

# 7 trends affecting mobile advertising in 2023

## Article

People live on their phones: US adults will average 3 hours and 26 minutes on smartphones this year, up 3.6% from 2022, according to our forecast. They're also buying more on their phones: US adults will spend \$470.97 billion in retail mcommerce sales this year, up 13.2% from 2022.

Here's how advertisers can tap into consumers' mobile momentum.

### 1. Mobile augmented reality (AR) advertising will grow despite recession fears.

“We expect mobile ad spend to reach about \$194 billion in the US in 2023. This is accounting for any type of economic slowdown we’ve had so far—and [that] we expect,” said our analyst Yory Wurmser on a recent [webinar](#). Mobile AR advertising will grow from \$4.1 billion in 2022 to reach nearly \$10 billion by 2026, according to Artillery Intelligence. Social media and gaming will drive this trend.

## **2. QR-launched AR will rejuvenate out-of-home (OOH) advertising.**

Pandemic-fueled QR code use will continue, with more than 94 million users this year, Wurmser said. That also made OOH more accessible, offering a richer ad experience for consumers and trackability for advertisers. We predict US OOH ad spend will increase 6.0% this year to reach \$9.77 billion.

## **3. When Google Ad IDs (GAIDs) are no longer in play, advertisers will spend more on iOS.**

Google said it would deprecate GAIDs on Android devices by the end of 2024. “iOS always had higher rates attracting more dollars in the US,” Wurmser said. “That changed a little bit with the advent of AppTrackingTransparency (ATT). It’s starting to change again and move back to even now with some of the solutions that Apple has offered. And as the Google Ad ID deprecation come[s] closer, it may revert to the point where iOS prices are higher and attracting more dollars.”

## **4. Expect current economic conditions to supercharge measurement innovation—in the short term.**

“If [macroeconomic factors] go downhill, advertisers will demand more accountability. And the way to prove the accountability of advertising is through measurement,” he said.

## **5. Apple will face more blowback from its App Store policies.**

While it has largely evaded antitrust scrutiny, regulators may redouble efforts to force Apple to allow third-party app stores or limit how it makes money from the App Store.

## **6. Apple’s demand-side platform (DSP) will launch in 2023 with ads on Apple TV.**

“Apple has an immense amount of privilege in the iOS ecosystem,” said our analyst Evelyn Mitchell. “While ATT has been busy materially reducing the amount of consumer data that mobile advertisers have had access to for targeting and measurement elsewhere, Apple has built quite the walled garden and is still sitting pretty when it comes to consumer data. If it were to use that data to power its DSP, and if it were to expand its inventory footprint by, let's say, launching a general search engine to replace Google as the default on iOS devices and on Safari, it would become a massive gravitational force in the ad tech market. And it's all mostly owed to the changes in the ecosystem wrought by ATT.”

## **7. Brands will pay more attention to Apple Ads.**

As Apple expands its ad offerings to media, more brands will take a closer look.

**Watch the full webinar.**

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