

As Google offers more personalized advertising, Apple suggests that in some cases, personalization doesn't matter

Article

The news: Google is offering consumers more personalized ad experiences, even as Apple tells advertisers that aiming for users who have opted out of tracking may actually offer better results.

Personalized ads: My Ad Center was unveiled Wednesday at Google I/O. It will provide Google users a more personalized ad experience across Google Search, YouTube, and other platforms.

- The new tool, expected late this year, will let users view the kind of ads they want to see.
- Users will be able to give specifics on ads they prefer within My Ad Center: everything from basketball to health to the energy industry. They may even request ads from particular brands.
- To be clear, Google does already offer an Ad Settings section for users—but it's far from perfect. This initiative appears to build on those earlier efforts, as well as its [recent expansion](#) of user control over ads from sensitive categories such as dating and gambling.

Meanwhile, at Apple: The consumer tech giant is saying in some circumstances that aiming at consumers who don't want to be personalized, oddly enough, could yield better results.

- Apple's Search Ads are [growing in importance as a revenue source](#) for the company—yet they rely very little on targeting, and personalization doesn't yield better conversion rates, according to a presentation to advertising clients obtained by 9to5Mac.
- When users enter the App Store for the first time using iOS 15, Apple asks if they want personalized ads that “help you discover apps, products, and services that are relevant to you.”
- According to Apple data, though, smartphones with customized ads turned off accounted for 78% of iOS App Store searches—suggesting that most users said they'd prefer not to be tracked, even in exchange for a more personalized experience.

But wait, there's more: The average conversion rate for users who enable tailored advertisements and those who do not is in a statistical dead heat.

- Advertisers saw a 62.1% conversion rate for users who opted in to personalized ads. The conversion rate is 62.5% among consumers who have tailored ads blocked.
- Given these conversion rates, Apple is pushing developers to target users who have personalized experiences turned off since that group is about three times larger than the other cohort.

How customers feel: Users have a love-hate relationship with personalized ads.

- A Merkle report **found that** from 2020 to 2021, consumers became more comfortable, not less, sharing data with brands in exchange for a more personalized experience.
- 54% of marketers have seen more increased engagement with their brand as a result of more personalization, **per** Acquia; another 48% saw increased conversions.
- Not all data points are created equal: while the majority of consumers are willing to part with information such as gender and age, internet users overwhelmingly prefer to hold onto some other data, including browsing behavior.

Data Points UK and US Consumers Would Be Happy to Share for Personalized Ads/Offer, Q1 2021

% of respondents

	UK	US
Gender	66.5%	55.8%
Age	56.5%	54.7%
Preferences/interests	52.9%	43.0%
Language	52.7%	46.2%
Occupation	31.7%	30.1%
Browsing behavior	29.7%	22.8%
Name	26.3%	21.1%
Household income	17.0%	20.6%
None	3.4%	7.3%

Note: ages 18+

Source: A Million Ads, "The Power of Personalization," June 8, 2021

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- Consumers' interest in personalization and privacy is making marketers more interested in the topic. Ad targeting and personalization innovations were the most sought-after topic from US agencies and marketers at the Upfronts and NewFronts, **per** Advertiser Perceptions.

The big takeaway: While many consumers do want personalized ad experiences, quite a few opt out when given the chance. But they are willing to part with some personal information on

a case-by-case basis. It's up to marketers to deliver enough value to convince consumers that the transaction will be worth it.