

Social Advertising and iOS14 Privacy **Client Brief**

OVERVIEW



WHAT'S HAPPENING

As part of the iOS 14 update, iPhones will be giving users the choice to block the IDFA identifier at the app level. Among other changes, what this means is the iOS 14 update will require apps to ask users for permission to collect and share data.

Currently, about 70% of IOS users share their IDFA with app publishers. After this change it's estimated that this number will drop to 10% to 15%.



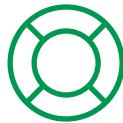
NOTABLE CHANGES

Facebook has made significant changes that will affect how campaigns are set up, pixel strategy, reporting, and analytics.



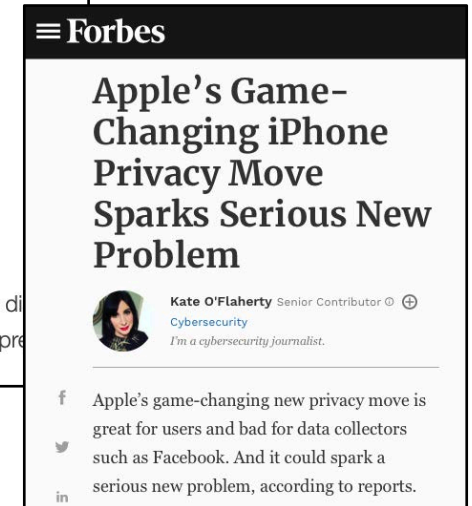
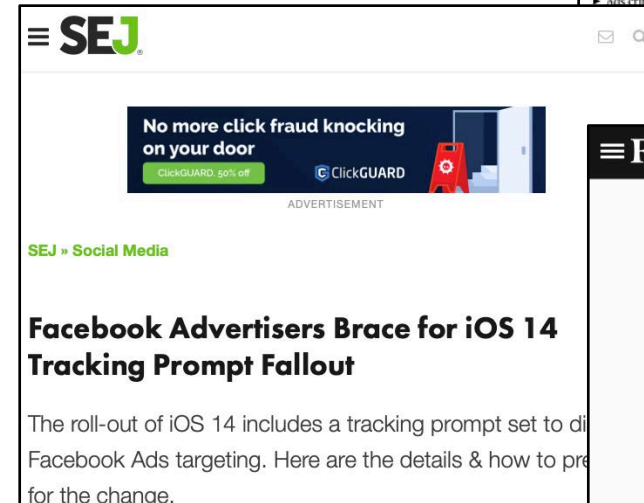
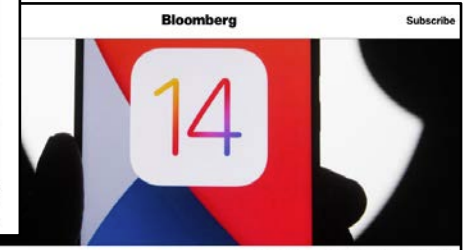
NEXT STEPS

Having a game plan in place will allow us to implement the best possible solution to continue driving business and positive ROAS.



EXPECTED OUTCOMES

These changes pose both challenges and opportunities. Our commitment to your driving growth toward your business goals remains uncompromised.



DETAILS

What are the changes?

In June 2020, Apple announced a new iOS 14 AppTrackingTransparency framework, requiring apps to show a discouraging prompt that will have hard hitting implications for businesses that advertise on mobile devices and across the web. We disagree with Apple's approach and solution.

How does this impact Facebook?

Facebook, well-known as one of the world's top apps in terms of installs and active users, is no exception to Apple's policy changes. These changes will fundamentally impact how Facebook receives and processes conversion events, as well as the availability and size of audience targeting.

What are they going to do about it?

Facebook will start processing pixel conversion events from iOS devices using Aggregated Event Measurement. This allows for measurement of web events from iOS 14 devices, albeit with limitations, to bridge the gap between user privacy and effective campaign management.

HOW WILL THIS AFFECT YOUR CAMPAIGNS?

Pixel Limitations

- Advertisers will be limited to a maximum of **eight Facebook pixels** per website domain.
- They must be ranked in order of importance.
- For people that opt *out* of tracking, only the highest ranked event will be tracked (ie, purchase completed, or form filled).
- For people that opt *in*, Facebook will return a maximum of eight events (ranging from page views to completed purchase).
- When selecting a new event, or changing the configuration of events, it will require a minimum of three days to take effect.

