

## IAB EUROPE'S GUIDE TO NATIVE ADVERTISING



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## **Section 1. Introduction**

IAB Europe first published a <u>white paper on Native Advertising</u> in 2016 when it was still a nascent and evolving area of digital advertising. Since then, Native has continued to grow in importance with marketers widely agreeing that Native Advertising is one of their most used advertising formats.

It's rise came about as consumers found themselves bombarded with intrusive advertising, which led to ad blocking, banner blindness, and ad fatigue. As a result, this alternate format emerged, and native ads quickly became a top choice for advertisers looking to connect with engaged audiences. Today, Native ads can be found on publisher sites, social media platforms, search engines and other online spaces.

Native ads are nearly indistinguishable from organic content, but readers can identify them because, legally, and to ensure transparency for the end user, these ads are marked as an 'ad' or 'sponsored content.'

A diverse portfolio of creative options is available to advertisers, including but not limited to, static images, video, swipeable image galleries, GIFs, and more.

Furthermore, native ads often perform better than traditional formats. Compared to banner ads, <u>native ads deliver click-through rates (CTRs) 8.8x</u> <u>higher and increase purchase intent by 18%</u>.

Native ads can be delivered manually or programmatically. Most native ad platforms give advertisers granular control over where ads appear to ensure brand safety. This is also a plus for publishers, who can control which ads appear on their platforms and are relevant to their audiences, therefore resulting in more engagement. Brands can use retargeting, audience targeting, or contextual targeting to reach their desired audiences, increasing their chances of engagement.



This Guide has been written by experts of IAB Europe's Channels and Formats Taskforce, which is part of the Brand Advertising Committee. It provides definitions for Native advertising plus insight into how it works, the ad formats available and key considerations and best practices for buyers.

This Guide accompanies other IAB Europe resources on Native Advertising including:

- Native Advertising and Content Marketing <u>White Paper</u>
- <u>IAB Europe Guidance</u>: How to Comply with EU Rules Applicable to Online Native Advertising
- Programmatic Native Advertising White Paper
- Key Operational Considerations for Native Advertising and Content Marketing webinar <u>deck</u>



## **Section 2. Definitions**

Native advertising is an advertising format that matches the look, feel, and function of the media environment in which it appears. Compared to other forms of advertising which try to stand out and force attention, Native Advertising is the exact opposite in its attempt to fit in seamlessly with its environment.

In 2016, IAB Europe set the following definitions for native advertising formats and branded content:

**Native distribution advertising formats:** ad units used for the automated distribution of content at scale and that align to the style and format of the surrounding environment.

Every element of a native ad reflects the design and functionality of the platform where the ad appears. Since organic content surrounds native ads, readers discover, engage and consume the advertisement in a way that feels natural and intuitive rather than disruptive and intrusive.

**Content-based advertising or branded content:** commercial content that is advertiser-controlled or jointly publisher/advertiser controlled (e.g. online advertorial, advertiser funded content or advertisement features) and is designed to fit with the format and style of the surrounding editorial content.

Native ads are often used to promote branded content.



## **Section 3. Native Advertising Formats and Placements**

#### **Components of Native Ad Formats**

While it's dependent on the supply partner, a native ad is usually composed of all or part of these elements. How these elements appear to the consumer depends on the website (CSS) with the creative elements automatically resizing to ensure optimum display.

- Headline
- Description
- Brand name
- Logo
- Image/Video/Carousel/GIF
- Call to actions (CTA)
- Redirection URL



#### Native Video Ads

A typical video ad forces a consumer to watch and listen, thereby disrupting their online experience. Native video ads however seek to provide а non-intrusive experience by asking the user to click-to-watch for example (as opposed to clicking to skip) or by playing when in-view but with the sound off. With solutions like these, advertisers can get more from video ads by generating true user engagement, limiting disruption and maximising attention. If the video doesn't capture the interest of the viewer, they just continue scrolling and move on. This keeps the consumer in full control of their time and minimises the sense of intrusiveness. Additionally, native video ads can accommodate both long form and short form video. Overall, these non-disruptive methods, which include native elements like a title, description, logo, etc., makes it possible to attract consumers to the content of a video instead of forcing their attention.





