A guide for SKAd Network

CUSTOMLYTICS

Contents

What is SKAd-Network?

SKAdNetwork (StoreKit Ad Network) is the attribution system provided by Apple, that provides campaign measurements without access to user-level data. It allows marketers to measure their ad efficacy on an aggregated level.

This differs from standard MMP solutions – attribution was conduced by comparing the timestamp and Identifier for Advertisers (IDFA). Also, MMPs were able to track retention, granular user activity or events.

Introduction

This SKAd Network and ATT Guide reveals insights and learnings during this long time of transition. Our team at Customlytics is here to help you navigate this confusing territory so that you are able to drive sustainable growth and profitability for your business.

Many challenges have been introduced with the new frameworks, particularly the limited data provided by SKAN to optimize campaign performance. Knowing how to accordingly visualize and understand the conversions coming through the SKAdNetwork is essential to getting the most out of your data.

With this guide, we're going to review everything you need to know about the SKAdNetwork's conversion values and how you can use this data to your benefit.

Privacy thresholds are an important component in today's privacy-centric reality. Enhanced transparency about how they are used is crucial for marketers to optimize their campaigns while persevering the new privacy standards.

To ensure maximal relevance, we'll be sure to continue to closely monitor, analyze, and shed more light on this topic in the future.

But for now, here is what you need to know...

Why SKAdNetwork?

There are many great attribution solutions out there, where the ad engagement by the media source is being tied with app installs with the help of an advertising ID. Paid media campaigns do not stop acquiring the user - marketers could further check the user funnel, check the best-selling product from the campaign and if the user churned in the cart, they could be displayed the ad with the product minutes later when they were scrolling through social media.

Why did we shift from this convenient attribution and tracking method for SKAdNetwork, providing limited, aggregated information and with a few days delay?

With most iOS users denying access to their user-level data in iOS 14.5 and above, you rely on SKAN to measure the success of their campaigns. SKAN has turned mobile app marketing on its head, introducing completely new mechanisms to balance data privacy and marketing measurement.

Marketers have to use SKAdNetwork to gain information about their campaign performance for users who don't want to be tracked. There is no going back to the golden age of unlimited tracking and retargeting ads. Now marketers are in the golden age of users' privacy and understanding SKAdNetwork is the way to go.

How SKAd-Network is different?

How Standard Event Tracking differs from SKAdNetwork Tracking

First thing to understand is that these tracking methods are two separate methods, independent of each other.

	SKAN	MMP
Attribution methodology	SKAdNetwork click- and view-based attribution (Check Ad Views and Interactions). Displaying only non-organic attribution for networks registered in SKAdNetwork Organic is not shown	MMP various attribution methods (Click, View, Probabilistic etc.) for users who opted-in and for users coming from owned media.
Data Delay	3-4 days delay assuming 24h attribution timer With SKAN 4.0 the first postback is in 0-2 timeframe with Conversion Value information. Two additional postbacks will be available (3-7 days and 8-35 days)	Real-time
Install time	Not known - taken from the arrival of Apple's post-back	Provided by SDK Install event
Activity window	From first launch fixed activity window - depending on settings, usually 24 hours. After that further activities are not recorded. With SKAN 4.0 Multiple Conversions will be available, allowing to gain 2 more postbacks	Install and all the events during user lifetime.
Installs reported by	SKAN: Limited to non-organic installs and non-organic redownloads.	SDK reports all installs, those who are attributed by SKAdNetwork re-ported as Organic.
Advertising granularity level	Campaign, adset, adset ID, ad, and ad ID. With SKAN 4.0 there is change on the Campaign IDs that will allow Ad Networks to modify the current setups.	Full hierarchy: Campaign, campaign ID, adset, creative, available split on the channels (e.g. Facebook to be divided by Instagram and Facebook)

What is Conversion Value?

An event is an action performed by users while using the app - it can be adding an item to the cart, completing a tutorial, making a purchase. These actions are tracked with tools such as Product Analytics (e.g. Firebase) or MMP (e.g. Adjust).

