

## Apple has an ad for that

## Article

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Apple's just-released iOS 16 allows users to customize lock screens, control notifications further, and (at long last) edit text messages within 15 minutes. You know what else is changing at Apple? Its advertising strategy.

**Current slice:** Apple will see \$4.14 billion in digital ad revenues this year, making up just 1.7% of the US digital ad revenues <u>pie</u>. By 2024, that number will grow slightly to 1.9%.

- In comparison, Google's ad revenues will total \$70.15 billion this year, and Meta's will be \$55.54 billion.
- While both Google and Meta's share of US digital ad spend is shrinking, in part due to Apple's AppTrackingTransparency (ATT), both companies will continue to make up more than 20% of US digital ad spend each through the end of our forecast in 2024.

**There's an ad for that:** Google and Meta both focused on ad revenues before moving into hardware. Apple moved from computers and other devices into the advertising space.

- Apple is <u>investing heavily</u> in growing its ad business, with plans to double the number of employees working in digital advertising, according to the Financial Times.
- Apple currently banks on <u>display and search ads</u> within its own apps, like News, Stocks, and the App Store. The company is exploring other paths, like search ads in Apple Maps, something <u>Google</u> already does successfully.
- And while Apple is playing from behind in terms of advertising revenues, they have the advantage of access to consumers' daily life. iPhones made up about 60% of premium smartphone sales worldwide in 2021, <u>according</u> to Counterpoint Technology Market Research.

**Apple's power:** The ubiquity of iPhones is part of what gave ATT such a hold over <u>Meta</u> and other tech giants.

Growing out advertising after touting privacy features could make Apple look <u>hypocritical</u>.
However, social media networks have already gotten users accustomed to ad overload. They may not even notice Apple sending a few more their way.

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