

# NATIVE ADVERTISING: THE EVOLVING LANDSCAPE

CONVERSATIONS THAT CONVERT



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# NATIVE IN THE NEWS

“Success in native advertising hinges on preserving best practices” AdWeek

“The Next Iteration of Native Advertising Will Be Interactive” -ClickZ

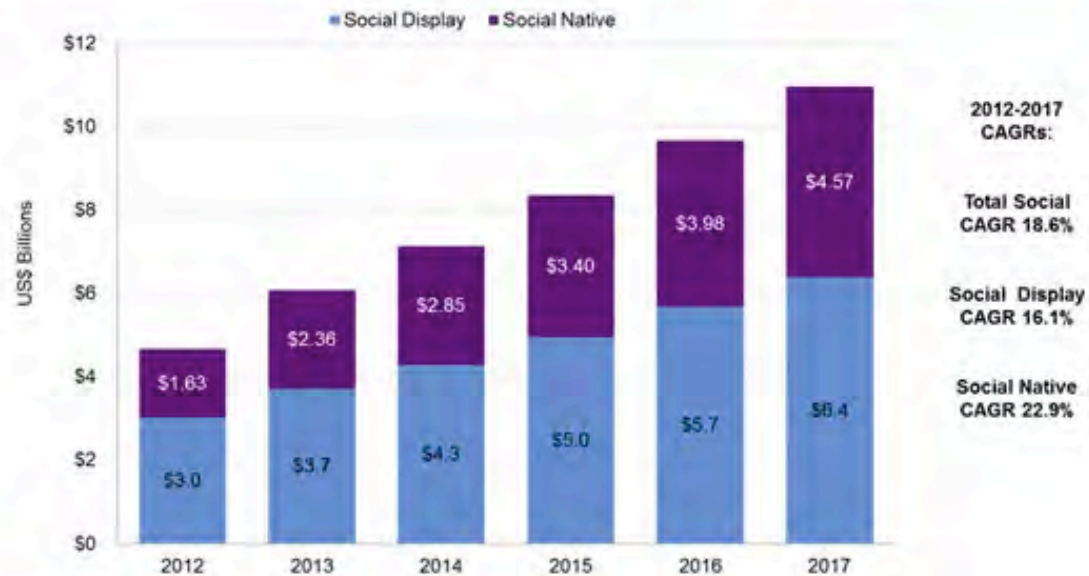


“The Native Ad Rush Is On: Social Media Budgets Are Pouring Into In-Stream Ads” Business Insider

“Local Newspapers Scramble for Native Ad Strategies” -DIGIDAY

# OUTLOOK FOR 2014-15

## U.S. Social Display vs. Native Ad Spend: 2012-2017 Forecast



Note: Numbers are rounded.

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Compound Annual Growth Rate (CAGR)

# NATIVE CORE OPTIONS

## IAS's Standard Ad Units:

### In-Feed Units



Forbes



Yahoo



Facebook



Twitter

### Promoted Listings



Etsy



Amazon



Foursquare



Google

### Paid Search Units



Yahoo



Google



Bing



Ask

### In-Ad (IAS Standard) with Native Element Units



Appsavvy



Martini Media



EA



Onespot



Federated Media

### Recommendation Widgets



Outbrain



Taboola



Disqus



Gravity

### Custom / "Can't Be Contained"



Hearst



Flipboard



Tumblr



Spotify



Pandora

# ASK YOURSELF

**FORM** – How does the ad fit with the overall page design? Is it in the viewer’s activity stream or not in-stream?



**FUNCTION**– Does the ad function like the other elements on the page in which it is placed? Does it deliver the same type of content experience, e.g., a video on a video page or story among stories, or is it different?



**INTEGRATION** – How well do the ad unit’s behaviors match those of the surrounding content? Are they the same, e.g., linking to an on-site story page, or are new ones introduced?



**BUYING & TARGETING**– Is the ad placement guaranteed on a specific page, section, or site, or will it be delivered across a network of sites? What type of targeting is available?



**MEASUREMENT** – What metrics are typically used to judge success? Are marketers more likely to use top-of-the-funnel brand engagement metrics (e.g., views, likes, shares, time spent) or bottom funnel ones (e.g., sale, download, data capture, register, etc.?)