Conversion Value (CV) is a specific 6-bit number (numbers from 0 to 63) that contains information on whether an install/reinstall happened and if any post-install activity took place. You assign Conversion Value to the event, but only CV is being sent to SKAdNetwork - that means, if you change an event that was associated with CV, SKAdNetwork, and you, won't be able to differentiate "before and after". With SKAN 4.0 they are called "fine-grained" values.

With the SKAN 4.0 there is new, **"coarse-grained" value** with 3 potential values: "low", "medium", and "high", allowing advertisers to receive limited attribution information when a campaign has not enough installs.

SKAd Limitations

Being used to having every detail and piece of information possible, entering theuser privacy world of SKAd, is a tough process. Marketing teams need to face fewer data available, but also obey new rules and requirements. To achieve the best possible results with SKAdNetwork, marketers need to understand how their actions may affect the data they will receive - because it is not anymore about good or bad data, but having data at all and making the best use of it while preserving user privacy.

Provided data is only on aggregated level

SKAdNetwork provides only the aggregated number of install and conversion values on campaigns.

The data can be enriched by the ad network by providing the timestamp when they received the postback (Important: It is not the install data).

Only one activity is reported

Only one, last activity with the highest conversion value will be reported. Let's take the example of an e-commerce app to illustrate this: When a user makes a purchase you can only assume that the user viewed an item, a category, added an item to a cart or inserted a promo code – Apple's postback includes just one, highest value, that most probably will be a purchase. Also, the restrictions of attribution window apply. So if a user makes a purchase after the window, you will know just the last activity registered with the given attribution window.

SKAdNetwork install information delay

The install information does not come in real-time; it takes up to a few days to receive the information. Depending on the number of installs, the information may not come at all if it doesn't meet "Apple's Privacy Threshold".

Apple's Privacy Threshold

When the campaign does have a low number of installs, it may happen that Apple won't send over the SKAd conversion values due to privacy reasons, called Apple's Privacy Thresholds. This is supposed to prevent identifying unique users. The amount of minimum installs/actions in one campaign per day is around 30, however it was not confirmed by Apple, just assumed by Ad Networks and MMPs, based on the data they were receiving.

> The average app is experiencing a 37% drop in the number of non-organic installs attributed by SKAN compared to pre-iOS 14 attribution figures.
>
> *- AppsFlyer*

Ad Networks must be registered with Apple

Ad Networks need to register with Apple to be able to use SKAdNetwork API. The number of networks participating in the program is significantly smaller than the number of integrations that an MMP offers. If you want to run iOS campaigns with a network that has an integration with an MMP, check if the ad network supports the SKAdNetwork. If not, this is a **major drawback** for running campaigns on that network.

**Note: Apple Search Ads does not use SKAdNetwork, and its limitations do not apply to it. ASA reports their attribution with a separate API.*

Non-customizable Attribution Window

MMPs allow you to set one, unified attribution window for all Ad Networks. This is a 7-day click-based attribution window by default (time from click to first open of the app).
This rule does not apply to SKAdNetwork attribution. After an ad was presented the user has 30 days to download the app, and another 60 days to install (open for the first time) the app. That means the postback with attribution may come with a 90-day delay.

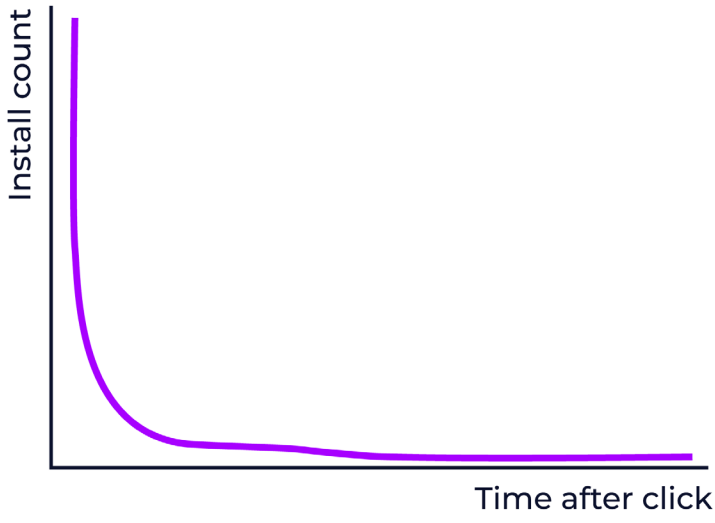
Without the MMP limitation of 24 hours after app launch there is a chance that the attribution window might come after 154 days (StoreKit rendered ad 30 days - Installl - 60 days - app launch - 64 days if one event triggered per day).