#### Native Ad Placements

<b>IN-FEED</b>	<b>IN-ARTICLE</b>	<b>FOOTER</b>	<b>NATIVE DISPLAY</b>
Within a "Feed"	Within an Article	At the end of an	Usage of a
(publishers homepage, feeds of social networks, product listing)		Article	Display placement with Native creatives



This is a non-exhaustive list of placements, other forms of native ads exist such as in-mail, in-image, in-newsletter, or in-video and thanks to continuous development, more forms are constantly being created and popularised. The most important aspect of these as you can see here is the non-intrusiveness of the format and the likeness to the medium on which it appears. Please see <u>IAB</u> <u>Europe's Native Advertising White Paper</u> for further examples.



# Section 4. Key Considerations for Using Native Advertising

#### Using Native at Every Stage of the Sales Funnel

With a diverse range of formats and technologies offered by the native advertising industry, advertisers can address all types of objectives in a media plan and articulate a digital strategy around the three main stages of the sales funnel: awareness, consideration and performance.

The following table provides an idea of the type of native format, targeting strategy, and KPI that could be used at each stage of the sales funnel.

	AWARENESS	CONSIDERATION	PERFORMANCE
Format	Video / Large Images	Image / Carousel / GIF	Image / Carousel / GIF
Targeting	Data / Contextual	Data / Contextual	Data / Retargeting
КРІ	Video Views / Viewability / Reach	Visits / Engagement / Actions on site / Conversions	Clicks / Actions on site / Sales
Pricing model	CPM & CPC	СРС	СРС
Buying Methodology	Direct & Programmatic	Direct & Programmatic	Direct & Programmatic

Native, in particular through In-Feed and In-Article placements, can meet objectives such as views, viewability, reach, and target audience.



#### Case Study - Elvie with Outbrain

Elvie, a company with a mission to improve women's lives through smarter technology, creates innovative femtech products and solutions. As the creator of the world's first silent and cordless wearable breast pump, Elvie sought to bring brand awareness to its technology for nursing mothers. The company turned to Outbrain, a leading native advertising platform, to increase awareness about its female-forward products.

Outbrain's native solution allowed Elvie to engage consumers across the open web through a variety of creatives including memorable video content and earned media. This provided the femtech brand, which has pioneered its own vertical, the opportunity to explain its products in an effective and entertaining manner, optimising consumer engagement. Additionally, advertising through Outbrain ensured that Elvie reached consumers who were in discovery mode, when they were open to and interested in learning about new products.

The femtech brand was then able to leverage Outbrain's retargeting capabilities to drive conversions lower down the funnel to this pre-educated audience who had previously engaged with its content.

Outbrain proved an effective channel for introducing new users to the brand by serving ads to relevant consumers.

- 0.32% CTR for Outstream Video
- 51% Completion Rate for Outstream Video
- 55K+ view on Click-to-Watch Video
- 900K engage users

View the full case study <u>here</u>.



#### Case Study - Royal Canin with Outbrain

Royal Canin is a premium pet food brand, known for collaborating with leading scientists, veterinarians, and behavioral experts to provide unique nutritional needs for dogs and cats. Together with agency MediaCom, Royal Canin partnered with Outbrain to strengthen brand awareness and consideration outside of search and social channels. The campaign ran across Germany, Italy, and the UK via Outbrain's publisher network.

To drive premium brand awareness, Royal Canin leveraged two solutions belonging to Outbrain's Native Awareness+ suite: Native Display and Native Video. Both ensured maximum viewability thanks to brand exclusive, in-article placements with rich large-format creative. Native Awareness+ also boosts brand impact through attention-grabbing, non-disruptive formats that deliver greater consumer engagement and interaction. In fact, brands that leverage Native Awareness+ achieve strong performance metrics, evidenced by an average CTR over 0.40%. Royal Canin not only mirrored its existing social assets across trusted publishers on the open web, but drove stronger performance based on cost per quality site visit (CPQSV) — measured by a minimum 60-second dwell time on Royal Canin's landing page.