**DISCLOSURE** – Is the disclosure clear and prominent?

# THE PROS AND CONS

## Benefits and Obstacles of Using Native/Sponsored Content\* Advertising According to US Advertising Decision-Makers, Feb 2014

*% of respondents*

### Benefits

Increased brand awareness	31%
Opportunity to tell a "story" around a product/series	29%
Increases awareness of specific products/services	28%
Quality leads	26%
A more engaged audience than other ad types	25%
Increased social media engagement	23%
Creates a longer-term customer service relationship than other forms of advertising	21%
Gives my brand a more authentic "voice"	20%

### Obstacles

Insufficient reporting and ROI metrics	46%
Misalignment between campaign and marketing objectives	38%
Requires ongoing commitment beyond current campaign/budget/objectives	26%
Too resource/labor intensive, not sufficiently turnkey	24%
Too expensive	22%
Lack of scale/not enough reach of target audience	18%
Don't understand best practices around sponsored content/native advertising	18%
Not able to scale across multiple devices/platforms/channels	15%
None, no obstacles	13%

*Note: \*content provided by a media company*

*Source: Purch, "2014 Native and Programmatic Advertising Trends: Survey of High Level Ad Decision Makers" conducted by Advertiser Perceptions, June 12, 2014*

# OUR ROLE MODELS

The Washington Post

(WP BRAND CONNECT) SPONSOR GENERATED CONTENT



## Natural gas vehicles help drive environmentally friendly airport

Think about it.



Sit down in an airport main concourse today and you'll catch a glimpse of what makes the modern world tick. On a personal level, families reunite and adventures begin amid the swirl of our rapidly globalizing world. As for technology, one witnesses the marvel of science as we conquer the skies.

DIA, the nation's largest (it covers 54 square miles) and fifth busiest airport (in 2013, 25.5 million people passed under its unique tented roof), was the first U.S. airport to develop a comprehensive plan to manage environmental impact and the first to meet national and international sustainability standards.

DIA marked another first when it earned membership in the Environmental Protection Agency's Performance Track for excelling in protecting human health and the environment. Meanwhile, the Colorado Department of Public Health has recognized DIA for 10 years running as a Colorado Environmental Gold Leader for voluntarily going beyond compliance with state and federal regulations and for a commitment to continual environmental improvement.

Throughout these efforts and accolades, natural gas vehicles have been a key component of sustainability efforts at the airport.

Using compressed natural gas (CNG) in DIA's 221 natural gas vehicles saves more



By America's Natural Gas

Published on September 3

Think about it.

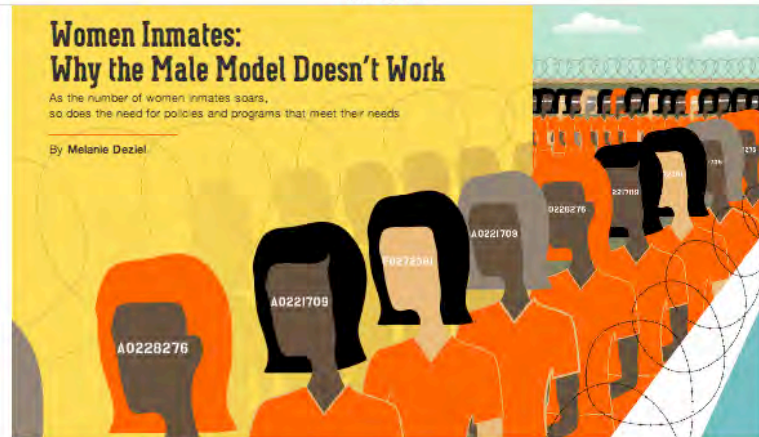
The New York Times

PAID POST  
NETFLIX SPONSORED

## Women Inmates: Why the Male Model Doesn't Work

As the number of women inmates soars, so does the need for policies and programs that meet their needs