What we say...

90 days postback should be an edge case – usually, users open the app within the first hours after download – just think about yourself, there are not many cases when you download the app and open it 2 months later.

The pattern from a trustworthy source is essentially a hefty number of installs on hour one before a rapid tapering of performance.

Display Marketing



Source: Adjust (https://www.adjust.com/blog/understanding-click-spam-click-injection-fraud/)

AppTracking-Transparency

Do you need to implement an ATT prompt?

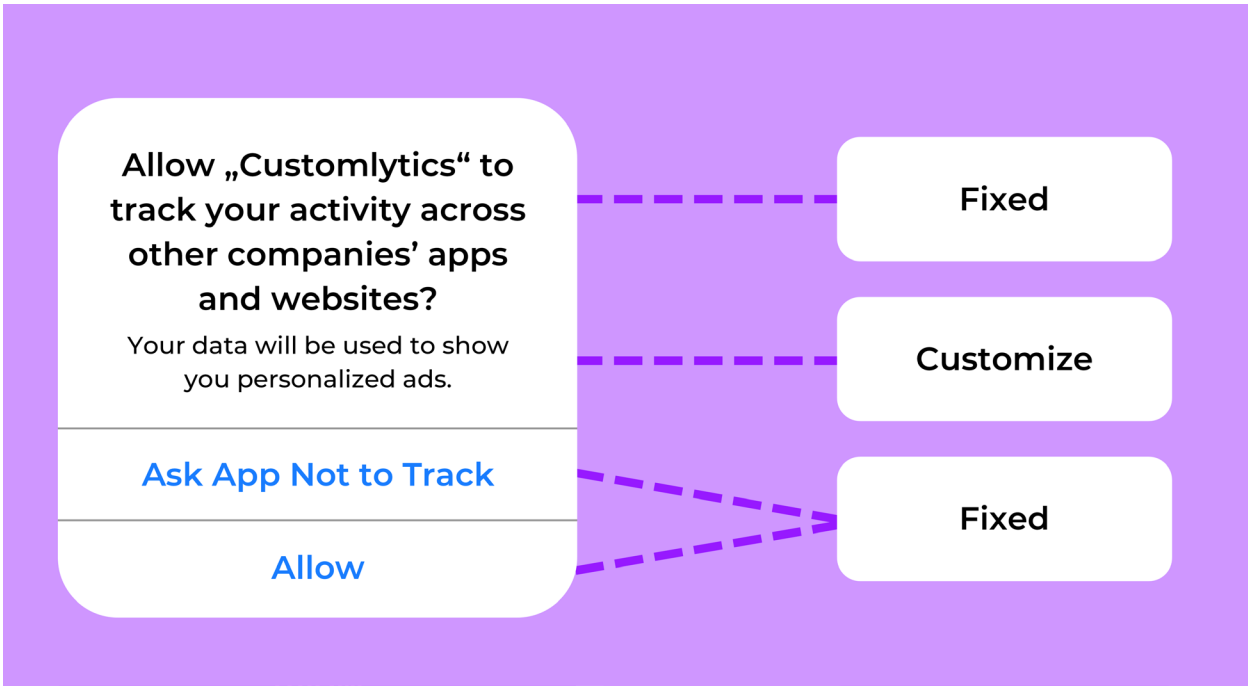
Apple insists on implementing the ATT framework in every app. We do recommend this approach, so we still can get granular data for users who opted-in.

You don’t have to implement an ATT prompt meaning you don’t have access to any IDFA of users.

Your entire marketing efforts with Ad Networks will be measured by SKAdNetwork providing you only with aggregated data.

ATT Prompt

ATT prompt is presented as a system alert pop up, and it is triggered by making a specific call in the app code, which causes it to present the app-tracking authorization request to the user. With MMPs, developers can use a so-called wrapper, that takes implementing efforts, but allows only to display the “default” prompt, without the possibility of customizing it.