Overall, Royal Canin's native advertising campaign with Outbrain was superior to social in terms of efficiency, with an average cost per quality site visit that was 33% cheaper, based on click & view through rates.

- -33% CPQSV vs. Social
- 0.53% CTR with Native Display
- 55% VTR with Native Video

View the full case study <u>here</u>



#### **Using Native to Drive Engagement**

Native advertising is a great way to combat the phenomenon of "banner blindness". Historically sold on a CPC basis, native advertising is essentially built to drive action (as opposed to a more passive approach like a view), with all of its attributes (format, targeting technology) aimed at delivering a click.

Native advertising also delivers high quality traffic meaning advertisers can measure KPIs such as:

- Time spent
- New visitors
- Repeat visitors

It's recommended to set up a scoring system by which to value certain KPIs depending on the overall goal of a campaign. Pixels implementation is usually required, but direct connections to analytics solutions is also possible.

Here are some things to consider when using native for driving engagement:

- **Capture Attention with the use of GIF Videos -** the subtle movement on the image catches user attention more than a static image.
- **Increase Engagement with Carousel** image scrolling with swipe (horizontal) or scroll (vertical) within the same native ad format. Ideal to tell a brand story.
- **Include a CTA -** drive customers to take action by including a clear CTA. Most native advertising platforms provide the option to include a call to action button such as "Learn More", "Buy Now" or "Get Quote".



#### Case Study - ŠKODA Denmark with Taboola

ŠKODA Denmark is a Czech automobile manufacturer. Their agency, PHD, is an insight-driven innovator in communications planning and media buying. Together, they were looking for a way to cost-efficiently drive visitors to pricing pages for ŠKODA Denmark's automobiles.

Taboola was a perfect partner for the task as Taboola native sponsored content campaigns reach a qualified audience; one, in this case, that was qualified to explore ŠKODA Denmark's pricing options.

Splitting targeting by device was a suggestion that came to PHD from Taboola as a way to further maximize impact and keep CPA top of mind. Targeting by device has contributed to PHD and ŠKODA Denmark's 50% decrease in CPA by focusing on the devices on which consumers are more likely to be receptive to ŠKODA Denmark's specific ad.

With performance goals in mind, it's been an important part of PHD and ŠKODA Denmark's relationship with Taboola to keep a close eye on campaign success.

For this, the Taboola Pixel has been key. The easy-to-implement Taboola Pixel efficiently and precisely allows for multiple conversion tracking, events tracking, and custom audience building, rendering it a perfect tool to consistently track results.

Thanks to targeting optimization and effective tracking, ŠKODA Denmark and PHD were able to achieve impressive results, including:

- A 50% decrease in CPA
- 20% of total campaign conversions sourced through Taboola



#### Case Study - eToro with Taboola

eToro is a social trading and multi-asset brokerage company that focuses on providing financial and copy trading services. It's eToro's mission to provide financial markets to the masses.

Part of this mission includes creating high-quality blog and web content that makes it simple for people everywhere to access financial insights. In order to get this content in front of more people, eToro turned to Taboola, a leading content recommendation platform with native ad formats in its arsenal.

Casting a wide net helped eToro initially hone in on audiences with Taboola that would later become their go-tos. Since then, eToro has made use of a wide variety of Taboola's audience capabilities, from retargeting, to recommended audiences (best performing segments pulled by Taboola), to attentive audiences (users Taboola identifies as showing high interest in the product, based on their behavior), and more in between. This approach led eToro to reach the right audiences and meet their targets exceedingly quarter over quarter.

eToro also worked closely with the Taboola Creative Shop. The Taboola Creative Shop leverages data from hundreds of thousands of successful advertising campaigns that have run on Taboola's massive network of premium publishers, as well as thousands of ongoing A/B tests. It couples this massive dataset with a team of data analysts, content strategists, copywriters, graphic designers and video editors to give brands the strategies and assets needed to drive better results for brand or performance advertising goals.

