Tim Cook Built Apple Ads, But His Successor Has the Harder Job



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When Apple announced on Monday that John Ternus would succeed Tim Cook as its chief executive in September, the immediate message was one of continuity: a hardware chief taking the reins at a hardware company.

But quietly, under Cook, Apple has also become one of the most formidable advertising businesses in the world, generating an estimated $7 billion in related revenues in 2025, per the market research firm Omdia.

The vast majority of Apple Ads' revenue, around 95%, comes

from the App Store, where the Cupertino company charges app developers to promote their products in its Search bar. The company also displays ads in Apple News and Stocks.

But Apple has largely defined itself in contrast to its technological competitive set, made up of hyper-scale advertising firms like Meta, Google, and, increasingly, Amazon. To do so, it has kept many of its core surfaces unavailable to marketers, and it has distinguished itself through its emphasis on consumer privacy.

These tactics have served it well so far, but such a market positioning is at odds with scaling an advertising business. Careful expansion and a fixation on data security have not, historically, been hallmarks of the digital advertising industry.

With its commercial growth in hardware slowing, Apple will need to expand its advertising operation to continue to grow. To do that, Ternus will be the one tasked with maintaining the increasingly untenable balance between a reputation for discretion and a need to placate marketers.

“Will Apple still approach its Ads business under Ternus in a cautious way one that protects its closed ecosystems?” said Elume founder Eunice Shin. “His job is to make sure that Apple is not compromising what it feels is the right thing for its consumers.”

Serving two masters

Already this year, the company has shown signs that it plans to further accelerate its advertising business.

In February, it announced the launch of its HLS protocol, which will enable support for video podcasts in its native podcast platform. The decision diverged from the strategy of peers like Spotify in that Apple lets podcasters choose their

own hosting provider, giving them more control over ad monetization.

The next month, Apple debuted its plan to introduce ads to Maps, opening up the inventory to brands for the first time since the product launched 14 years ago.

The two developments have spurred anticipation that Apple is preparing to ramp up its advertising efforts more broadly, which has brought attention to its streaming service.

Apple TV+ is now the last major streaming platform to eschew ads (outside of sports inventory).

While the company denies that it has any plan to introduce ads to the streamer, Netflix said the same thing for years. For many, the question is when, not if, the Cupertino outfit will introduce commercials to its original programming.

Owned and operated

As Apple works to expand its advertising business, it has a unique advantage: Compared to its peers, Apple owns nearly every surface where its inventory appears giving it unprecedented control over the product.

In situations where Apple sells its own inventory, it only does so on owned and operated surfaces. (On Podcasts, Apple takes a cut of ad revenue but does not sell the ads.) This means that for advertisers who want to reach consumers in those environments, they have no choice but to go through Apple. This gives the company complete control over its inventory.

“In some markets, the only way to attempt to reach an affluent consumer will be through the Apple ecosystem,” said Sparrow Advisory partner Ana Milicevic. “That is a moat that can survive any perceived lag in AI-related efforts.”

That level of agency also enables Apple to control the privacy and data protection elements of its advertising, offering a key edge.

“Over Cook’s time at the company, Apple invested heavily in ads,” said Marketecture cofounder Ari Paparo, “but with a focus on working within their owned-and-operated businesses, where they own all the data and where the potential blowback from privacy or inappropriate content are minimized.”

This level of dominion over its advertising ecosystem could enable Apple to continue expanding the business without compromising what distinguishes it in the first place. Ternus will likely face more pressure to relax those standards in pursuit of scale, but if he can maintain the discipline of his predecessor it will ultimately serve the company.

“Cook quietly normalized advertising as a strategic services business without letting it overtake Apple’s premium brand identity,” said Ryan Mason, president and COO of the consulting firm Markacy. “Under his tenure, he kept Apple from becoming an ads company.”

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