Does Native advertising really work?

Advertising Effectiveness…a lifelong quest

1. Creative Agency

2. Media Agency

3. Research Company

4. Publisher

5. Measurement Company

Sean Adams

Chief Marketing Officer

Brand Metrics

Today's agenda

1. Introduction

2. *The effect of native advertising*

3. *Comparing native to display*

4. *The role of frequency and time*

5. *The composition of brand lift*

6. *Differences between industry categories*

7. *Differences between publisher types*

8. *The effect of advertising decay*

9. Next Steps

Introduction

Native Advertising Creativity
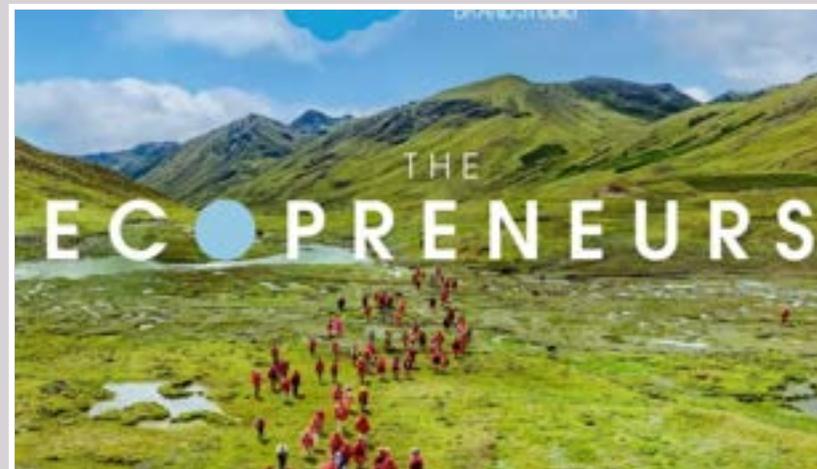
Native Advertising Opportunity

In 2024, the content marketing industry will grow significantly to be worth an estimated **$600 billion**.

90% of marketers include content in their marketing strategies.

Most content marketers spend **more than 10%** of their marketing budget on content specifically.

Respondents reported a consistent **14-15% increase** in total revenue from branded content and native advertising over the previous year across Q1 and Q2.

brand metrics

Did my campaign work?

"Creativity is messy and it's unpredictable. You can't put a meter on it."

Twyla Tharp, US dancer, choreographer and author.

Why is measurement important?

Data is the Muse of Tomorrow's Creatives

Redefining ROI: Return on Imagination

Breaking the Echo Chamber of Awesome

# Native measurement challenges

Campaign size

Audience origins

Contextual relevance

Content performance

Platform variability

brand
metrics

What do we measure?

Four consistent metrics, every campaign

Exposure | Awareness | Consideration | Preference | Action | Purchase

brand metrics
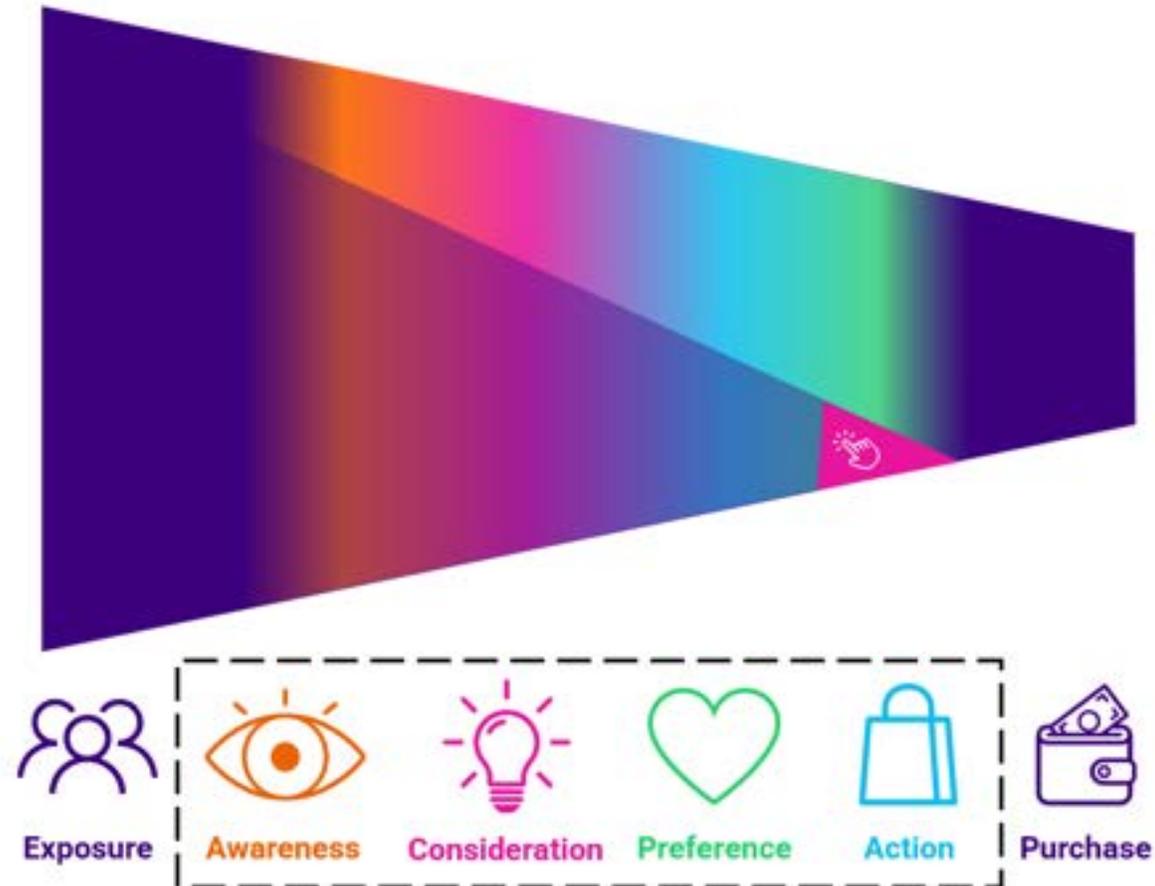
Who do we measure for?

Our technology is integrated with 5,000 websites worldwide.

How do we differ?

Our methodology enable us to measure native campaigns at scale

We measure "in the wild"

We measure time in view

We measure small campaigns

brand metrics

A publisher view

"Our advertisers are focusing on brand lift as a success measure for branded content. It sits alongside other engagement measures, such as page views and scroll depth, as fundamental to the bedrock of our proposition"

FT

Enzo Diliberto
Global Insight Director
Financial Times, UK
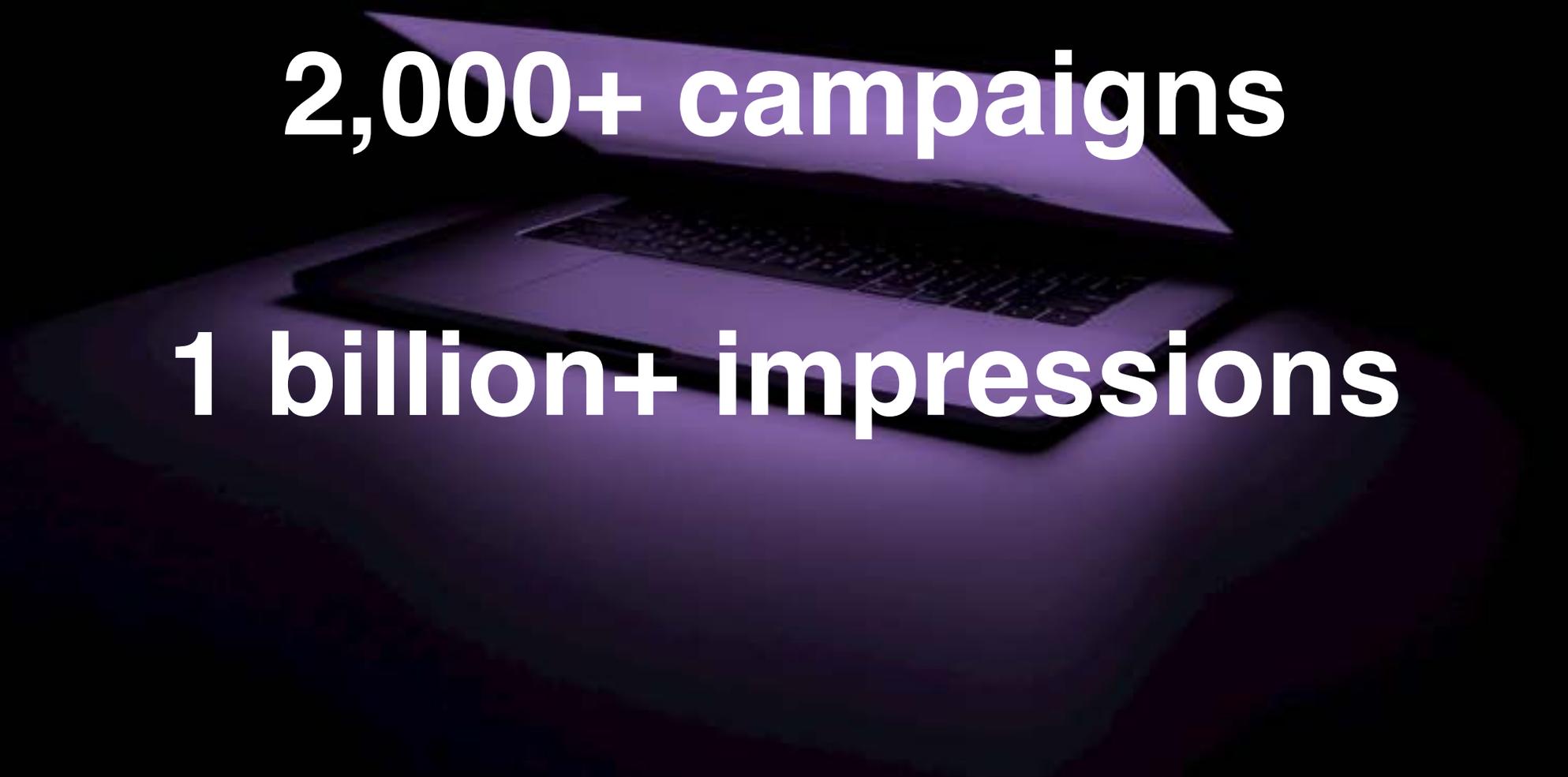
brand metrics

Key insights

2,000+ campaigns

1 billion+ impressions

Insight one

Does Native advertising work?