HOW WILL THIS AFFECT YOUR CAMPAIGNS?

Campaign and Ad Set Limits

Essentially, you need to run your Facebook ads for a longer period of time to see optimal results vs immediate actionable data. Additionally, when advertisers run high amounts of ads at the same time, Facebook says that many promotions never get that chance, and the data is flawed.

"We discovered that four in ten running ads fail to exit the learning phase, and many of these ads come from advertisers running too many ads at the same time. For this reason, we're implementing a limit on the number of ads each Page can run at once." – Facebook Developers Resource Site

Advertiser Size	Ad Limits Per Page
Small to medium sized Pages (advertising <\$100K in their highest spending month in the last 12 months)	250 ads
Medium to large sized Pages (advertising \$100K to \$1M in their highest spending month in the last 12 months)	1,000 ads
Larger Pages (advertising \$1M to \$10M in their highest spending month in the last 12 months)	5,000 ads
Largest Pages (advertising >\$10M in their highest spending month in the last 12 months)	20,000 ads

HOW WILL THIS AFFECT YOUR REPORTING?

Shortened Attribution Window - The default for all new or active ad campaigns will be set at a **7-day click attribution window**, in lieu of 28 days.

- “Statistical modeling will be used for certain attribution windows and/or metrics to account for less data availability from iOS 14 users. In-product annotation will communicate when a metric is modeled.”

Delivery & Action Breakdowns – **Audience Segmentation will not be supported.**

- This will likely prevent reporting data by age, gender, region, and/or placement for most iOS users.

Delayed Reporting - Realtime reporting will no longer be supported.

- Data may be **delayed up to 3 days.**
- Pulling reports any sooner than 3 days after month-end or campaign-end could exclude performance.

HOW TO ADDRESS THESE ISSUES?

Domain Verification - We'll need to verify the domain(s) where Facebook pixels are present.

- If needed Axiom will send or implement a snippet of code.
- Advertisers must implement this code by placing it on the hosting server.

Plan for 8 Pixels – Your top 8 web events will need to be identified and prioritized in order of importance.

Review Current Data - 28-day click conversions can be compared with 7-day click conversions to understand how your future reporting may be specifically impacted.

Segment Data by Device – For now, this only affects iOS traffic, so data sets may be segmented by mobile device.

Monitor & Assess - Once the changes take effect, new baselines and best practices will emerge and be implemented with heavier reliance on website analytical data.

WHAT CAN YOU EXPECT?

Timeline - While Apple has not offered a specific date for the iOS14 security update, it has announced that it will occur in early 2021.

Limited Data – There will be only a partial view of the reporting which will limit the ways user data can be analyzed for optimization purposes.

Conversions Decrease- As conversion events are limited and attribution windows shrink, expect to see a sizable decrease in reported conversions. Inversely, eCPA will increase.

Audience Size Shrinks- The size of Custom Audiences, including the ability to retarget, will diminish as an increasing number of people opt out of sharing their IDFA.

KEY TAKEAWAYS FOR 2021

Focusing on Critical Conversions - This brings fresh opportunity to cut through the clutter and focus on the most important events. Other conversions are still happening; there just won't be full visibility to report on them – specifically for iOS users, although this trend is likely to spread across the broader web in general.

Reframing Facebook – Many marketing executives still think of Facebook as having the most audience data although to some extent that has been in retreat for years. To some extent that remains true – however this iOS update will affect all apps and websites, and its likely that a new paradigm of audience targeting will be developed in response. Developing **proprietary first party data will now be paramount** (broader audiences on Facebook that can opt into emails, and other ads on your website).

Reliable Clarity – Facebook (or anyone else) doesn't have all the answers yet. Products will adapt, workflows will change, and new best practices will emerge. Along the way, you can rely on us to keep you updated and informed at every step.

CONNECT WITH AXIOM

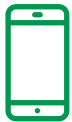
We will continue to monitor events as they unfold and share our point-of-view and recommendations. In the meantime, please reach out with any questions or concerns.



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