By Melanie Deziel



ILLUSTRATIONS BY OTTO STENINGER

**Over the past three decades, the number of women serving time in American prisons has increased more than eightfold.**

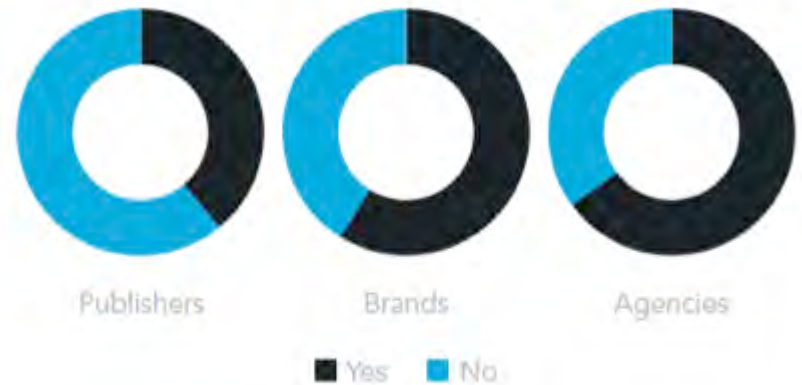
Today, some 15,000 are held in federal custody and an additional 100,000 are behind bars in local jails. That sustained growth has researchers, former inmates and prison reform advocates calling for women's facilities that do more than replicate a system designed for men.

"These are invisible women," says Dr. Stephanie Covington, a psychologist and co-director of the Center For Gender and Justice, an advocacy group based in La Jolla, Calif. "Every piece of the experience of being in the criminal justice system differs between men and women."

At the most basic level, women often must make do with jumpsuits that are made from

# NATIVE AND NEWSPAPERS

- The high-minded debate content-oriented ads have ignited on the national level isn't as pressing to local and regional newspapers, which are literally fighting for survival.
- Like the moves at big-time publications, this adoption of content-based ad formats isn't entirely new. Advertorial have been around a long time. Digital native advertising is just an evolution of that.
- \*The banner ad is becoming history and messaging is replacing it as content, concept and business partnerships with social media venues remain predominant.



## Question wording

*"Do you use/offer native advertising?" or "Have you ever worked on a native advertising campaign?" (Agencies).*

"Local Newspapers Scramble for Native Advertising Strategies", September 30, 2013, [digiday.com](http://digiday.com)

"The State of Native Advertising 2014", Hexagram, September 2013, [stateofnativeadvertising.hexagram.com](http://stateofnativeadvertising.hexagram.com)





## INITIAL GO-TO MARKET STRATEGY

- Our main goal was to integrate smart journalism, social media and display banner advertising for an all-encompassing marketing strategy.
- Started as “steroids package” for Speakeasy clients and is now becoming more independent sales
- Media to support social and content marketing efforts
- Some repurposing of content we created for clients; mostly original
- Open to any client, but priced more competitively for Speakeasy clients

# WHY WE CHOSE GUIDELIVE



*The Dallas Morning News* wanted to start in an area already focused on entertainment. By launching native advertising on GuideLive, we were able to target the desired audience almost immediately.

## Additional Demographic Information:

### GuideLive.com Audience

- Approximately 86,000 impressions on Guidelive.com
- Page views- 3,809,757 ; Unique visitors- 679,408
- Visitors are young, with 55% under the age of 45
- The average age is 43
- 85% of the visitors are homeowners
- 50% of visitors to the site have an income of \$100,000 or more
- Their average household income is much higher than the DFW average at over \$125,200
- Two-thirds of site visitors are married
- 51% of site visitors have children in the home, higher than the DFW number of 44% of adults
- Over 81% of the visitors to the site are college educated
- 56% of visitors have a college degree or higher

# EXTRA! LAUNCH

- Timing: One client per week
- GuideLive.com homepage presence, EXTRA! widget
- Client's logo added under "STAY CONNECTED"

EXTRA! Sponsored Content

Shopping off the beaten path

Eight free things to do in Dallas in September

Presented by **DALLAS**  
EST. 1994 • DALLAS, TEXAS

# HYBRID DIGITAL MARKETING

The key to our native success- integrating social media as much as possible within the native advertising program.