The average effect of native

+20.6%

Awareness +5.8%

Consideration +7.1%

Preference +4.9%

Action Intent +2.8%

0% 10% 20% 30% 40% 50% 60% 70% 80% 90% 100%
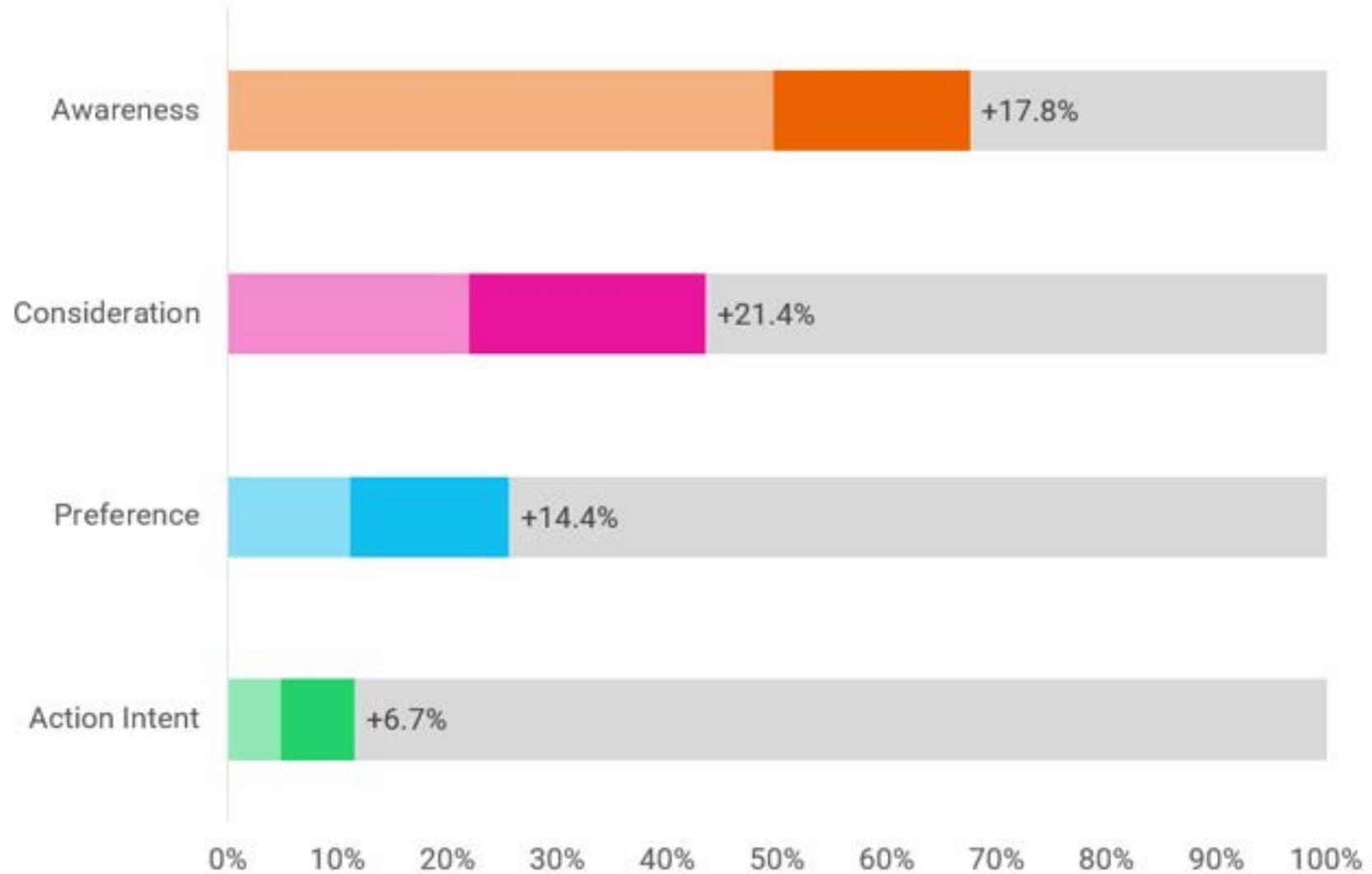
Insight two

Comparing native to display

The divergent roles of display and native

Push versus Pull

Display
Providing breadth

Minimum time	Maximum time
Small creative	Large creative
Multiple exposures	Single exposure
Large audience	Small audience

Native
Providing depth

Comparing the campaign start points
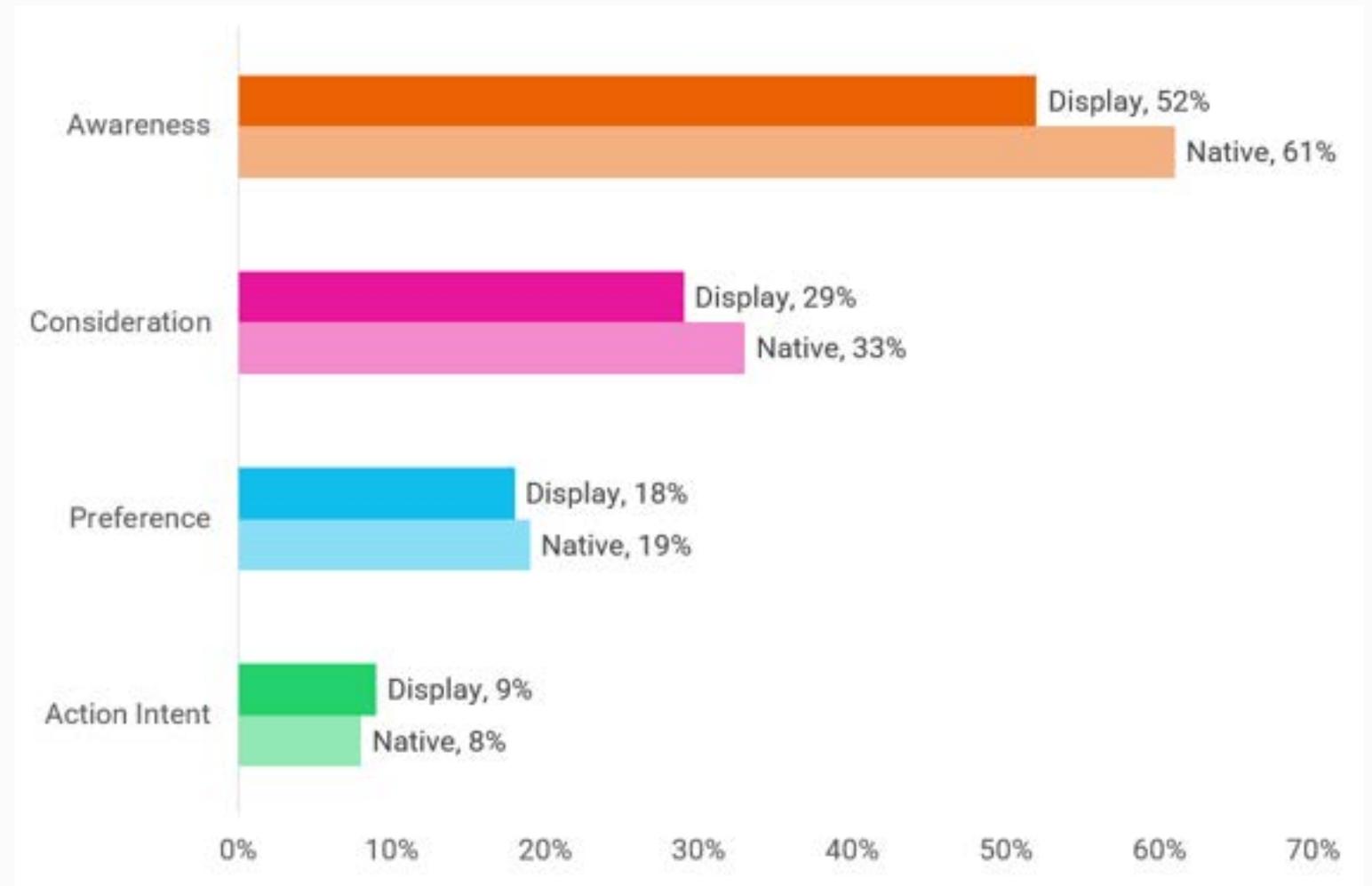
Insight three

