

## Swytchback Thought Piece

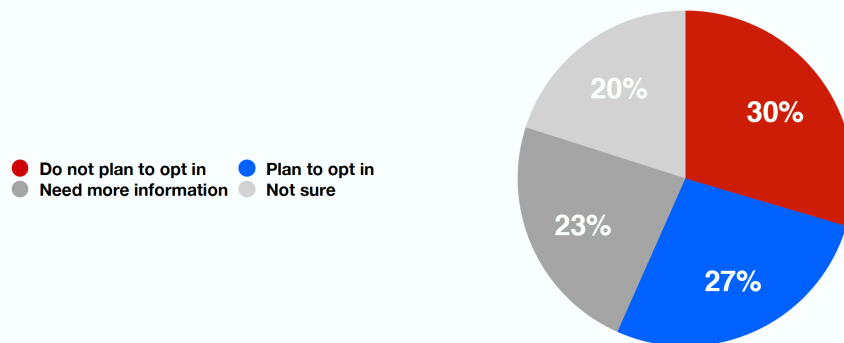
### How will iOS users react to the upcoming opt-in requirement for mobile ad-tracking?

Apple announced that ad tracking will be opt-in in its next iOS release, potentially with catastrophic consequences to the mobile ad industry. Swytchback interviewed 500+ iPhone users in 8 hours to understand what they plan to do, why, and what advertisers can do to drive adoption. Respondents were drawn from mobile-gaming users as they were playing in-game.

Our intercepts yielded over 7,000 quantitative and 1,000+ qualitative responses collected in under 8 hours. In addition to substantive responses, we collected age, gender, location and income data. When asked whether respondents would opt-in to ad tracking after the release of iOS 14, 27% said they did plan to opt in, while an almost equal 30% said that they did not plan to opt in. The balance either were not sure (20%) or needed more information before deciding whether they would opt in (23%).

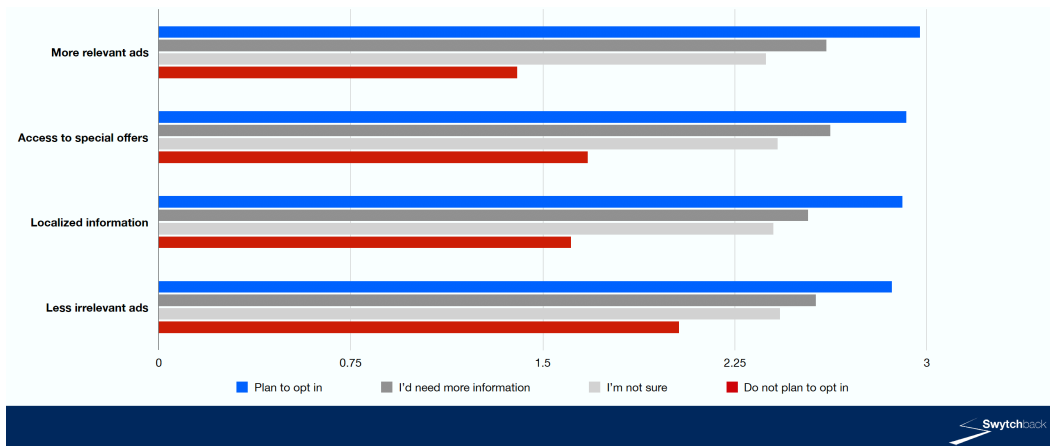
#### Many plan to opt in, and most are still undecided

**While 30% of iPhone users do not plan to opt in ad tracking, the majority are still undecided, and over 27% plan to opt in.**



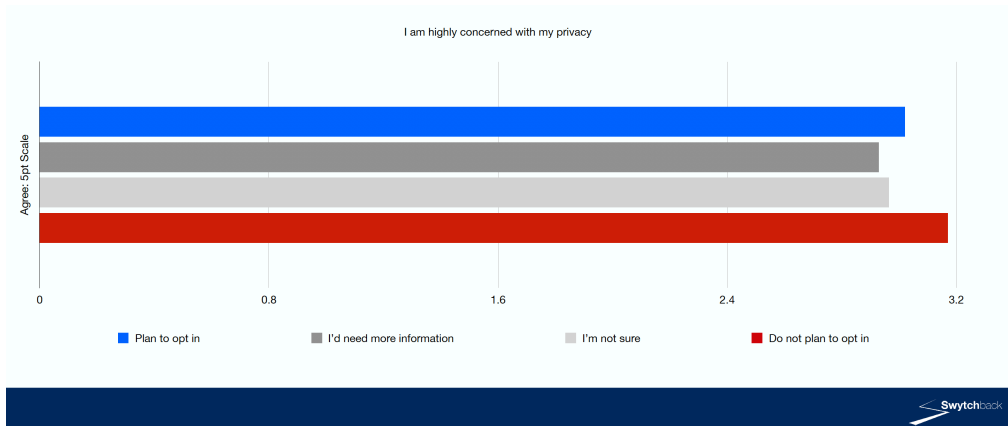
*Key Finding: While it is not surprising that 30% of iOS users plan not to opt-in to tracking based on privacy concerns, the good news is that 70% of respondents either planned to or were open to opting in. This means that the advertising community has an opportunity to continue to track the vast majority of iOS users provided that they communicate the benefits ad tracking provides.*

To that end, we also interviewed iOS respondents about a variety of more subjective topics regarding their mobile phone concerns, habits and the benefits they wished to retain. For those that planned to opt in, (i) more relevant advertising, (ii) access to offers specific to them, (iii) localized information and (iv) fewer irrelevant ads all indexed higher for them than those who planned to opt out. Even more significantly, this trend extended into the undecided population which aligned much more closely with those who intended to opt-in as compared to those who intended to opt out.



*Key finding: Those who are undecided on whether they will opt-in favorably view the benefits that advertising tracking can provide to them. By communicating these benefits clearly to this population, a large portion can be convinced to opt-in to retain the benefits they enjoy now.*

An attitudinal issue that we specifically wanted to test was how users felt about protecting their online privacy, in order to ascertain the correlation between the importance respondents placed on online privacy to their willingness to opt-in to mobile ad tracking. Interestingly, there was little if any correlation. Respondents across the board valued online privacy more or less equally, with only a slight positive skew for those respondents who intend to opt out.



*Key finding: Privacy is important to those who intend to opt-in and the undecideds. Explaining how these users' privacy will be respected will influence their decisions, so clearly articulating the difference between tracking and privacy rights is critical.*

**CONCLUSION: All is not lost. 70% of iOS users are either planning to opt-in to mobile ad tracking or are open to being convinced that the benefits, which they value, outweigh the perceived concerns over data privacy. While there will no doubt be some erosion of opt-in intent based on the friction imposed by the opt-in mechanics, there is an opportunity to clearly articulate the benefits of a more relevant and valuable mobile ad-experience and preserve a significant portion of the iOS user base.**