Social media elements include:

- a social media stream on the article page
- logos that link to Facebook, Twitter or blog
- icons on each article page for sharing

The screenshot shows a web page for Dallas GuideLIVE. At the top, there's a red banner that says "DALLAS BIG THINGS HAPPEN HERE". Below that is a navigation bar with links to "dallasnews", "SportsDay", "GuideLIVE", "FD Luxe", "neighborsgo", and "aldlatx". There are also links for "OBITS", "CLASSIFIEDS", "AUTOS", "JOBS", "REAL ESTATE", and "SHOPPING". The main header features the "GuideLIVE" logo, a weather forecast for "90°" with a sun icon, and a "FORECAST TRAFFIC" link. A secondary navigation bar includes "DINING", "MOVIES", "MUSIC", "ARTS", "THINGS TO DO", "TV", "WHATEVER", and "COMICS & GAMES". A search bar is present with the text "Search Events, Restaurants, Concerts, Place" and a "SEARCH" button. Below the search bar, there are links for "Advanced Search: Restaurants", "Events", "Music", and "Drink Specials". The main article title is "Eight free things to do in Dallas in September", presented by "DALLAS". The article includes social media sharing icons for Facebook, Twitter, and LinkedIn, along with a "Share" button and "AA" for text size. A note states "This article was written for our sponsor and not by TDMN editorial staff." The article features a large image of a child holding a red airplane, with the word "BIG" overlaid in large red letters. Below this is a photo of a modern building at night, identified as the Nasher Sculpture Center. The article text mentions that the center hosts free events as part of its 'til Midnight series. It is by Richard Goodis, published on 25 August 2014 at 07:56 AM, and updated at the same time. A sidebar on the right titled "STAY CONNECTED" includes a Facebook link and a post from "Visit Dallas" about a LEGO creation contest. The post says "Check out this great LEGO® creation from Tracy Rod! Share your family's LEGO creation to be entered to win tickets to the LEGO KidsFest VIK event on Friday August 29 from 4:30p to 8:00p! Winners will be randomly" and shows a grid of photos of people.

Image by DMN Staff  
The Nasher Sculpture Center hosts an assortment of free events as part of its 'til Midnight series.

By Richard Goodis  
Published: 25 August 2014 07:56 AM  
Updated: 25 August 2014 07:56 AM

Alas, Labor Day is around the corner, the kids are back in school and,

# NATIVE METRICS

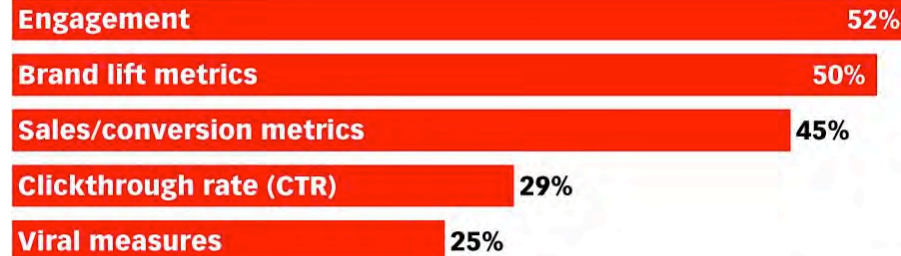
## It's all about: ENGAGEMENT

Providing metrics showcasing a boost in engagement across social media and comments will be critical for the success of native advertising in the years to come.

Tracking traffic to the client's website, social sites and blog will likely surpass the importance of engagement and will play a major role in proving the worth of native advertising.

### Metrics Used to Measure the Performance of Native/Sponsored Content\* Advertising Campaigns by US Advertising Decision-Makers, Feb 2014

% of respondents



Note: n=133 who are involved in native/sponsored content advertising;

\*content provided by a media company

Source: Purch, "2014 Native and Programmatic Advertising Trends: Survey of High Level Ad Decision Makers" conducted by Advertiser Perceptions, June 12, 2014

# SOCIAL AMPLIFICATION

Client: Methodist Health System

## Before Amplification

Date	Logo Impressions	Banner Impressions	Widget Impressions	Total Impressions	Total Page Views	Avg. Social Engagements
July 7, 2014	26,852	184	21,841	48,877	204	17

## After Amplification


Date	Logo Impressions	Banner Impressions	Widget Impressions	Total Impressions	Total Page Views	Avg. Social Engagements
September 13, 2014	32,465	1,330	64,434	98,229	2,001	541

# SOCIAL AMPLIFICATION

Post Details

**The Dallas Morning News**  
September 14 at 7:55am

Our partners at Methodist Health System share tips for how to help your skin transition from summer to fall.