The role of frequency and time

How *frequency* differs between display and native
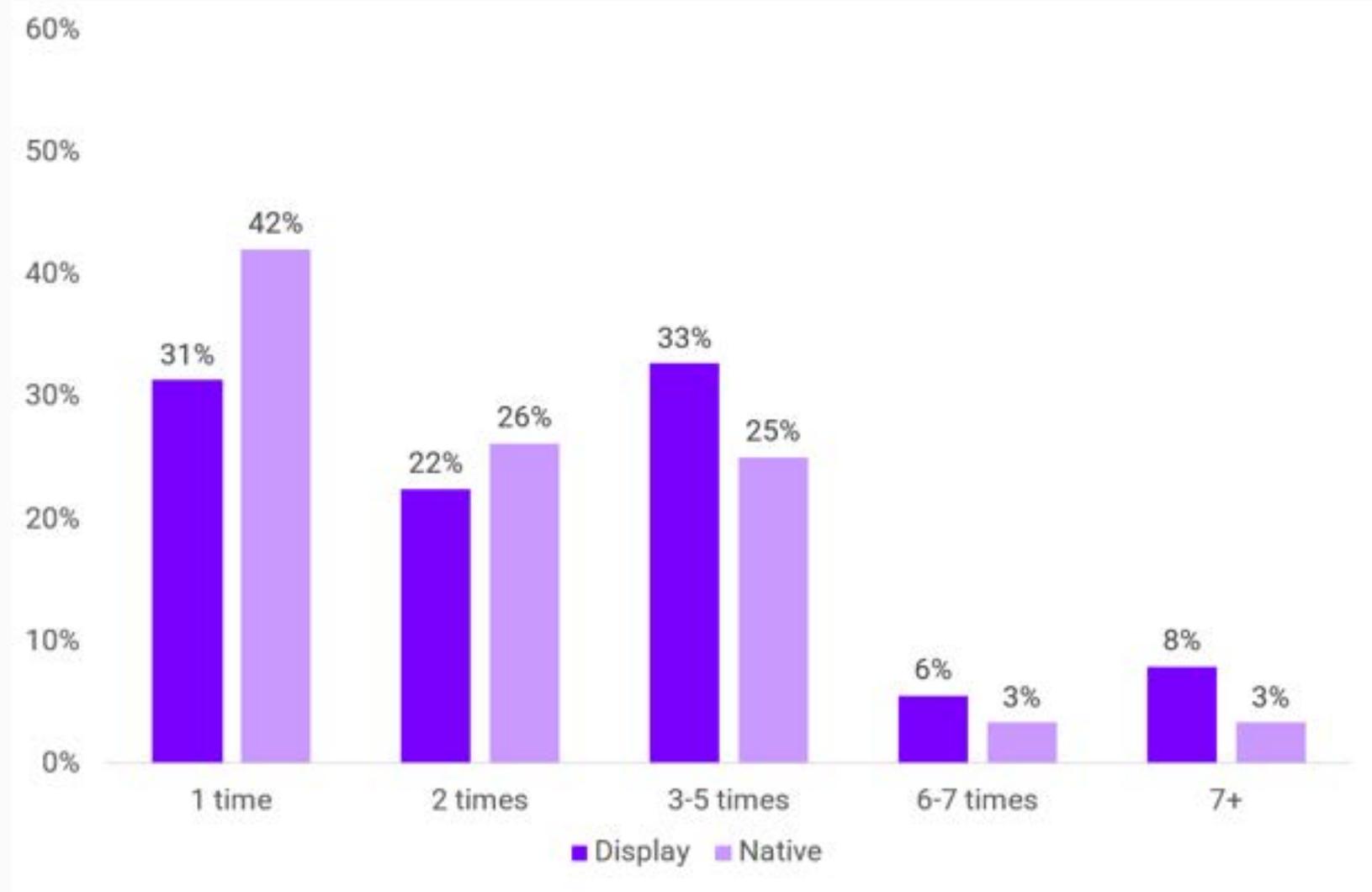
How *time* differs between display and native

	0-10 sec	10-20 sec	20-30 sec	30-60 sec	60+ sec
Display	50%	26%	12%	9%	2%
Native	29%	19%	13%	22%	17%
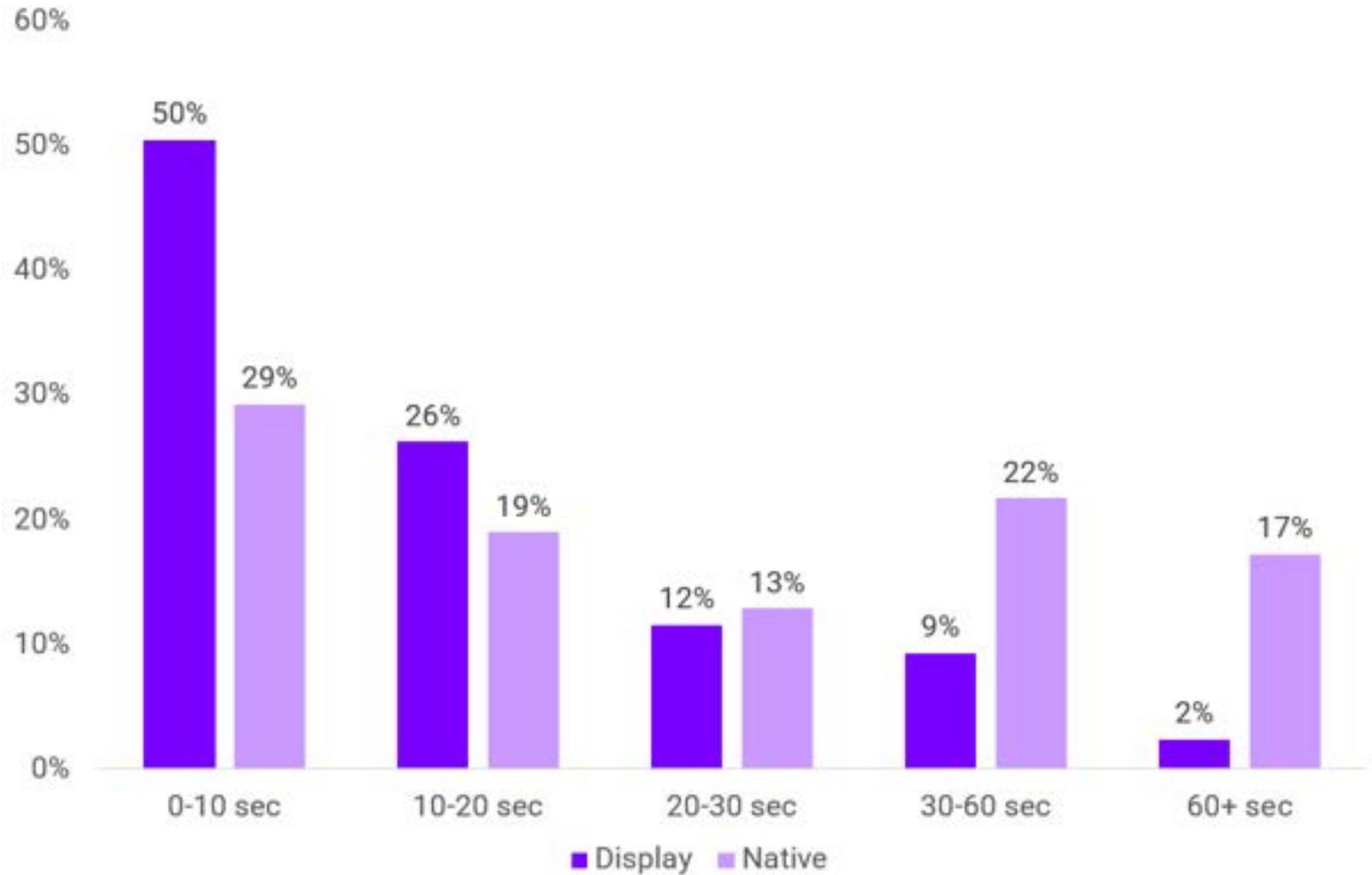
■ Display   ■ Native