With the Taboola Creative Shop, eToro was able to create timely and relevant assets that were rooted in data and carefully optimized for success.

As a result, eToro has achieved impressive success through their campaigns on Taboola:

- 30% of registrations have been converted to paying users
- Achieved a 40% decrease in cost per mille views (CPM), reaching bigger audiences across their target markets



#### Using Native to Drive Performance

While native advertising is able to deliver a high volume of engaged traffic, advertisers are also using it for performance purposes.

Here are some things to consider to when using native to drive performance:

#### Choose the Right Tools

Different native advertising solutions provide many tools to maximise conversions on site such as:

- Targeting: behavioral, contextual, retargeting, lookalike
- Test and learn: creatives, inventory, price
- Measurement: conversion pixel, analytics tools

#### The Importance of Optimisation

The key to success lies in measurement techniques adapted to each channel, but also in a regular follow-up and optimisation of campaigns and native is no different. Make sure you don't underestimate landing pages, which play a major role in conversion. In order to measure the total return on investment (R.O.I), it is recommended to consider all conversions (direct and indirect).

Conversions can be multiple, such as:

- Filling out online forms
- Online purchase
- Subscription to a newsletter
- Downloading a white paper
- App download

#### Programmatic Native

For insight into the status of programmatic native advertising in Europe and guidance on key strategic and implementation considerations, please refer to IAB Europe's Programmatic Native Advertising White Paper.



#### Case Study - Volvo with Outbrain

In October 2018, Swedish premium-car manufacturer Volvo launched an all-inclusive car subscription to meet an increase in mobility demands. The subscription gives customers a luxury vehicle for a monthly fee, inclusive of insurance and tax coverage as well as maintenance. The only thing the customer needs to pay for on top of the monthly fee is fuel. Customers also enjoy flexibility with the ability to change their car or cancel their contract with just three months notice. To draw potential customers' attention to this new service, Care by Volvo and its online marketing agency SaphirSolution turned to leading Native Discovery platform, Outbrain.

#### Solution

Care by Volvo and SaphirSolution pursued a two-part strategy to achieve their goals which were to bring awareness to the whole breadth of features of this service and convert customers. The auto company leveraged Outbrain's Run-of-Network ads, High Impact placements, and Outbrain's innovative Click-to-Watch video solution. These ad formats coupled with Outbrain's advanced targeting possibilities, let Care by Volvo reach its target audience.

In the awareness phase of the campaign, audience segments were created based on consumers who had engaged with the ads. These segments were then retargeted in the subsequent phase of the campaign to achieve conversions.

#### Results

Care by Volvo was able to generate 1.8 million unique site visits via Outbrain in 6 months. By retargeting the Outbrain audience segments and using Lookalike Audiences, they were able to achieve higher conversion rates that were 4 times higher than standard campaigns. Furthermore, SaphirSolutions identified a "Halo Effect" ie. an increase in investment in Outbrain's Native Discovery led to increased conversions across other channels.

View the full case study <u>here</u>.



#### Case Study - Naked Wines with Taboola

Naked Wines is a customer-funded wine business. Their customers, or angels, invest \$40 a month into their nakedwines.com piggy bank. Naked Wines then uses that deposit to invest in talented, independent winemakers. In return, customers are offered exclusive wines at insider prices (up to 60% off retail).

Heading into quarantine in March of 2020, Naked Wines saw an opportunity to reach more wine lovers now looking to purchase wine online. In order to connect wine lovers with good wine from local, independent winemakers, Naked Wines created a Taboola campaign for the purpose of finding new Angels on premium publisher sites. Originally, they targeted UK consumers exclusively, but expanded their approach to Australia and the US when they saw initial success.

Naked Wines worked with Taboola's Creative Shop to add descriptions and calls-to-action (CTAs) to their ad creatives, further improving their results. They also tested video sponsored content (SC) creatives, which they found to be effective.

Naked Wines used a content-led approach to one of their Taboola campaigns, allowing them to fully explain their offer to potential consumers while also driving a high number of conversions. A performance-led campaign ran alongside their content-led campaign, directing consumers to buy wine based on low prices.