**How to safeguard your skin for fall**  
Cooler weather offers much-needed relief from the heat and sun, but the drier climate ushers in a host of skincare challenges. Fortunately, with a...  
D-NEWS.CO

13,632 people reached Boost Post

Like · Comment · Share · 23

**13,632** People Reached

**31** Likes, Comments & Shares

<b>24</b> Likes	<b>23</b> On Post	<b>1</b> On Shares
<b>0</b> Comments	<b>0</b> On Post	<b>0</b> On Shares
<b>7</b> Shares	<b>0</b> On Post	<b>7</b> On Shares

**209** Post Clicks

<b>0</b> Photo Views	<b>59</b> Link Clicks	<b>150</b> Other Clicks
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**NEGATIVE FEEDBACK**

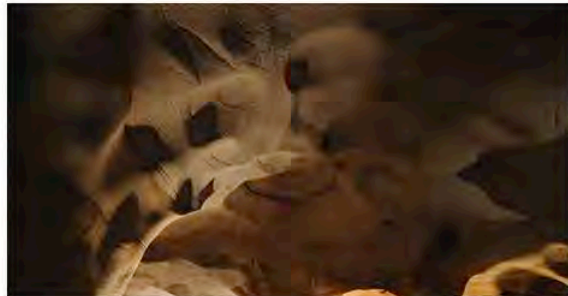
**2** Hide Post

**0** Report as Spam

Post Details

**The Dallas Morning News**  
September 13 at 9:45am

Seven cool Texas caves. Go exploring.  
Via Methodist Health System



**Where to go underground in Texas**  
There is just something about the word "spelunking" that instantly makes you want to look up the definition. We'll save you the time. Spelunking is...  
D-NEWS.CO

31,456 people reached Boost Post

Like · Comment · Share · 256 19 125

**31,456** People Reached

**496** Likes, Comments & Shares

<b>325</b> Likes	<b>256</b> On Post	<b>69</b> On Shares
<b>44</b> Comments	<b>19</b> On Post	<b>25</b> On Shares
<b>127</b> Shares	<b>125</b> On Post	<b>2</b> On Shares

**786** Post Clicks

<b>0</b> Photo Views	<b>326</b> Link Clicks	<b>460</b> Other Clicks
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**NEGATIVE FEEDBACK**

**5** Hide Post **0** Hide All Posts

**0** Report as Spam **0** Unlike Page



## IMPORTANT METRICS

We are working on refining our metrics, including:

- Time spent on each article
- Social shares
- Increased social following
- Referral traffic
- Demographics
- Total page views
- Unique visitors per article



# LOOKING AHEAD

## PLATFORMS FOR AMPLIFICATION



DistroScale



reddit



StumbleUpon



# CONTENT AMPLIFICATION

## Percentage of Content Marketers Who Use Social Platforms to Distribute Content

	B2B North America	B2C North America	Nonprofit North America	B2B and B2C Australia	B2B and B2C UK
LinkedIn	91%	71%	53%	86%	85%
Twitter	85%	80%	69%	79%	89%
Facebook	81%	89%	91%	79%	75%
YouTube	73%	72%	65%	74%	65%
Google+	55%	55%	27%	47%	55%
SlideShare	40%	19%	5%	26%	33%
Pinterest	34%	18%	24%	29%	42%
Instagram	22%	32%	17%	30%	20%
Vimeo	22%	16%	15%	20%	25%
Flickr	16%	18%	22%	15%	21%
StumbleUpon	15%	13%	3%	14%	18%
Foursquare	14%	16%	10%	9%	17%
Tumblr	14%	18%	8%	10%	19%
Vine	14%	13%	5%	13%	17%

Source: 2014 Content Marketing Institute annual research: <http://contentmarketinginstitute.com/research>



## IN CONCLUSION

- Native advertising is a controversial but increasingly important part of the marketing mix
- Launching a native advertising program isn't easy, but can drive incremental revenue and prove effective for advertisers
- Social amplification is a must and measuring the right metrics is crucial

SPEAK TO US

# Easily.

Lindsay Jacaman

ljacaman@dmnmedia.com



[yourspeakeasy.com](http://yourspeakeasy.com)