The impact of frequency

Display

Awareness	Consideration	Preference	Intent

■ 1 time ■ 2 times ■ 3-5 times ■ 6-7 times ■ 7+

Native

Awareness	Consideration	Preference	Intent

■ 1 time ■ 2 times ■ 3-5 times ■ 6-7 times ■ 7+
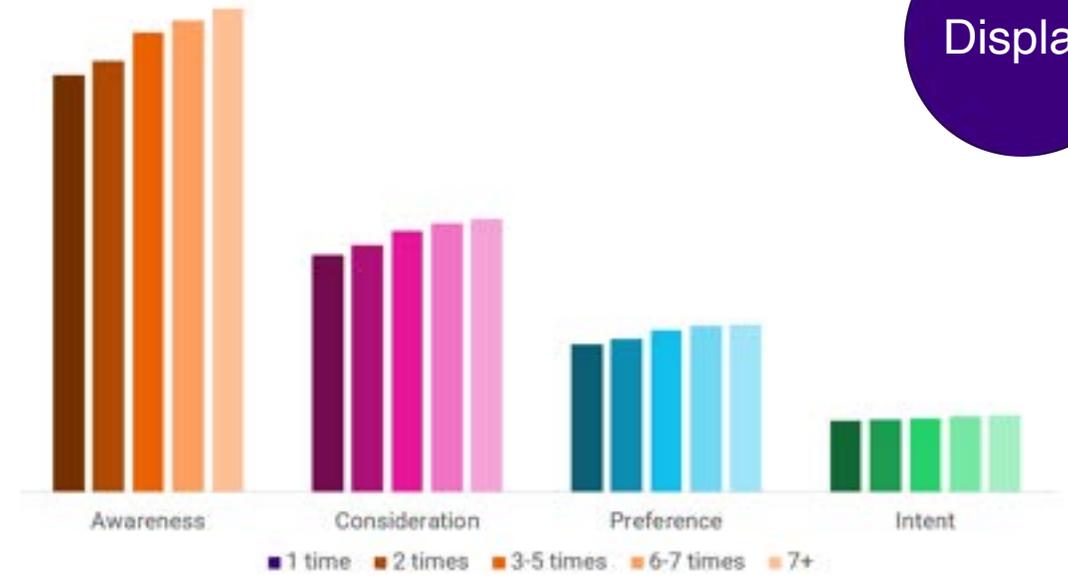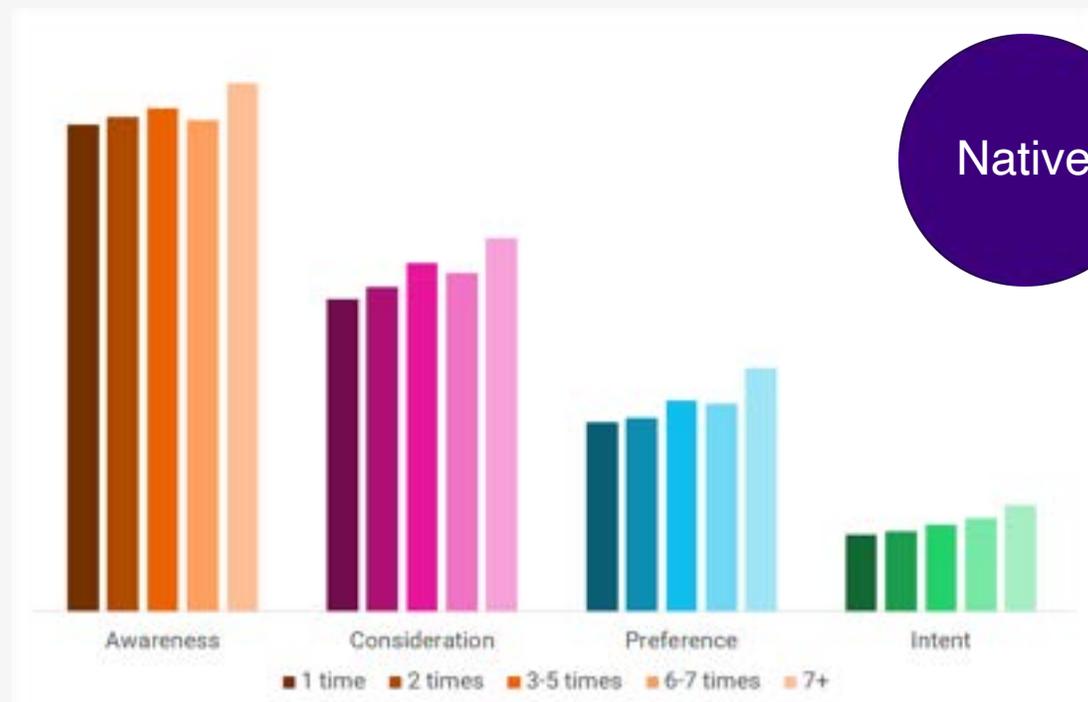
The impact of time

Display

Awareness | Consideration | Preference | Intent

■ 0-10 sec ■ 10-20 sec ■ 20-30 sec ■ 30-60 sec ■ 60+ sec

Native

Awareness | Consideration | Preference | Intent

■ 0-10 sec ■ 10-20 sec ■ 20-30 sec ■ 30-60 sec ■ 60+ sec
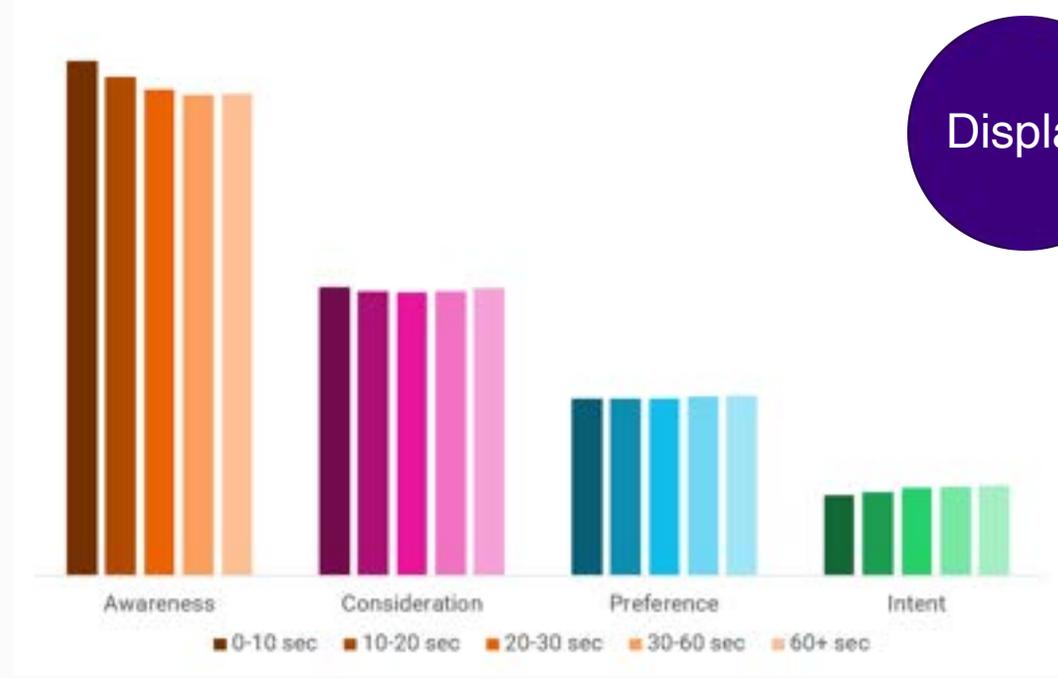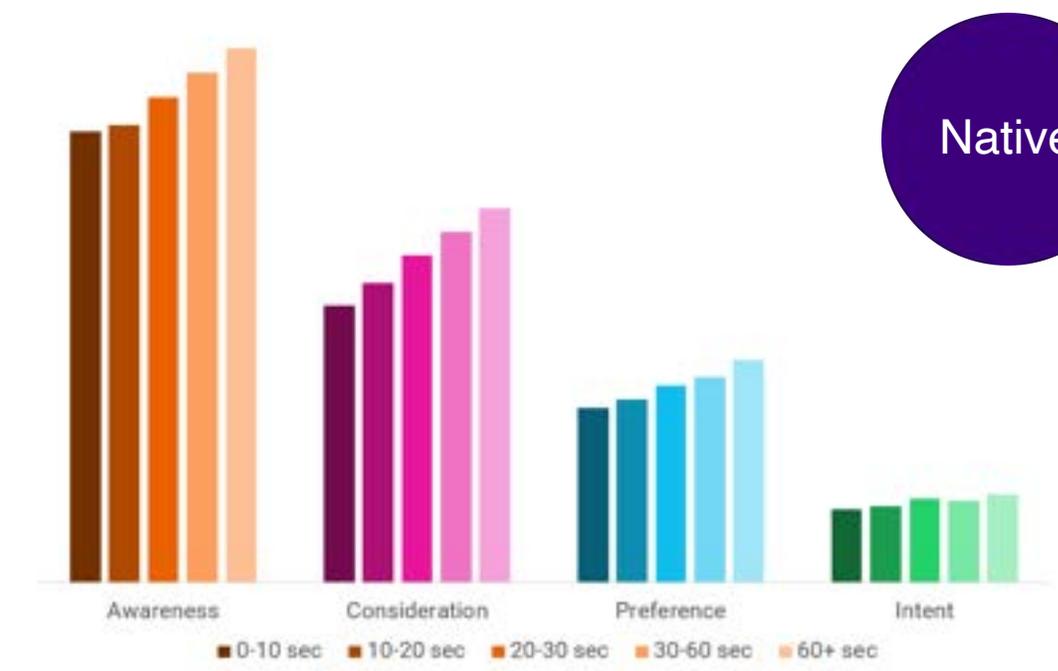
Insight four

The composition
of brand lift

Relative contribution by metric

Display

Awareness 31% · Consideration 29% · Preference 24% · Action Intent 17%

Native

Awareness 29% · Consideration 35% · Preference 23% · Action Intent 13%

How contributions differ by category

Gambling

- Awareness 24%
- Consideration 40%
- Preference 28%
- Action Intent 7%

Professional/ Trade services

- Awareness 26%
- Consideration 35%
- Preference 26%
- Action Intent 17%

Differences between industry categories

Insight five

Industry category list

19 industry categories; 122 sub categories.

