

Advertising is still recovering after a year of App Tracking Transparency

Article

The news: One year after Apple's App Tracking Transparency (ATT) update dramatically changed mobile advertising, the industry is beginning to stabilize and mobile ad spending is on the rise, per a [report](#) from AppsFlyer.

By the numbers: In the months after ATT was launched, requiring apps to let users choose to opt-in or out of having their personal info tracked, opt-in rates were [as low as 23.64%](#). But

now, with a majority of apps showing the tracking pop-up, just under half of users have opted in.

- **46%** of users across all app categories consented to tracking, far above initial estimates that anywhere from 2% to 20% would opt-in.
- **80%** of all iOS apps have implemented the tracking pop-up, with gaming apps leading at 91%.
- The sooner users are prompted, the better. Those who were shown the tracking prompt on first launch of an app were **30%** more likely to consent compared with those who received it later on, likely because a prompt during extended use could be seen as disruptive or not trustworthy.

Looking forward: Though the industry is beginning to recover from the ATT shakeup, there's still a long road ahead. Many firms are still struggling to reduce the impact of the change on revenues.

- Data management firm Lotame estimates that ATT's changes could reduce revenues for **Twitter, Snap, Meta, and YouTube** by a collective **\$16 billion**, showing that the industry still hasn't found post-ATT solutions that satisfy advertisers. Meta and Snap's earnings this week also showed signs of a stilted post-ATT recovery.

The big takeaway: While ATT's effects on the industry will be felt for years to come, the update is not the nail in the coffin for digital advertising that some believed it would be.

- Opt-in rates are much higher than cataclysmic early predictions, and users are open to the idea of tracking if an app presents them with the option as soon as possible.

US Opt-In and Adoption Rates for App Tracking Transparency (ATT) and iOS 14.5, Dec 2021

% of users



Note: ATT opt-in rate is defined as the share of users with any version of iOS 14 (not only 14.5+) who opted-in to "tracking" via the ATT prompt; iOS 14.5 consumer adoption rate is the share of app sessions with version 14.5 or higher
Source: AppsFlyer, "The Impact of iOS 14+ & ATT on the Mobile App Economy," Dec 21, 2021

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