Apple SKAdNetwork Overview and FAQs

Goals of this doc:

Section 1: Provide necessary information for all key DSP teams so they can:

1. Educate themselves and their clients as needed on SKAN – what it is, how it works, how it's different, why it's important to understand
2. Speak to InMobi's preparedness, success, providing support with case studies and other proof/validation
3. Overcome objections from clients related to SKAN, particularly with respect to performance – scale and efficiency, fingerprinting and fraud

Section 2: Provide additional information, best practices for Trading teams on how to set up, optimize and troubleshoot SKAN campaigns

TOPICS:

1. About SKAdNetwork
2. What this means for Advertisers
3. What this means for InMobi
4. iOS tracking before and after ATT/SKAN
5. How SKAdNetwork works

Background

- When Apple launched ATT (App Tracking Transparency) as part of iOS 14.5 in April 2021, it began requiring user opt-in consent before the IDFA could be used for targeted advertising. Not only did this impact targeting, but it also impacted advertising measurement and attribution.
- To support measurement and attribution while still preserving privacy in a post-ATT world, Apple has made available the SKAdNetwork (SKAN) API. Apple actually first launched SKAN in 2018. However, due to limited capabilities and no real incentive, SKAN was not widely adopted.

Given the limited availability of IDFA with the launch of ATT however, SKAN is the future of iOS campaign measurement. Therefore, a solid understanding and adoption of SKAN is critical for anyone who wants to advertise and measure performance in iOS.

What is SKAdNetwork and how does it work?

The SKAdNetwork API is how Apple allows advertisers to measure the results of their marketing in a privacy-friendly way. It shares conversion data with advertisers without revealing any user-level or device-level data.

User Journey with SKAN *(ie. When user has not opted in to sharing IDFA):*

User sees an ad for an app. This ad tracks an ID with up to 100 campaign values specified by the advertiser. The ID can be used to code any campaign data point such as campaign, creative, and placement.	When a user clicks on an ad promoting an app, they are pointed to the App Store listing, with parameters on the back end containing campaign details for identification. After a user installs the app, a 24 hour timer is triggered. *More details on significance of timer below.*	Upon timer expiration, a postback is randomly sent within another 24 hour period. And the install will be attributed with no user or device ID, but the postback will contain the Campaign ID, Conversion Value and Source (Publisher) App ID. The DSP or Ad Network forwards the postback to the MMP with the impression data but no IDFA or user-level data.

What are Conversion Values for?   Advertisers can map different types of post-install conversion events, for example registering on the app or making a purchase, the timer will reset for another 24 hours. There are up to 63 different Conversion Values - Apple automatically assigns a value of 0 to the install event. Because it's one of the few pieces of information available in the post-back, it's critical to map out these values very thoughtfully and optimize over time. The most common SKAN conversion-values are: in-app events (ex. user completed SIGNUP), revenue buckets (ex. user spent $10-$15), and event count buckets (ex. user performed VIEW_PRODUCT more than 5 times). Advertisers can work with their MMP to develop, update or optimize this Conversion Value mapping.

What is the 24-hour timer for?   After a user clicks an ad and installs an app, a 24-hour timer starts. Each time the user completes an in-app action with a Conversion Value higher than the last one (starting with the install event valued at 0), the timer resets. When the timer expires, a postback with the install and the highest valued action completed by the user is sent to the ad network or DSP.

SKAN requires **coordination among 3 different players in the mobile ad ecosystem**, each with different roles:
- **Ad networks and DSPs** have to register and provide their network IDs and signed ads, as well as verify postbacks.

- **App publishers** have to integrate the network IDs and display ads the network/DSP provides.
- **App advertisers** have to provide app install validation and update the Conversion Value.

How is this different from before, when IDFA wasn't limited?

	With IDFA	Without IDFA
Data provided in postbacks	Device ID, transaction ID, IP, geo, etc. were in the postbacks and could be used in reporting and optimization	SKAN postbacks only contain a source app bundle ID, SKAN Campaign ID, Source App ID and a Conversion Value.
Attribution	Please fill this out	Please fill this out
Campaign ID limitations	User-click on an ad tracks multiple campaign variables– creatives, placements, audience, geo, etc.	User-click on an ad tracks only a campaign ID. The ID (up to 100 values) can be used to code any other campaign info like campaign, creative and placement

Limitations and Advertiser Concerns with SKAdNetwork, and how to address / overcome them:

- **Ability to measure post-intall/LTV** – SKAN post-install insights are limited because of the 24 hour timer and the fact that only one conversion value can be sent in the post-back.
- **Real-time optimization** – The 24-Hour delay between installs to reporting makes it challenging to optimize in real-time
- **# of Campaigns limitation –** SKAN is limited to 100 campaigns per network, per app.
- **Ad Fraud Risk** – Because ad networks are the sole recipient and conduit of the postback data from Apple, vs an independent third-party; and there are some loopholes that could allow for falsification of the data, some advertisers have concerns about fraud risks with SKAN. Apple has already put a couple measures in place to begin to address this: 1) cryptographic signing of postbacks to prevent manipulation of the data and 2) requiring a minimum exposure time of 3 seconds

for view-through impressions. Given Apple's vested interest in making its SKAN framework successful, we expect Apple will continue to enhance SKAN to fight fraud. [more background on this: https://www.appsflyer.com/blog/mobile-fraud/fraud-ios-14-skadnetwork/]

Final point: While there are limitations to SKAN, in a world where users are demanding more privacy, it is the way forward; and Apple continues to enhance SKAN to make it more usable for advertisers.

InMobi DSP has quickly adapted and continues to drive performance on iOS with SKAdNetwork

InMobi understood early on that SKAdNetwork was the future of iOS campaign measurement and we have been aggressively adapting our systems and processes to support it at scale. Not only have we made changes on the back-end, but we have also updated the UI for campaign ID allocation on the platform. Internally, we have mapped these [1 to 100] campaign ID values to various supply cuts so that when we receive a postback, we can do a lookup to know exactly which supply cut that conversion attributes to. [Can we beef this up more? What else have we done that's unique or compelling on SKAN readiness?]

- o **Initial results of SKAN garnered - SKAN Trends - August 2021 Report**
- **InMobi helps Video-Based Social Media Platform see 6x Daily App Install Growth Post iOS 14.5**
- **InMobi Helps leading social media platform see 13x daily app instal growth on Apple devices post ios 14.5 rollout**

InMobi DSP recently made some SKAN-related enhancements (October 2021). [can we briefly describe what we released that improved performance?], As a result, most of our SKAN campaigns have become significantly more efficient. In fact, we have seen SKAN performance results (CPI) as well as InMobi margin results are better than MMP results for some clients. Below is example of Shopee BR's success with SKAN.

Month	Installs		eCPI		Registration rate*	
	MMP	SKAN	MMP	SKAN	MMP	SKAN
AUG	11290		$ 1.4	---	26-27%	

SEPT	11999		$ 1.4	---	26-27%	
OCT (1-17)	1680	6033	$ 1.4	$ 1.8		22%
OCT (18-24) after SKAN enhancement		3091		$ 0.8		20%

*Registration rate is lower on SKAN compared to MMP due to the 1-day default event window compared to 180 day event window on MMP.

FAQs for Sales and AMs:

1. Why should a client work with InMobi for SKAN campaigns?
2. What's the role of the MMP vs. InMobi with a SKAN campaign?
3. What are the latest opt-in rates for IDFA?
4. Are we buying any IDFA opt-in (non-LAT) traffic? Why/why not?
5. Have we shifted/are we shifting budgets to Android? Why/why not?
6. What is the adoption rate for SKAN within the ecosystem? What % of our bid requests are SKAN compatible?

X% of all iOS 14+ bid requests we receive are SKAdNetwork eligible

7. Are we live with all SSPs?

We are live with all SSPs that are sending us requests – MoPub, IX, Unity, Fyber, Pubmatic, Applovin etc. We aren't receiving SKAN requests from AdX yet.

8. Can we run SKADNetwork campaigns on both DSP and IAP/Wadogo?

No, SKADNetwork campaigns can only run on DSP. IAP/Wadogo is working to enable SKAN campaigns via their partners but currently not supported.

9. Are remarketing campaigns possible in iOS?

What's our answer here? Does this work: Yes, but only for users that have opted in to sharing IDFA and costs may be higher. Otherwise, SKAdNetwork only supports installs today, making it technically impossible to measure conversions that happen when the user already has the app installed at the time of ad click, and without IDFAs there will be no way to generate targeting lists of users that already have the app.

10. Can we track registrations/post install events and charge CPX for SKAN campaigns?

No. We can see some limited post install event activity through the Conversion Value in the postback, but without real-time, more thorough and granular view into post-install performance, we cannot charge CPX on SKAN campaigns.

11. Is View-through attribution (VTA) supported by SKAN? How does it work?

- Yes, SKAdNetwork supports VTA as of SKAN version 2.2. VTA is completely controlled by Apple through the SKAN framework.