- Automotive

- Banking & Finance

- Beauty

- Career & Education

- Electrical, Tech, Telecoms

- Energy, Sustainability, Utilities

- Fashion & Clothing

- FMCG

- Gambling

- Govt/ Non-profit Organisations

- Health

- Home & Garden

- Insurance

- Leisure & Entertainment

- Media

- Professional & Trade Services

- Real Estate

- Retail

- Travel & Tourism

brand metrics

The top five industry categories
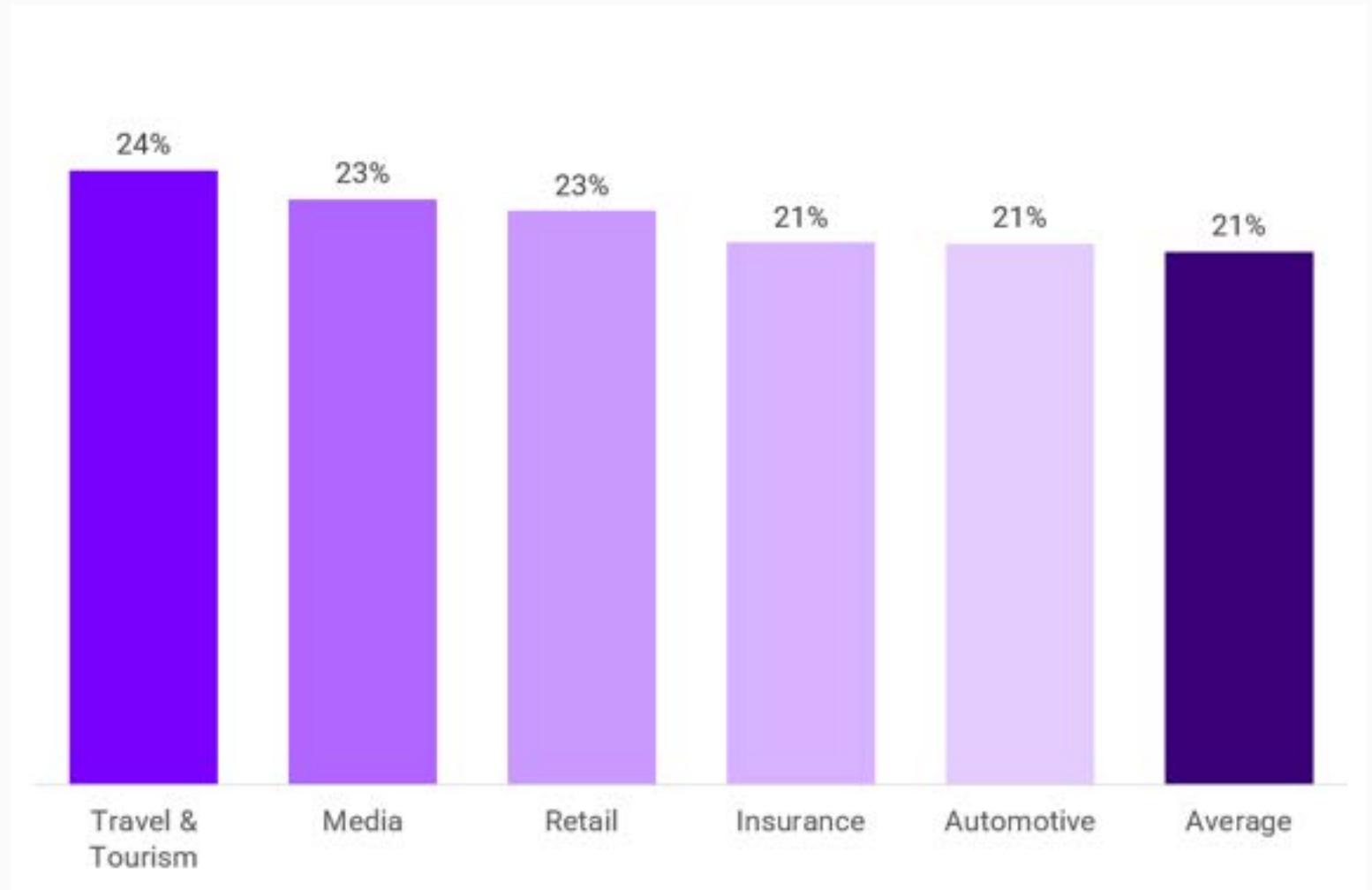
Drilling deeper..

Exploring sub categories within Retail
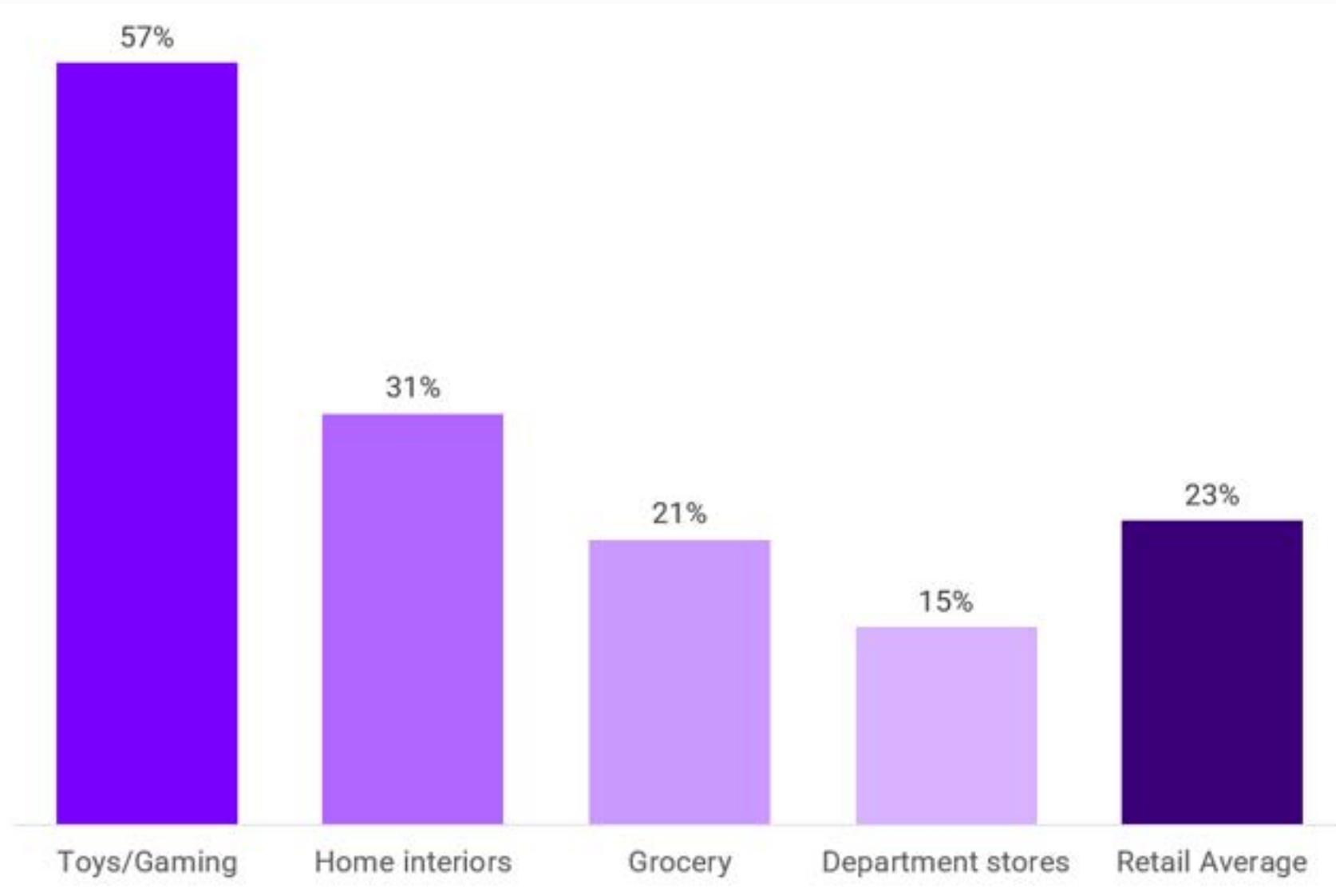
The bottom five industry categories
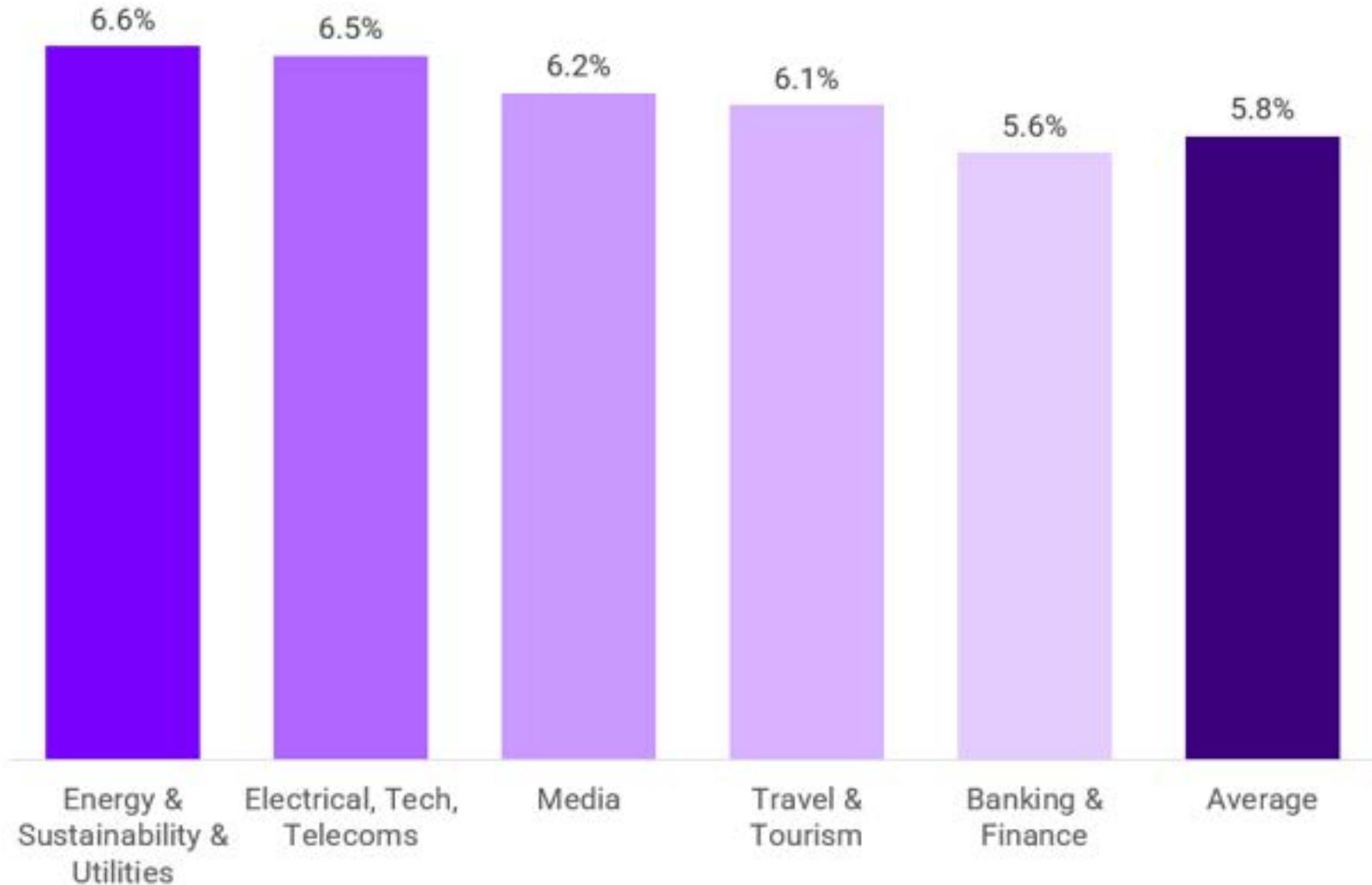
Home & Garden	Real Estate	Health	Career & Education	Fashion & Clothing	Average
19%	19%	17%	15%	15%	21%
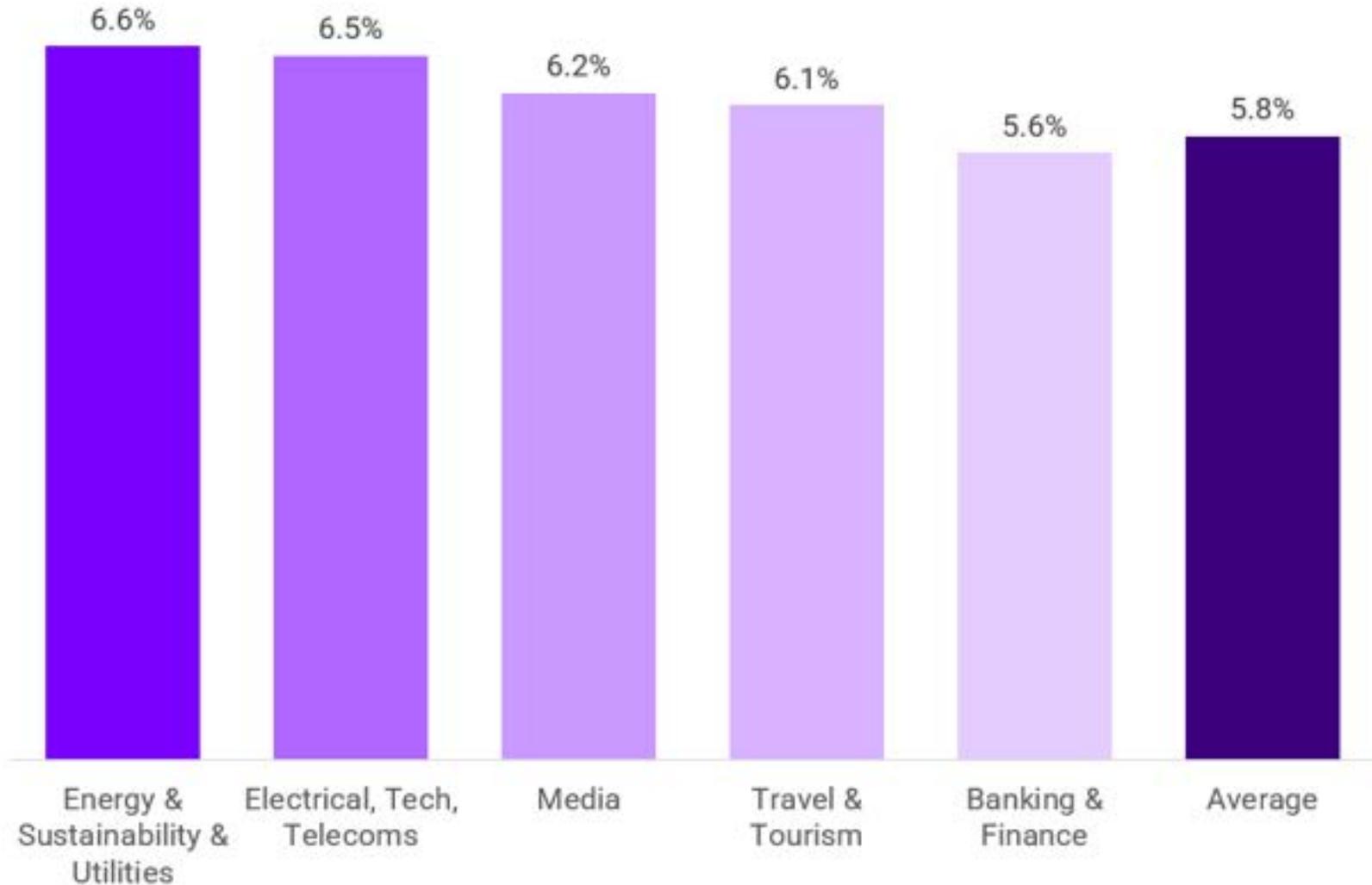
Top five industry categories by metric