Source: AppsFlyer

Customizing ATT prompt text

It is safe to assume that the majority of users who opt out of 'tracking' do so because they worry how their data will be collected, stored, shared, and used.
The purpose string lets you be honest and transparent with your audience. After all, there is a value exchange at play here. Granting IDFA access allows you to provide those users with a better, more curated experience.

Don't take it for granted that your users are aware of this fact – make sure they know. User benefits of sharing the IDFA can include:

- A customized and personalized user experience
- Curated ads that are more likely to be relevant to each individual *(ads will still be shown to users, they just won't be relevant in any way)*
- Improved social features, such as connecting a user with their friends
- Improved fraud detection
- Other personalized in-app content for a better, smoother user experience

ATT pre-prompt

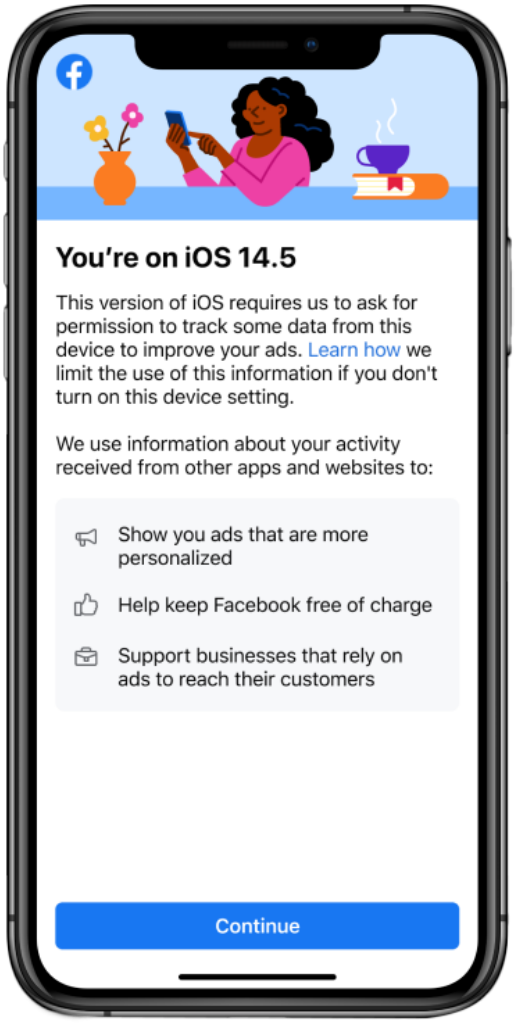
To increase the chance to opt-in from the user before showing the prompt, Apple allows to display an additional screen explaining why you request to track. The limited amount of text, which you are able to customize in the ATT prompt, may not allow you to explain and encourage users to opt-in.

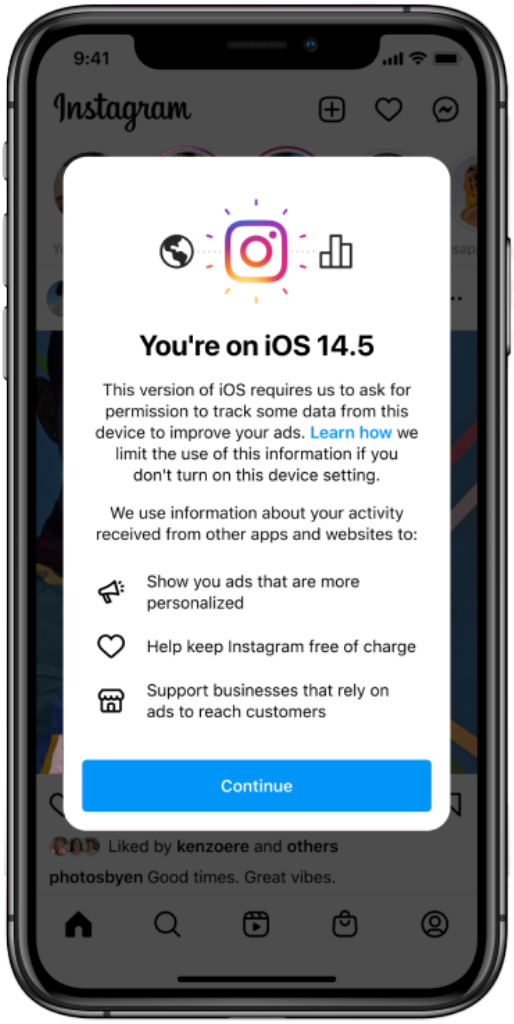
Can I explain to users why I would like permission to track them before I show the tracking permission prompt?

