

# A new identity challenge for marketers: Apple's mobile ad ID becomes opt-in

Article

Major changes are coming to how advertisers and others in the ecosystem can identify users across channels and devices. The loss of third-party cookies and changes to Apple's Identifier

for Advertisers (IDFA)—rumored to roll out this month—will affect ad addressability, but also measurement and attribution. Advertisers are taking steps in response, including more emphasis on first-party data, data collaborations, and modeling-based approaches.

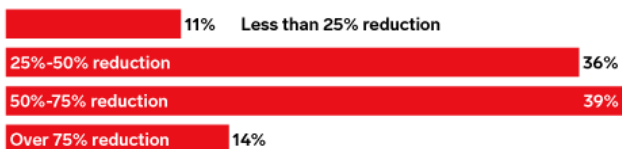
Identifying users across devices and channels is itself a long-standing measurement and attribution challenge. Third-party cookies were never truly universal identifiers. For years, consumers have spent the majority of their digital media time in the cookieless environments known as mobile apps. Still, cookies were useful—along with IDFAs—and losing identifiers will disrupt many current practices.

In late January 2021, Apple announced that its new AppTrackingTransparency framework will go into effect “in early spring”—months before Chrome is expected to deprecate third-party cookies. The framework will require users to opt in before any app can collect the IDFA, a persistent mobile device identifier. Most in the mobile app industry expect opt-in rates to be low.

A majority (53%) of mobile marketers worldwide surveyed in September 2020 by mobile attribution provider AppsFlyer and MMA Global expected at least a 50% reduction in the availability of IDFAs once the planned changes go into effect. Experts we interview typically talk about expected opt-in rates of around 20% to 30%. (There’s a contrarian, optimistic view that users will be eager to “tap away” any type of notification and semiconsciously opt in.)

### How Much More Do Mobile Marketers Worldwide Expect Apple's Planned Changes to iOS 14 Will Reduce Identifier for Advertisers (IDFA)?

% of respondents, Sep 2020



Source: AppsFlyer and MMA Global, “Apple, IDFA and iOS14: New Challenges, New Opportunities for Marketers,” Nov 17, 2020

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The mobile marketers surveyed by AppsFlyer and MMA Global expected significant negative effects from the new framework on several attribution-related functions including cross-device measurement (71% said it would be affected at least somewhat negatively), multitouch attribution (62%), conversion measurement (66%), and impression measurement and verification (56%).

## Expected Impact of Apple's Planned Changes to Identifier for Advertisers (IDFA) on Select Marketing Capabilities According to Mobile Marketers Worldwide, Sep 2020

% of respondents

|  | Very negative | Somewhat negative |
|--|---------------|-------------------|
| Audience targeting/suppression/remarketing | 34%           | 40%               |
| Cross-device measurement                   | 31%           | 40%               |
| Multitouch attribution                     | 31%           | 31%               |
| Conversion measurement                     | 20%           | 46%               |
| Contextual targeting                       | 17%           | 26%               |
| Frequency capping                          | 17%           | 42%               |
| Impression measurement and verification    | 17%           | 39%               |
| Dynamic creative optimization              | 15%           | 44%               |

Source: AppsFlyer and MMA Global, "Apple, IDFA and iOS14: New Challenges, New Opportunities for Marketers," Nov 17, 2020

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These challenges are expected to drive budget into other advertising channels. They will also spur adoption of different forms of measurement. More than six in 10 respondents said they would be investing more in probabilistic methods, and a similar share said they would invest more in alternative measurement solutions generally.

Many of those downstream changes involve the limited amount of information that will be available from Apple's SKAdNetwork, which will be the only source of deterministic attribution data about in-app ads for users who don't opt to share their IDFA with an app. SKAdNetwork reporting is complicated and limited, and mobile measurement and attribution partners are experimenting with various setups now while IDFAs are still available to compare results.

The respondents to the AppsFlyer and MMA Global survey had a fairly good awareness and understanding of the upcoming IDFA-related changes, and some of these respondents were themselves app developers. We've heard repeatedly that there are big gaps in sophistication across mobile app advertising programs and that some advertisers may not understand the importance of Apple's planned changes.

To learn more about new challenges in the identity crisis, Insider Intelligence subscribers can read our recent report:

**Report** by Nicole Perrin Feb 11, 2021

## Ad Measurement and Revenue Attribution 2021