Preference

Retail — 6.0%
Media — 5.9%
Travel & Tourism — 5.7%
Gambling — 5.6%
Insurance — 5.4%
Average — 4.9%
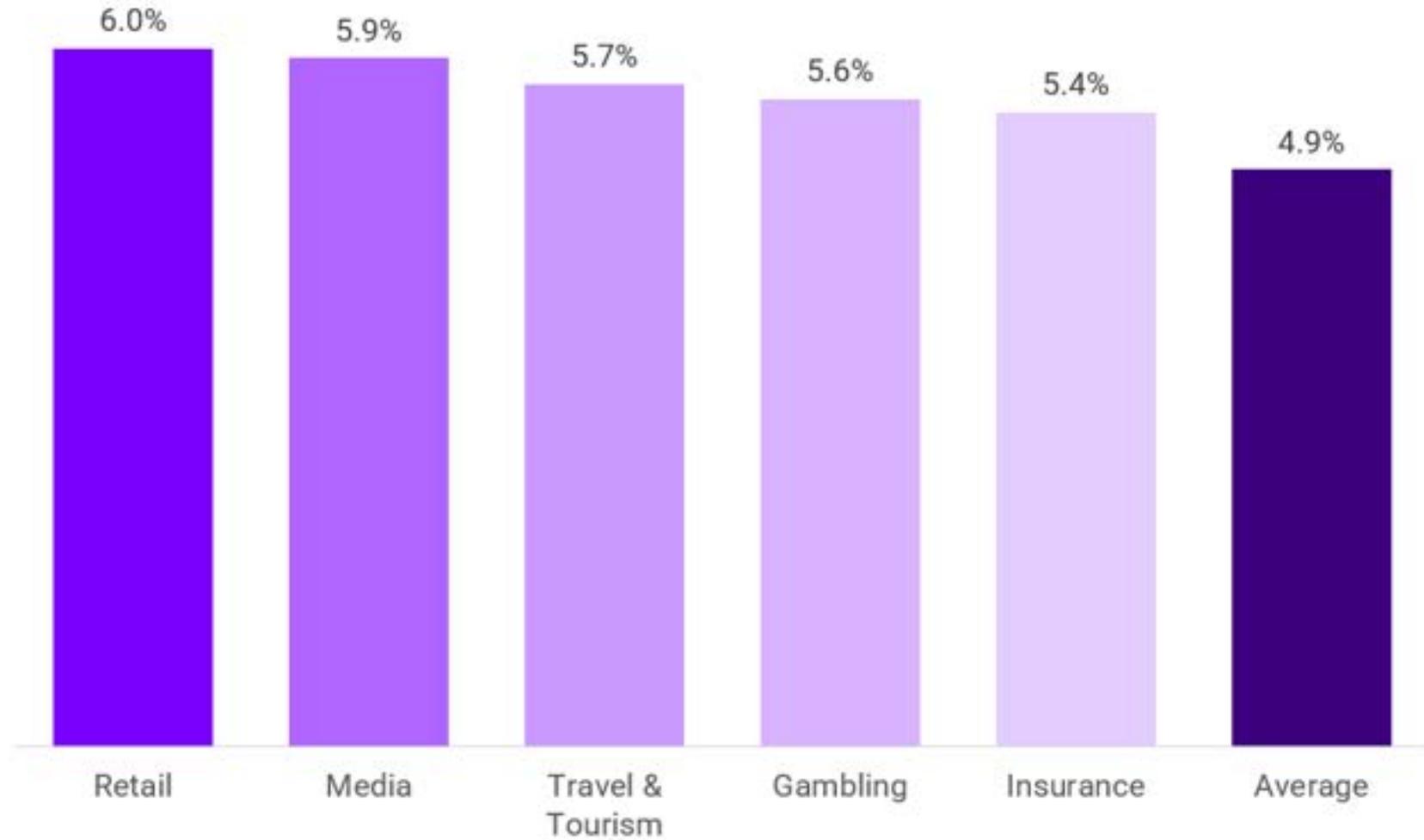
Top five industry categories by metric