Both campaigns led to a personalized and interactive questionnaire, where consumers were quizzed on how much they knew about the wine business. This included questions like how wine is priced, where the proceeds go, the best types of grapes to make wine, and more. The end of the quiz prompted consumers to receive a discount code to redeem on their website in exchange for their email.

As a result of the campaign, Naked Wines achieved:

- 8,000 new signups in the UK, US and Australia within 8 months
- 33% higher lifetime value (LTV) customers sourced through Taboola than Naked Wines average
- 33% increase in vCTR and 18% decrease in CPA in a 4 month timeframe for UK-targeted campaigns thanks to Taboola's Creative Shop



#### **Applicable EU Rules**

There are some particular EU rules applicable for Native Advertising. IAB Europe published a <u>Guidance document</u> which provides a short summary of the requirements of EU law, without going into legal technical details, and this is paired with good practice recommendations. The most comprehensive part of the Guidance is an Annex containing graphics depicting suggested good practice, alongside real world examples of these suggestions put into practice by IAB Europe members. Finally, for those interested in the legal provisions relevant to native advertising, the document closes with a legal analysis of several articles from the Unfair Commercial Practices Directive (2005/29/EC) -UCPD - and the E-Commerce Directive (2000/31/EC).

While the principles cited in said Guidance would remain relevant, one should take note of the evolving legislative landscape, including the following:

- The UCPD has been amended by <u>Directive (EU) 2019/2161</u> of 27 November 2019 on better enforcement and modernisation of Union consumer protection rules, part of the 'New Deal for Consumers"
- <u>The Guidance on the application of the UCPD</u>, first released in 2009 and subsequently updated in 2016, are to be revised again. The European Commission announced its intention to update the guidance by 2022.
- The E-Commerce Directive is expected to be updated with a proposal for Digital Services Act, released in December 2020 and as of December 2021 still under discussion by the EU legislators.



#### Native Advertising on the Open Web vs Walled Gardens

Today, advertisers can place native ads on publisher websites (the open web), social media channels, and search platforms (both walled gardens).

According to <u>eMarketer</u>, within digital media channels, probably the longest-standing gap in measurement information lies with walled gardens. Not only does each platform have unique metrics, but each owns all user data and keeps campaign data siloed. That combination of factors makes it harder for advertisers and publishers to understand audiences and ROI.

Native advertising on the open web functions differently. It has become one of the fastest-growing advertising strategies as it brings forth new content distribution channels. You can use content discovery platforms to reach readers across millions of publishers' sites and collect unified data from all of those touchpoints.

Publishers also offer the most expansive list of native ad placements, including on the homepage and section front areas, mid-article placements, and below article placements. These serve as attention-grabbing areas that drive engagement.

On mobile devices, social media platforms show video and image-based native ads in user news feeds next to potentially irrelevant content, while desktop users will also see native ads on easily unnoticed sidebars.

Based on a user's query, search platforms could display image-based native ads above text-based versions or only the latter option. In either case, users may scroll past as they are now more aware that paid-for ads take top placements.

When it comes to reaching advertiser objectives, native ads on the open web offer some unique advantages. What surrounds a company's ad and the moment the ad is presented is just as significant as the person receiving the ad. More advertisers are learning that publisher sites are the ideal marriage for these conditions, thanks to contextual targeting and a lack of user-generated content.



Ads placed on news sites are housed in a trustworthy environment, and news sites allow advertisers to be shown in the right context. In fact, in a <u>recent study</u> by IAB, 84% of news consumers said they maintained or increased trust for brands that advertised on their preferred news sources.

Advertisers can also take advantage of consumers' mindsets while on the open web. <u>Research from OpenX and The Harris Poll</u> revealed that 56% of people are more curious and open to learning when on the open web, while 30% of people report zoning out while on social media platforms. Consumers also felt that ads on the open web were more relevant, impactful, and effective than those exposed to on walled gardens. In fact, an Outbrain study alongside independent research company Lumen found that native ads on premium publisher sites are 44% more likely to be trusted, 21% more likely to be clicked on, and 24% more likely to lead to future purchases when compared to ads shown on social media platforms.

