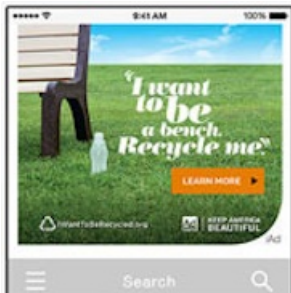


ADVERTISING

## Apple curbs iAds control in a win for marketers, publishers and Facebook

January 19, 2016



*Apple is reportedly stepping control over iAds*

By CHANTAL TODE

Reports that Apple is stepping back involvement with its iAds mobile advertising platform to give publishers more control and money is an important and necessary shift towards a more open stance the company hopes will boost both its iAds and Apple News products amid stiff competition from Facebook.

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After years of tight control over ad buying, design and revenue generation for iAds, Apple is reportedly setting up a system to allow ad sellers and publishers to manage the ad placement process for iAds themselves and will no longer take a 30 percent cut of iAd sales, letting publishers keep all of the revenue. IAds, which was launched in 2010, never really took off while the newer Apple News platform is struggling to get off the ground.

"Within the publishers world, this is a significant move to support the Apple News platform," said Paul Berry, founder and CEO of **RebelMouse**, a publishing platform with close ties to social media.

"Facebook's Instant Articles has a stronger distribution model and has captured the full attention of every media company," he said. "Apple News does not have the same infrastructure for the spreading of any one piece of content and so it makes sense for Apple to give more to the publishers and get their help in promoting the platform."

Mr. Berry, who was previously the chief technology officer at Huffington Post, explains that the news about iAds has implications for publishers as well as the apps ecosystem and mobile advertising.

### Facebook's advantages

As content consumption continues to grow on mobile, a variety of players, Apple included, are racing to deliver solutions that address the needs of consumers reading from their smartphones while also enabling brands to get in front of those readers effectively.

Apple came into the mobile advertising market tightly controlling what publishers and advertisers could do.

Apple is rolling back the controls on iAds not only because it is not performing well, but also because it reads the writing on the wall and recognizes the growing convergence of social media an area where it does not play at all and mobile content.



Last year, Apple News was introduced, the latest of numerous offerings to bring content across a range of titles to mobile users and the company's newest pitch to publishers and marketers.

"This could be seen as big win for Facebook as Apple begins to back out of the competition to be the platform that publisher's content performs best in terms of audience and revenue," Mr. Berry said. "Apple's lack of a social graph makes it very hard to compete with Facebook on distribution itself, particularly on the fundamental unit for media which is the article page.

"Apple News has a lot of work to do outside of the advertising integration to prove it can gain massive consumer traction," he said. "There is a significant probability that neither the Apple News or iAds platforms become important to Apple at its core but are seen as experiments that never led to scale."

#### Benefitting ad networks

This is not the first time Apple has scaled back iAds. The platform was launched with \$1 million minimum ad buy, which was repeatedly reduced in the ensuing years.

For Apple, the move to reduce controls on iAds suggests marketers, after years of pushing back, have scored a victory.



The move could help boost iAds by attracting more brands and publishers now that they will have more freedom. It could also benefit ad networks.

"If they continue to allow more freedoms, open the platform and create an ecosystem that takes away a lot of the barriers, then there is a good chance iAds can thrive under the new set up," said Sean Black, North America media services lead for [SapientNitro](#). "There is still the overall challenge of the Apple platform and its competition in the market to their decrease in market share.

"There are many networks out there looking to continue to build exciting and rich creative in collaboration with the agencies and brands while at the same time very open about the targeting, the data and, most of all, ensuring the campaigns are delivered properly," he said. "We will also see bigger movements to geo-fencing and location based marketing as that data is getting stronger and the ability to reach a consumers not only at the right time but in the right place and mindset is providing to deliver strong results."

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