Yes, as long as you are transparent about the use of data. Per the App Store Review Guidelines: 5.1.1 (iv), apps must respect the user's permission settings and not attempt to manipulate, trick, or force people to consent to unnecessary data access.[1]

1 Apple User Privacy and Data Use - App Store - Apple Developer (14.01.2022)

Examples of ATT prompts:





Be careful while browsing and looking for inspirations – many guides and example prompts were created before the ATT prompts came into life, and some of them can't be used because they are breaking Apple's rules.

How does tracking after opt-out work?

Apple's tracking refers to the act of linking user or device data collected from your app with user or device data collected from other companies' apps, websites, or offline properties for **targeted advertising or advertising measurement purposes**.

When a user denies attribution tracking, the IDFA will not be collected and will be sent as a string of zeros., but the data (events etc.) still can be collected and used, but only for analytics purposes.

What happens to Identifiers when opted-out?

When users opt-out from tracking, it's not possible to target them with third-party advertisements, because their IDFA will be blanked out. **Data still can be collected and used for analytics purposes and the client has access to users' IDFV - Identifier for Vendors**.

It is not allowed to share a list of emails, advertising IDs, or other IDs with a third-party advertising network that uses that information to retarget those users in other developers' apps or to find similar users.

In the AppsFlyer dashboard, you can set the user ID by using the designated Customer ID method.
In Adjust, we do recommend to pass the user ID when the tracking was authorized or pass the User ID in the publisher parameter (available in raw data, but not accessible by any partner).

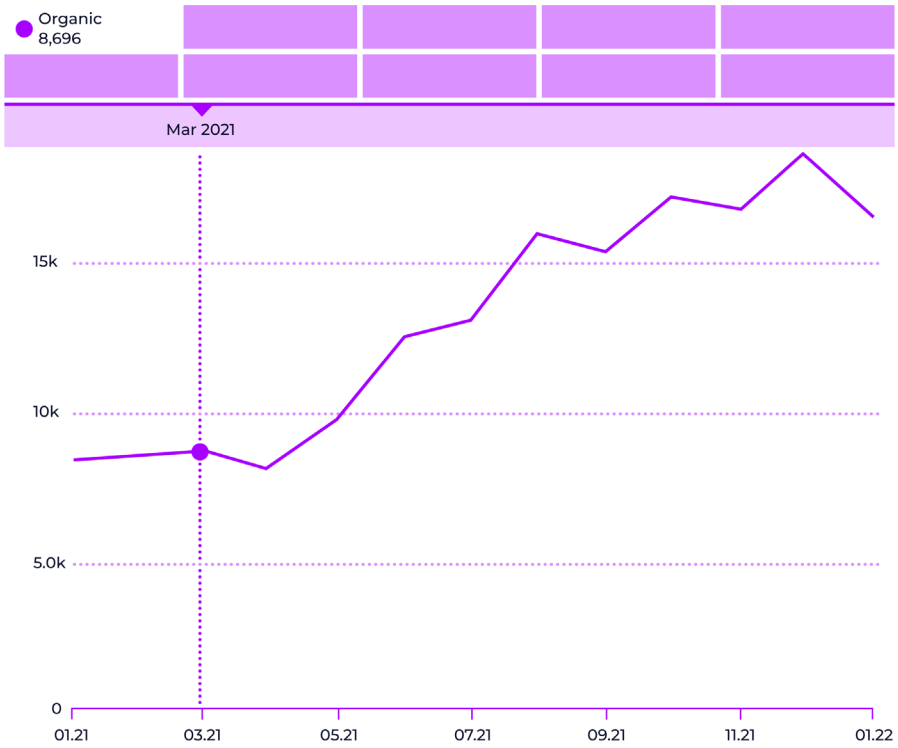
We **NEVER** recommend collecting a user's first name, last name, e-mail or any of this sensitive information with Mobile Measurement Partners. Moreover, if it turns out in QA that any of these is collected, we flag it and strongly advise to remove that parameter from being collected. MMP does collect data and can forward events and parameters to ad networks by switching toggle on/off and it can strongly violate privacy policy or policy in general. This data does not bring value to optimization of the campaigns, so there is no reason to collect it with MMP.