Reaching consumers today is a challenge and connecting with them is even more difficult as attention spans continue to wane. Individually, the open web and native ads offer unique benefits; when combined, their power is undeniable, creating a winning media strategy for advertisers.



## **Section 5. Best Practices**

#### **General Native Best Practices**

- Always ensure that your native advertising partners are complaint with legal requirements regarding labelling of ads see legal guidance in section 4.
- A/B test your creatives: create multiple variations of your ads and review their performance frequently to reallocate budget and make adjustments.
- The content of your ad is important, but the context in which it appears is just as crucial. For example, <u>a 2020 study by the IAB</u> found that 84% of consumers feel that advertising within News publishers increases or maintains Brand Trust.
- Include people in your creatives to attract attention: there's actually a dedicated area in our brains just for detecting faces. Our evolutionary history as social animals mean that we're much more likely to pay attention to creatives that include people than those that don't.
- Evoke emotion: emotional responses occur before information is even cognitively analysed, and helps to consolidate information in long-term memory
- Humans are drawn to movement: In our evolutionary past, quick detection of movement would have been the difference between life and death, as we attempted to avoid predators and capture prey. We may no longer find ourselves in life or death situations very often, but this evolutionary response has stuck around: to capture attention, use video or GIFs to stand out wherever possible.
- Be natural: the idea behind native advertising is that it blends in naturally with its surroundings; therefore, you don't want your ad creatives to look like a banner. As a rule, images that include text look like advertisements and are more likely to fall prey to banner blindness. Instead, try to design your imagery to look similar to the content that surrounds it.
- Set user expectations: make sure your ad accurately represents the information behind it, or else users will leave disappointed and you'll have paid for a wasted click. For example, don't use a sensationalist headline like "What happened next will shock you" to drive to an article about healthy eating.



## **Section 5. Best Practices**

- Include CTAs and action words: make it clear to the consumer what the next step is if they're interested in what they see.
- Use first-party data and tools provided by your native advertising partners to monitor and react to trends in your market and vertical, updating your creatives frequently.

#### Specific Best Practices for Native Video

- Make it quick for performance: 15 second videos drive greater brand recall and purchase intent than longer units.
- Use subtitles: <u>a 2019 study</u> found that 92% of consumers on mobile and 83% on desktops watch videos with the sound off. Subtitles are crucial to getting your point across and increasing brand and ad recall.
- Use long-form video to better explain your product and tell a story to further consideration.
- High quality videos: let your logo shine, larger logos deliver recall and fixation on the ad.
- Differentiate: highlight your offering and how you're differentiated. Test multiple videos to determine which message resonates.



## Section 6. The Future of Native

#### Interactive Rather than Static Ad Experiences

Yahoo research shows that immersive technology can engage consumers across the purchase lifecycle. <u>75% of Europeans</u> expect their digital experiences and interactions with brands online to be seamless, innovative and enhance their real world, whilst <u>58% say</u> they are more inclined to purchase from a brand using experiences such as AR. In the future, we can expect more brands to test out interactive, engaging native ad experiences that fully immerse the user, including 3D, 360 and AR ads, thanks to a combination of faster and more powerful 5G-enabled smartphones, together with improved technology such as WebAR.

#### Moving Beyond Desktop and Mobile

In the short-term, for those brands whose native ad activity is already at a mature stage, there will be increasing opportunities to repurpose existing assets across other channels. We can, for example, expect CTV and DOOH to see increased channel adoption throughout 2022. The real value will lie in those platforms who are able to provide a holistic view of the same user across these different touchpoints.

