacy restrictions, Enhanced Conversions provides data to train statistical inference models.

ANCILLARY BENEFIT

Training Google's AI bidding systems across all advertisers. Google's Smart Bidding, Performance Max, and broader auction algorithms are trained on aggregate conversion signal data. Google's own documentation states Enhanced Conversions data is used to 'inform machine learning models.' Models trained on one advertiser's data improve Google's ability to predict conversion probability across its entire auction — the engine of Google's advertising business.

Extending Google's identity graph. Google's identity graph is among the most comprehensive in digital advertising, built on Gmail, Android device IDs, YouTube, Chrome, and Google Search. Enhanced Conversions and Google Signals supplement this with hashed purchase and conversion data from advertiser websites, enriching Google's understanding of the relationship between ad exposure and purchase intent across its entire network.

The gtag.js architectural choice is not neutral. Presenting Google Analytics and Google Ads measurement as a single unified tag means the data contribution to Google's advertising infrastructure is often invisible at the moment of installation. The moment a marketer links a Google Ads account to a GA4 property, or activates Google Signals, they unlock a data flow into Google's signed-in user identity infrastructure — with no new code required and often without a clear sense that an advertising data decision has been made.

Data-Driven Attribution model training. Google's default attribution model explicitly uses historical conversion data to distribute credit across the customer journey. More complete conversion data improves Google's ability to value ad inventory and price its auction — a platform-level benefit derived from advertiser-contributed data.

Sources: Google Tag Platform Developer Documentation (developers.google.com/tag-platform); Google Ads Help: Enhanced Conversions; Google Analytics Help: Google Signals; Piwik PRO, 'How Google's Enhanced Conversions and Meta's Advanced Matching Impact Analytics' (2024); Google Ads Privacy Hub: Enhanced Conversions for Web.

THE STRUCTURAL POINT

What All Three Platforms Share

Beneath the specific mechanics of each platform, the same structural dynamic operates: the advertiser installs tracking code; the tracking code serves two masters. It serves the advertiser's measurement need — the stated purpose. And it serves the platform's data accumulation need — the unstated secondary purpose.

The platforms do not sell individual advertiser data to competitors. What they do is use contributed conversion and behavioural data to train shared machine learning infrastructure that then powers targeting for all advertisers. The data goes in individually; the benefit comes out collectively. Competitors benefit from the quality of the platform's models, and that quality is built on every advertiser's contributed signals.

THREE PRACTICAL IMPLICATIONS

Questions Worth Asking Before Implementation

1

Are you training your competitors' targeting?

If your category is competitive — retail, insurance, travel, financial services — you may be materially improving the precision with which your competitors can reach your customers by contributing high-quality conversion signals to a shared platform.

2

Is server-side tagging a solution?

Server-side tagging reduces data leakage to third-party trackers but does not eliminate the contribution to platform models when you still send data to Meta CAPI or the TikTok Events API. The signal still flows; it flows more deliberately.

3

What does 'first-party data' mean in this context?

The term 'first-party' describes who collected the data. It does not describe where that data ends up or what models it trains. Uploading first-party data to a platform's matching infrastructure still contributes to the platform's identity graph.

A note on this document: This briefing was prepared using Claude AI (Anthropic) with human oversight, source verification, and editorial review by John Buckley. Sources are cited throughout. Corrections or additions welcome via www.thegadgetguy.co.nz.