Discrepancies

Increase in organic traffic

Almost everyone noticed an increase in organic traffic in March 2021 - this is when the ATT and SKAdNetwork were finally pushed to common use. MMPs had to adapt to the new situation because nobody knew exactly how these systems work.

In the example below, we see a massive increase in organic users around March 2021. These users could be attributed by SKAdNetwork, but were registered with the Adjust measurement method as organic. However, the SKAdNetwork did not reflect this entirely - not every Ad Network is registered with SKAdNetwork and also, a lot of them faced the privacy thresholds.



Decrease in non-organic traffic

The difference between increase of Organic traffic is equal to non-organic traffic reported in SKAdNetwork.

Not every Ad Channel is enrolled in SKAdNetwork program, so their installs will end up organic, and there is, our favorite, install and event privacy thresholds, that can cause that the network won't receive information about install at all.

Discrepancies between Ad Networks and MMP

Everyone works on the best solution for the reporting. While MMPs work on the cold, hard facts, taking only the installs that were attributed through listed attribution methods (including SKAN postbacks), some of the networks develop their own solutions, relying on specific touchpoints or modeling, where they assume they received the install from the campaign.

Whenever there is doubt on numbers, we check it closely - the data is only useful when it’s correct.

Retargeting

Retargeting, exclusion targeting, segmentation, lookalike audiences and much more all currently rely on using the IDFA, so these changes have big knock-on effects on ad monetization and user acquisition.

Retargeting is done only by the owned channels or on the user which consented to tracking.

If a user opts-out of tracking, you can’t use any other identifier to identify this user in order to target him in third-party advertising networks.

What's next with SKAdNetwork?

Nothing is set in stone - if you are in this industry even for a short time, you know everything changes dynamically and you need to always be prepared for changes in new features.

In the recent Apple's Worldwide Developers Conference, the SKAN 4.0 was introduced with new changes and improvements, e.g.:

- Hierarchical Campaign IDs
  Apple will now accept 4 digits (from 2) - and rename it to source identifiers. This allows marketers and networks to have further insights into campaigns. New digits are tied with Crowd Anonymity Threshold, where the more granular data is available with volume of the installs

- Crowd Anonymity
  Apple introduced 3 levels of Crowd Anonymity that are based on the attribution volume: low, medium or high - each tier gives more granularity, sent with "fine" or "coarse" values.

- Multiple conversions
  The big pain of marketers was receiving limited information, so the SDK stopped updating Conversion Values after 24 hours in order to get the information as soon as possible. Now, Apple introduced 3 postbacks: 0-2 days, 3-7 days, and 8-35 days. Only the first one will include Conversion Value, the other two will include coarse values.

- Web-to-app attribution
  This is great news for marketers - there was definitely a missing piece in the marketing campaigns. Now it will be possible to attribute users coming from the web and installing .

Be prepared when the new changes come.

Embrace the Post-IDFA era

With Apple's ever-changing SKAdNetwork requirements post-IDFA chaos, publishers need to plan and safeguard themselves from further turbulence. Retaining the performance in an age of privacy is definitely possible. It is only a matter of how actively you want to invest time.

Sooner than later, all industry players need to rely more on innovation, data science, and integrations – all of these processes take time.

Continue to drive growth as we strongly recommend to update to the latest iOS SDK version to get the best out of performance enhancements as soon as possible. Remember: The share of users who opted-out of tracking was never small even prior to iOS 14, especially in iOS markets, where LAT users were about 30%.

Aggregated data enables you to remain compliant with privacy rules, while conversion value management tools and predictive analytics give you the flexibility to make better decisions based on anonymized data.

Lastly, the bottom line: Optimize, analyze, predict, protect and monetize your app to the next level with us. Contact us at contact@customlytics.com.