- Apple triggers VTA only after the ad has been viewed for at-least 3 seconds and the VTA window set by Apple is 24 hours.

Handling Common Client Objections

1. Why are the VTA numbers so high in SKAN? How can I trust they're accurate?
- For a VTA to be recorded, both the network and publisher need to have SKAN v2.2+, and the end user must have the updated publisher app version.
- As of Nov 2021, X% of our publishers and networks have not yet adopted v2.2+, which means a lot of VTA activity is not yet being captured. Organic installs are likely getting the credit for the latter.
- We expect adoption will continue to increase and SKAN conversions, VTA and CTA will scale as a result. With SKAN still evolving, we recommend that advertisers focus on testing SKAN, getting installs and calibrating conversion values vs. on current trends that are likely to change.
2. Why do SKAN campaigns sometimes struggle to scale?

Possible answer?: The privacy thresholds on a SKAdNetwork campaign ID mean having many campaigns live without the right scale will prevent getting learnings on post install events via conversion values. For these advertisers we recommend the following:
- Test your creatives in existing and mature SKAdNetwork campaigns.
- Split traffic within the campaign itself, such as by geo, and then compare to understand creative level performance.
- Leverage learnings from Android campaigns, or from users who have consented to IDFA, keeping in mind that learnings are not always transferable.
3. Why do the SKAN results look different from the results from my MMP?
- Many MMPs are still using fingerprinting methodologies, despite the fact that Apple has strictly prohibited this practice as part of its terms and conditions.
4. What is fingerprinting? Why is it not allowed by Apple?
- Fingerprinting involves an MMP recording user metadata on click (typically IP address, OS version, device model, etc) and matching those device properties when a download occurs. The method has some clear flaws as it is probabilistic vs deterministic, therefore vulnerable to false positives or negatives.
- Apple has been consistent and explicit about the fact that opted-out users may not be fingerprinted for advertising measurement because it is essentially a way of trying to identify users, which is what ATT prohibits unless a user consents.
5. Why is Apple not policing fingerprinting?
- Ad tech companies, most notably MMPs, conduct fingerprinting through SDKs, and implement it through the apps of their clients. While Apple can see this as part of the app review, in order to police it, it would need to reject updates from the app owners, who aren't directly doing the fingerprinting. So app developers would be penalized by Apple for violations of others, not their own.

6. Why should clients use SKAN if fingerprinting can provide better scale and performance?
- While there are limitations to SKAN, in a world where users are demanding more privacy, it is the way forward and Apple continues to enhance SKAN to make it more usable for app advertisers.
- Furthermore, we should expect Apple will soon enforce a ban on fingerprinting based on precedents enforcing their terms in the past by rejecting apps from the App Store. By delaying adoption of SKAN now, advertisers run the risk of tanking their performance when Apple does start enforcing this.

7. Clients are saying that SKAN is not catching any fraud and that SKAN is vulnerable to fraud. How do I address this concern?

TBD

Section 2: For InMobi DSP Traders – How to set up and optimize SKAN Campaigns

How To Create A SKAN-Compliant Campaign With InMobi DSP
In the Advertiser Create, View and Edit workflows, InMobi DSP traders and users can view and update the Campaign mapping in the UI (soon to be released). Screenshot below. NOTE: this is not a mandatory step in Advertiser Creation, as all existing and new advertisers will have a default SKAN campaign ID mapping. There is also a field named Campaign Group. This is a logical grouping of the SKAN campaigns that follow the same SKAN campaign ID mappings. This will allow us to effectively use the 99 campaign ID slots.

When setting up measurement for a campaign, under the "Attribution Partner" drop-down, select "SKAdNetwork" while setting up measurement for a campaign. Screenshot below.

Once SKAdNetwork is selected as Attribution Partner, a mandatory dropdown to select "Campaign Group" will appear. This field allows users to tag SKAN Campaign ID mappings corresponding to a certain Campaign Group to the campaign being created or edited. The Campaign Group corresponding to a campaign can be updated via this workflow or via the PowerEdit workflow.

NOTE: only the Campaign Group values present in the SKAN Campaign ID mapping file will appear in this dropdown. To create a new Campaign Group, corresponding entries must be defined in the mapping file first.

FAQs for Traders: Check with Aman and Vy on this...but suggesting additional FAQs for Traders because I would think there are different, more detailed questions that Traders would have vs. Sales/AMs

Other related materials:
- **WIP – Post-IDFA Guide for App Install Advertisers**
- **Resource Center – https://go.inmobi.com/idfa/**