

SOFTWARE AND TECHNOLOGY

How Apple's iOS14 software update will impact marketers

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Apple iOS 14 update. Image credit: Apple

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Marketing professionals are quickly looking for solutions to overcome new obstacles regarding ad targeting and data privacy enacted by Apple's newest mobile software update.

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The Apple iOS14 update grants users the ability to block identifiers for advertisers (IDFA) and opt-out of targeting or tracking. During a webinar held on Jan. 12 by digital marketing agency **Tinuiti**, industry experts advised marketers on how they can begin developing new methods for delivering targeted advertising and measuring performance while complying with these updated requirements.

Privacy and advertising

IDFA is a unique identifier for mobile devices and is used to target and measure the effectiveness of advertising on a user level across mobile devices. Apple revealed new features of iOS14 during its annual **Developers Conference** which included changes to privacy management that have the potential to greatly impact how mobile is utilized for insights, targeting and attribution.

Currently, nearly 70 percent of iOS users share their IDFA with app publishers. Once these new options are rolled out, it is estimated this number will drop between 10 and 15 percent.

During the panel, agency lead at **AppsFlyer** Stephen Massaro stressed how heavily mobile advertising and measurement on iOS rely on IDFA and that these changes will make it more complex for marketers to accurately measure the efficacy of their messaging.



Facebook recently updated its current SDK to support SkAdNetwork and conversion value management to allow for app install measurement following the iOS privacy changes. Image credit: Tinuiti

Marketers will likely be affected in two large ways: ad retargeting and ad measurement.

Retargeting will be essentially rendered useless for users who have opted out of sharing their IDFA.

Companies such as Google and Facebook have other variables they can use to identify devices, such as emails and phone numbers. However, other platforms that do not use such deterministic variables will likely see a reduction in targetable audiences.

Mobile Measurement Partners (MMPs) built its measurement and fraud capabilities around the IDFA identifier. Apple announced a replacement API, SKAdNetwork, that will allow for conversion data to be passed back at the campaign level.

Many digital platforms including Facebook, Google, Snapchat and TikTok are actively working towards solutions to these changes, many of which are leaning towards updating their SDK to support Apple's **SKAdNetwork** option.

However, SKAdNetwork presents new functional challenges for advertisers such as: predominantly measuring installs, thus lacking substantial return-on-investment and lifetime value; affecting granularity by limiting advertisers to 100 campaigns; 24-hour postback delay; advertisers may lose trust as data is owned and reported by the networks; risk of ad fraud; lack of re-engagement attribution support.

To combat these challenges, panelists agreed on the following solutions: aggregating data by collecting all SKAdNetwork information from each network; validating data by ensuring all postbacks are signed by Apple; enriching data by matching SKAdNetwork information with other data points for complete ROI analysis and enabling data by facilitating SKAdNetwork data for easy consumption by the advertiser through dashboards and APIs.



Users are granted more privacy with Apple's iOS14 update. Image credit: Tinuiti

Liz Emery, senior director of mobile strategy at Tinuiti, emphasized that, despite mixed rumors of an expected launch date from Apple, marketers should begin preparing solutions as if the changes were to take effect tomorrow.

Ms. Emery and senior sales engineer at **Liftoff** Alex Dohrmann suggested that advertisers come up with solutions for implementing a consent dialog for tracking, speak with agencies to discuss how to set up channels moving forward, conduct tech stack evaluations ensuring consistency in reporting and attribution, focus on building "first party" data strategies and, finally, build solutions for mobile engagement after the initial app download.

Apple all in on privacy

The new restrictions with the iOS14 update are only a continuation of Apple's recent push toward privacy in recent years.

When the tech giant announced its iOS13 during its Developers Conference, it introduced a new feature directed at privacy in advertising. With the update, Apple would make it easier than ever for consumers to protect their personal information and prevent third parties from exploiting user data ([see story](#)).

Two years prior, Apple introduced anti-tracking measures on its web browser Safari that would hamper marketers' ability to target customers. The new update limited the degree to which advertisers tracked their ads to specific customers, making it more difficult for brands to target specific categories as well as making attribution more challenging, generally ([see story](#)).

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