

SOFTWARE AND TECHNOLOGY

Apple's iOS 11 browser update threatens online advertising, publishing

September 8, 2017



How the cookie crumbles in iOS 11. Image credit: Apple

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Apple has given its Safari browser a behind-the-scenes makeover, but when the latest version makes its debut as part of iOS 11 later this month, it will not be pretty.

As Apple strives to improve the user experience, it is also pushing a more restrictive ad-tracking policy that will make it far more difficult for advertisers to target their desired audiences and for publishers to optimize their advertising revenues.

Just how this move will benefit users has yet to be seen. While their privacy will be more protected, they are also bound to see more irrelevant ads.

Wild at Safari

Given that Safari handles nearly 57 percent of mobile Web traffic in the United States, the impact will be significant. Apple appears to be ramming advertisers and publishers into rough waters.

It is all about cookies, those golden nuggets of data created or updated on your browser each time you visit a Web site.

Once your browser creates a unique cookie for a domain a first-party cookie that cookie is forever. Today it could be triangulated to a third Web site, aggregated with cookies from many other sites, and offered to advertisers as a third-party ad tracker.

Publishers depend on third-party cookies for the rich data that they deliver, which enables them to segment the market and target the right consumers. It is an essential route to revenue and, if properly used, will result in ads that are more relevant to users.

The **arrival of iOS 11 and an updated Safari** will change all that.

Newly-minted cookies will be harbored for no more than 24 hours, and every cookie will expire in 30 days. As a consequence, third-party ad trackers will not be effective. This will give Internet giants such as Amazon, Google and

Facebook a significant competitive advantage, because many users visit these sites every day, and they already own their customer data and can always access it. Other third-party re-targeting sites will not share this advantage.

Further, publishers, small and large, will never have an equal chance to collect first-party cookies on their domains. Publishers have the most to lose.

If they can no longer target iOS users, that revenue is gone forever unless advertisers opt to pay more for less efficient placements. If they cannot read cookies created outside their own domains, or aggregate third-party domains, or access first-party data, then vital revenue streams will go dry.

Can publishers live without advertising? To better understand Apple's motivation, we should ask how blocking ad tracking only on Safari protects users' privacy? And how are users helped when unique device identifiers that are exposed to native ads are withheld?

Amplifying

Google AMP may be of some help.

At first Google will have its own struggles, working to consolidate its many and varied domains under the Google.com umbrella, such as YouTube and Gmail, for instance.

Still, when Google publishes an HTML version of a publication's content directly onto the AMP platform, it gives advertisers a chance to acquire first-party cookies and segmented data in the shade of that big umbrella. Publishers will not share this chance. Rather, they will be losing access to, and control over, this vital data.

Advertising allows online businesses, including publishers, to monetize their sites and bring high-quality content to users at no charge. What happens when that revenue stream is cut off?

Without third-party cookies to guide advertisers, targeted marketing will be impossible.

Without in-depth customer data, they will have no choice but to buy ad space without segmentation, with no way to know if their messages are reaching the right eyes. They will be forced to pay more for less effective advertising, and piloting blind.

IN THE BEGINNING, publishers and advertisers will live in complete uncertainty.

The holiday season will bring a happy distraction, because big ad budgets are already set. And then reality will sink in, and the real problems begin, at the dawn of the new year.

When all those third-party cookies start to crumble, will it signify that 2018 marks the beginning of the end of online advertising as we know it?



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