In the mid to long-term, we can expect an evolution of the screens that native ads are able to deliver on. Two of the next battlegrounds are likely to include wearables and self-driving cars, which we can think of as new 'device types' on which to deliver your ads. The whole premise of native advertising is to offer a non-intrusive ad experience, and to fit the form and function of the environment around it. In this context 'smart glasses' would appear to be the wearable device most suited to serving augmented native ad experiences or retail offers or old-fashioned product placement, all based on triggers such as geo-location or weather. We have already seen Facebook's partnership with Ray-Ban, Spectacles by Snap, Google's previous attempt with Google Glass, and the patents Apple already have in place. It may not be too long before Smart Glasses become the preferred means of consuming content during the morning and evening commute.



#### **Mobile Commerce**

The Covid-19 pandemic has accelerated the shift from physical stores to digital shopping, and with users spending upwards of 4 hours on their mobile devices each day, mobile stands to become the default device for brands with commerce goals. A range of measures will help improve the mobile shopping experience for consumers: new shoppable native ad formats and experiences (such as AR) will give consumers more confidence in what they are buying; smoother checkout options that keep users within the ad experience will create less friction; brands who support a variety of payment options (e.g Klarna) will appeal to wider demographics.

Not everything will be transacted online, however, there will still be consumer appetite for in-store experiences. Recent Yahoo Christmas research showed that <u>81% of consumers</u> expected to do some in-store shopping over the Christmas period. Brands will be looking for partners who can map out the online/offline path-to-purchase through metrics such as store visits. Expect continued innovation in how native ads can be used to drive offline behaviour, with a mix of hyper-local targeting, QR codes and coupons, whilst having a consistent message across multiple channels (think native, audio and DOOH) can help drive up footfall.





#### The Impact of the Depreciation of the Third-Party Cookie and Browser App Changes

Even though Google has delayed their timelines to retire the third-party cookie, there has already been a significant loss in identity due to a combination of industry regulation and browser/app changes. The key consequences for brands, including those buying native, are that addressable inventory becomes more expensive, whilst finding the right users and attributing performance on non-addressable inventory becomes a significant challenge.

Whilst the benefits of working with partners who have their own first-party data and means of targeting addressable users are clear, it's simply not a choice for brands to just ignore everything else. The skill will be in how to drive as much value as possible from non-addressable supply. With that in mind we can expect a few key shifts in how brands will approach their ad campaigns in 2022 and beyond:

- The quality of your creative will become even more important in driving the required actions from your target audience. A core strength of native advertising is its ability to blend in seamlessly with the content around it, but the key elements of strong copywriting, high quality image and video assets, and some sort of hook to draw in the user will remain crucial.
- Working with a partner who offers the ability to target the most relevant non-addressable users, based on predictive and contextual signals, will help maintain scale and performance. The strong CTRs that native has traditionally driven will stand it in good stead as a channel in this new world.
- Brands will need to get comfortable with new methods of measurement, ones that take us away from the direct 1:1 means of attribution we have become used to. Whether that means relying on a third party to handle attribution, as we are already seeing with the SkAdNetwork for app marketing campaigns on iOS, or relying on measurement that is more aggregated, modelled and panel-based.

Contextual targeting is one alternative to using third-party cookies. Using this approach for native ads, brands can choose what content they want to be next to, as well as the publications and environments they want to be associated with.



Native advertising isn't a new concept, however it has continued to gain traction and importance amongst advertisers, particularly to deliver seamless advertising experiences to consumers. As such, the contributors to this Guide have sought to provide up to date information on Native Advertising formats, placements and best practices so that buyers can ensure effective campaign delivery.

This Guide also draws out some of the key considerations of native advertising and how it will be key to growth in other digital channels such as ecommerce, CTV and DOOH.



IAB Europe would like to thank the following contributors who helped to author this Guide:



Agathe Rakowicz, Director, Global Brand Operation at Outbrain



Jon Westnedge, EMEA VP at Taboola



Robin Jackson, Senior Manager, International Sales Solutions at Yahoo

Lauren Wakefield Marketing & Industry Programmes Director wakefield@iabeurope.eu

Marie-Clare Puffett Marketing & Industry Programmes Manager puffett@iabeurope.eu

iab europe Rond-Point Robert Schumanplein 11 1040 Brussels Belgium



in /iab-europe

iabeurope.eu