Action intent
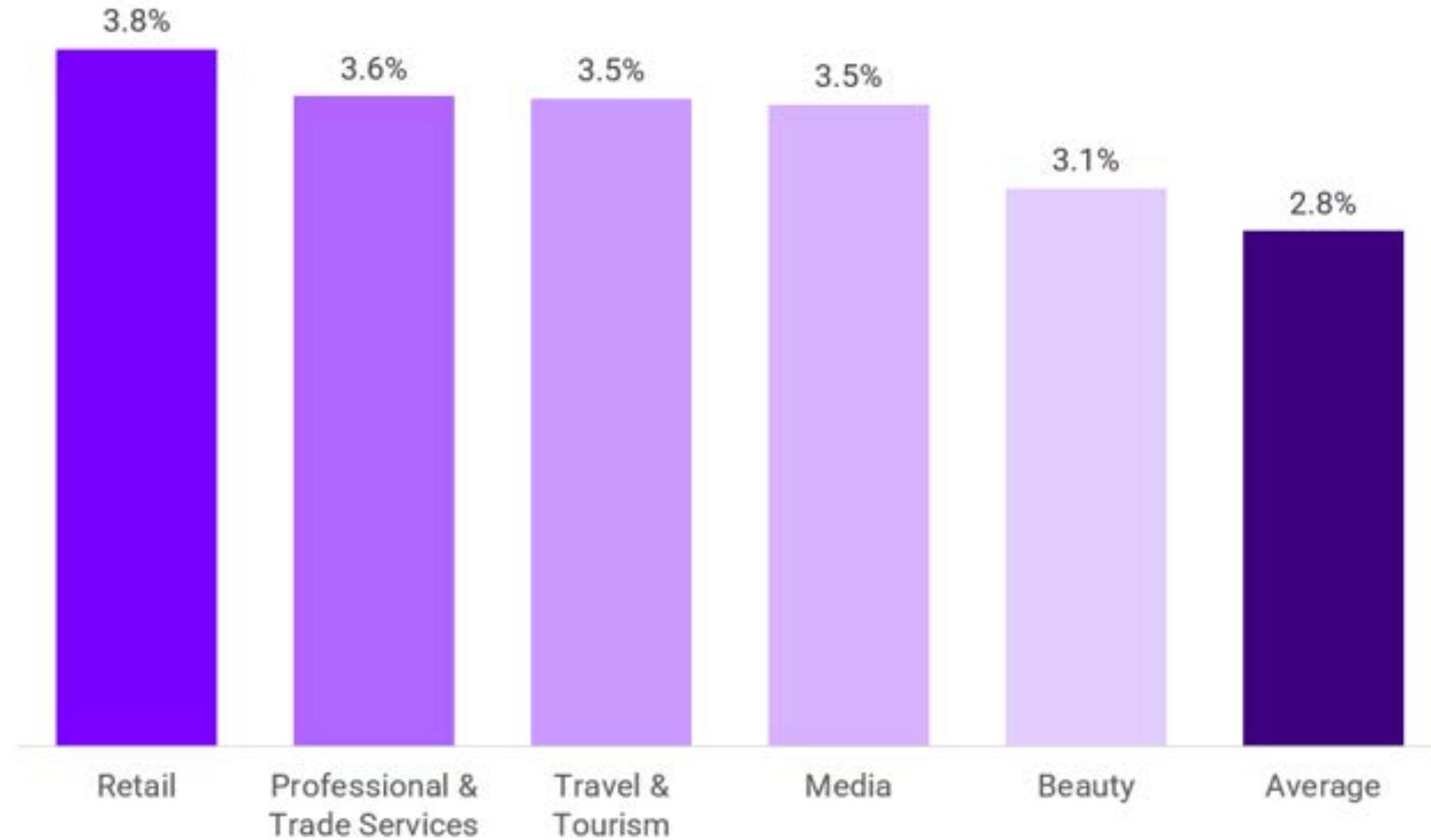
Differences between publisher types

Insight six

Average brand lift by publisher type

News	Lifestyle	Business	Special interest
20.9%	23.8%	17.7%	19.8%
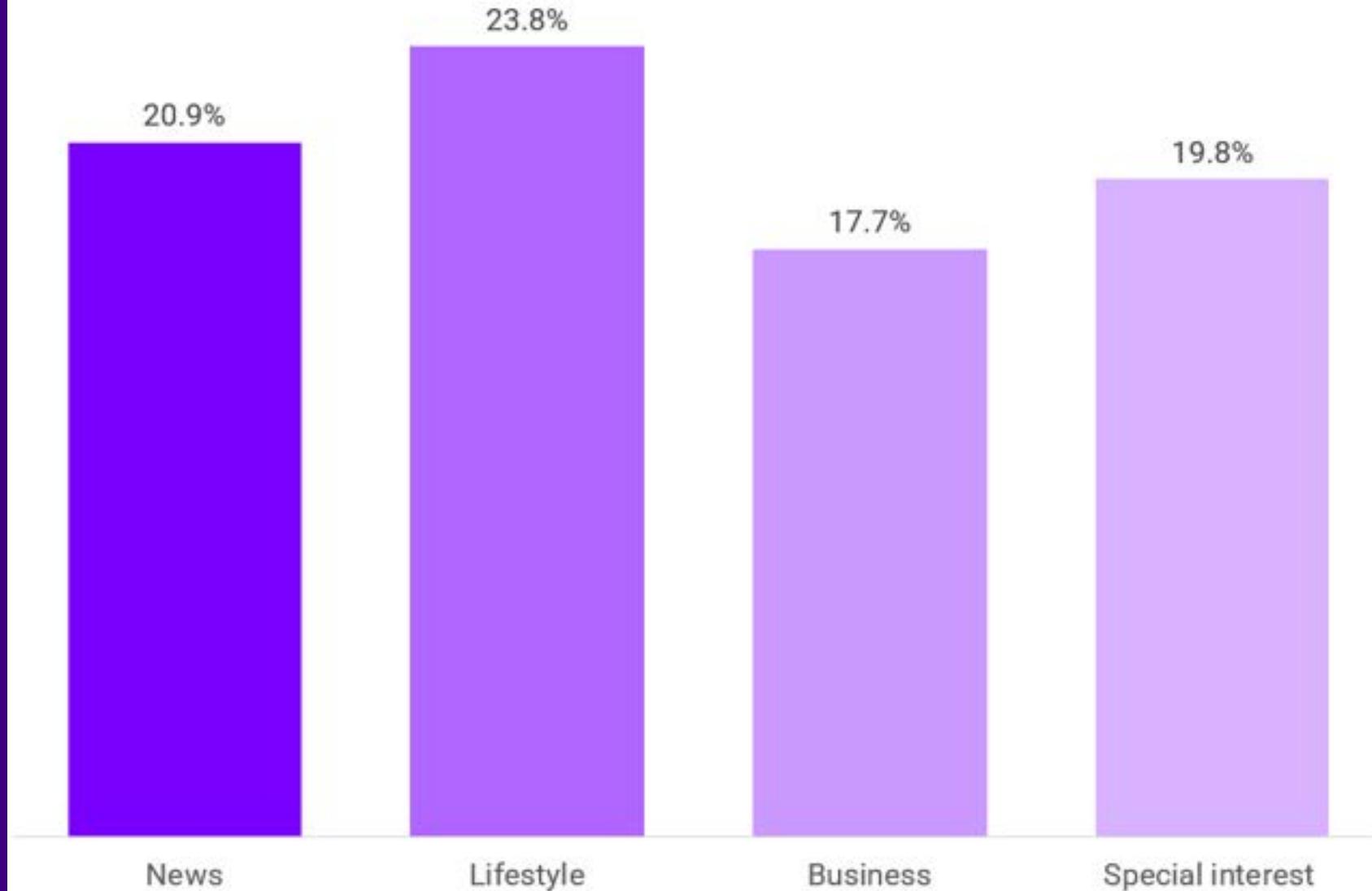
Average brand lift by publisher

Broken down by metric

Awareness — Consideration — Preference — Action intent

■ News ■ Lifestyle ■ Business ■ Special interest

The effect of advertising decay
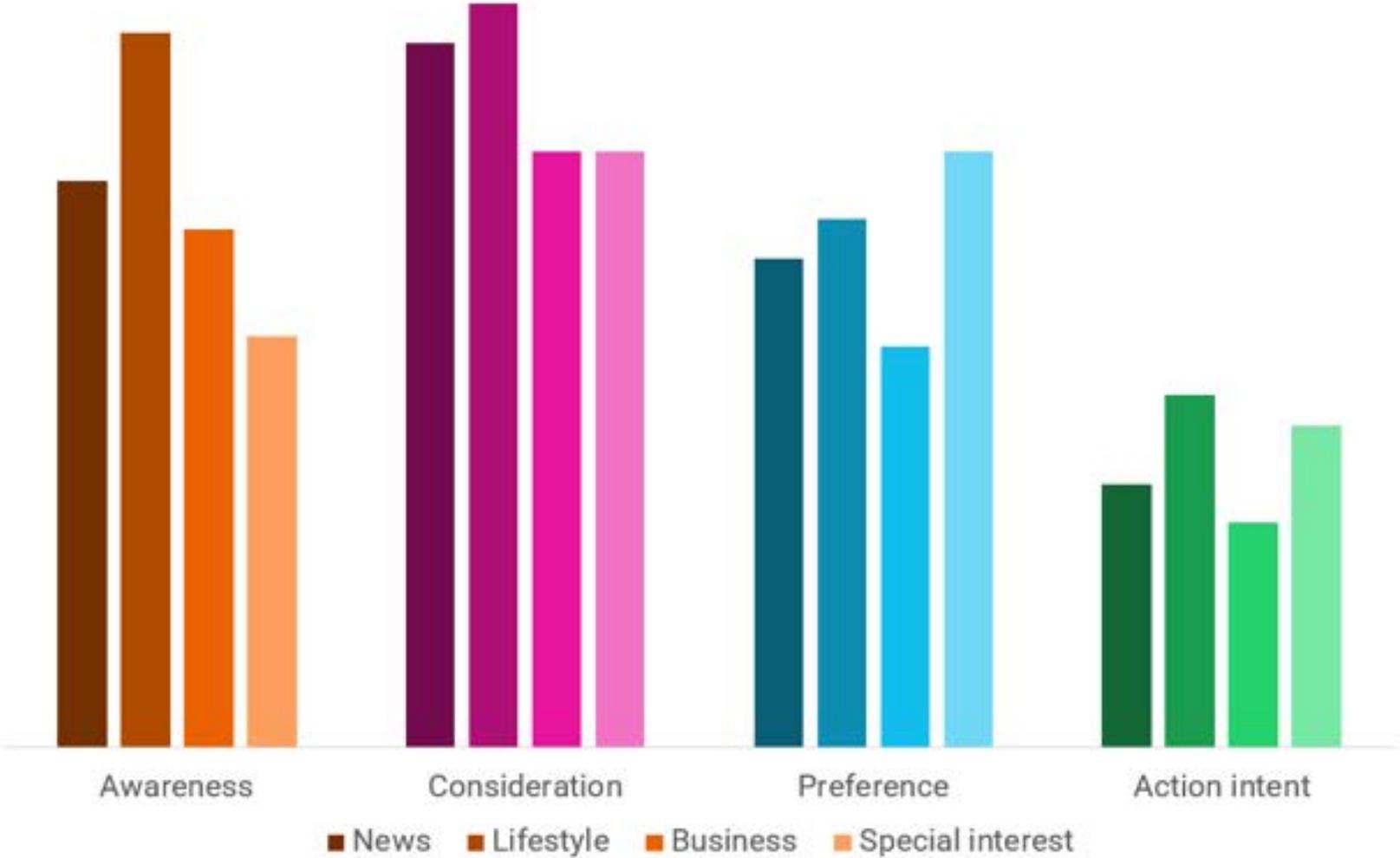
Insight seven

The effect of decay on brand lift
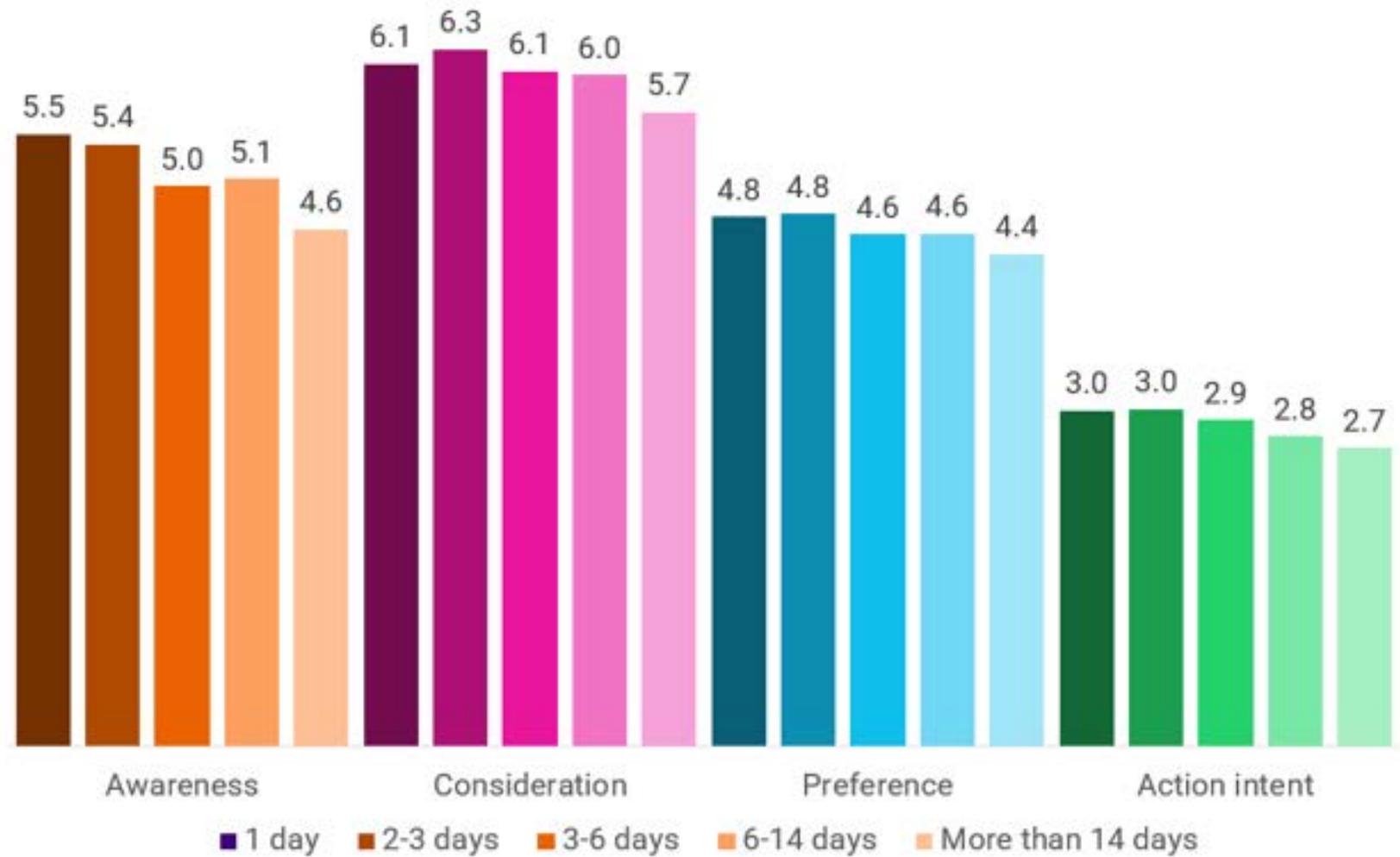
Next steps

In summary

What have we learned from 2,000+ campaign measurements?

Native advertising works!

On average, Native advertising works twice as effectively as display, potentially even higher.

Native works differently to display.

Native advertising has a "pull" effect, reaching fewer, more engaged potential customers.

Native is consumed for longer time periods.

Display advertising has higher frequency levels, but Native is consumed for a longer time.

Native drives mid funnel metrics.

Looking at the composition of brand lift , Native's focus is on influencing *Consideration* and *Preference* metrics.

Native works differently by industry category.

Native works differently in different industry categories, thus requiring a more nuanced strategy.

Difference between publisher types.

Native also works differently with different publisher types.

The effect of advertising decay.

Native decays less rapidly than display (but still needs consistent investment)

brand metrics

Future hypotheses?

Are brands with a story are more effective?

Which creative formats have most effect?

Are sequential campaigns more effective?

brand metrics

Making it happen

Five steps to make measurement a central part of your Native advertising strategy

Establish the rules
of success

Use data
proactively in future
campaigns

Celebrate the
impact of your work

Measure consistently
and often

Test and validate
new hypotheses
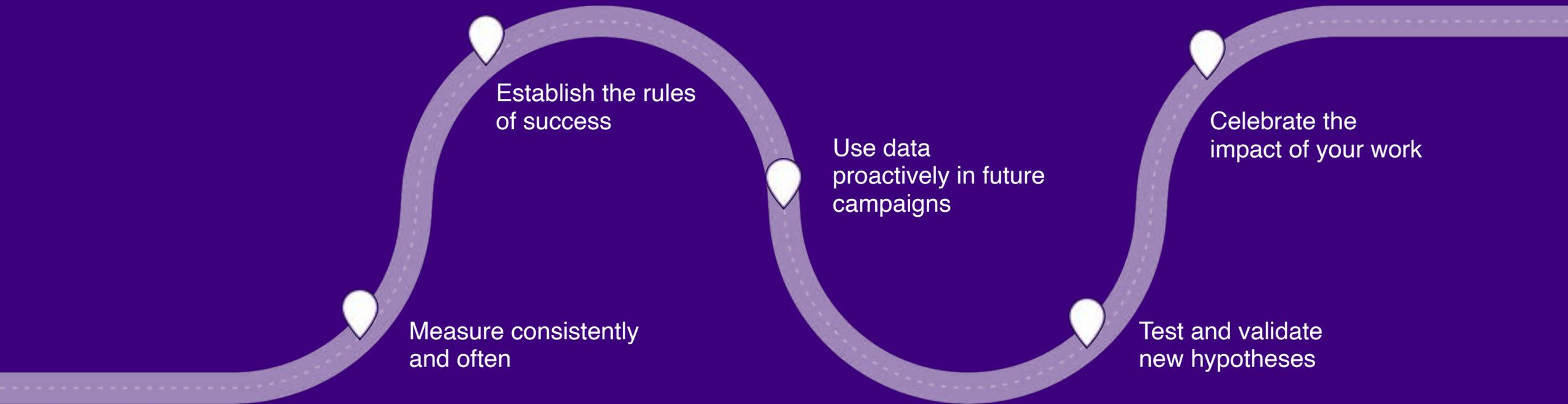
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