MOBILE NATIVE ADVERTISING BEST PRACTICES

MMA Mobile Native Advertising Committee



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Ads That Are Distinctive Get More Attention

"In advertising, not to be different is virtual suicide", said Thornton Wilder, noted playwright and novelist. This goes against the very nature of native ads, which are all designed to "fit in". The notion that advertising must grab attention raises a pertinent question in the mind of every marketer who plans to go native - will it really deliver on its lofty promises? The answer lies in truly understanding the intent behind native advertising, and then implementing it the right way. This guide is focused on educating marketers about the best way to create a distinctive ad that fits in - an oxymoron, some may say.

For decades, ads and content have co-existed with each other on publisher properties, from top newspapers and magazines to mobile gaming apps. However, they coexisted amidst a bifurcation of incentives - while publishers focused on delivering relevant content and creating a stellar experience for users and readers, advertisers were only focused on acquiring potential customers. This resulted in advertising that was typically intrusive and irrelevant. Native advertising emerged as a way to integrate advertiser and publisher objectives in a way that puts the user back at the center. Native advertising is a form of paid media where the ad experience follows the natural form and function of the user experience in which it is placed. The ad must be native to both the visual look and feel as well as the context in which it is placed. While the intention is to create an ad unit, which blends with the publisher's property and provides an integrated experience, it is important for the ad content to stand out in the way that amazing and interesting content would to a user. In an increasingly mobile world where users are inundated with information from all angles, advertisers need a distinctive voice in order to get their attention in a meaningful and effective manner. By appearing in context and visual style as relevant content, native advertising is more effective than traditional ad formats as it overcomes challenges like banner blindness and directly relates to the information that the user is consuming. A well-executed native ad toes a thin line, achieving a delicate balance between standing out and blending in.

A good example of ensuring visual and contextual fit are the promoted pins, one sees on Pinterest. The goal of Promoted Pins is to simply reach more of the right people with the type of content that already works well organically. As the examples below



show, this means promoted content that not only looks like Pinterest's organic content but actually performs the same function: helping people plan things to do in their future. This approach works well for both advertisers and consumers; in fact, hide rates of Promoted Pins are 90% lower than industry average.



from Bank of America
 Savings Plan Help and Savings

Spreadsheet from

Learn the five steps to creating a personalized savings plan so you (and your partner) can save for a better financial future. #BetterMoneyHabits

Pinned from go.bofa.com







Dreyer's Super Sundae Brownie Bowl

Dreyer's Super Sundae Brownie Bowl: Here's an easy way to push your already extraordinary Dreyer's ice cream sundae over the top – a fresh-baked brownie bowl. And the best part? You don't have to wash the bowl since you get to eat it!

Pinned from dreyers.com

Source: Pinterest



A soft, quilted jacket is something you need for every cold-weather workout. This C9 Champion Premium Jacket has a seal-tight design that wicks moisture and stretches as you move. Plus, the inside is brushed for added warmth. It easily folds up and fits into any bag for an easy and light travel companion.

Pinned from target.com



We acknowledge that matching the context of the publisher is easier said than done, more so when the ad is coming from an independent ad network instead of the publisher's own direct sales team. The intent is to go beyond having an ad that merely looks like native content to one that behaves like native content, too. As advertisers continue to push for the development of both vectors – format and context, users and advertisers alike will benefit from advertising that connects people to products in ways that are meaningful and additive to the experiences today's internet offers.

This paper demonstrates that certain basic best practices can go a long way towards improving the efficacy of all the MMA mobile native ad formats. MMA Mobile Native Advertising Committee members, including EA, Foursquare, Google/Waze, InMobi, Pinterest, PubNative, Sharethrough and Yahoo, have collaborated to share their learnings on what makes a native ad fit in with a publisher's environment, and yet stand out to a user.

Best Practices for Publishers

Relevance

Like any other ad format, native advertising is effective only if the ad complements the organic content on the publisher's app. Using permission-granted data (directly or through vendors), such as demographics, interests, location, etc. to improve the targeting and relevance of the ad content for the users creates a better experience and increases the monetization potential. Matching the ad to the publisher context may be scale restricting, but it goes a long way in delivering the kind of value to consumers that will protect our industry from the often-understandable negative association that advertising has and the rise of ad blocking technology.

Game publishers are getting creative about tying in advertiser sponsorships to ingame elements and themes. For instance, EA partnered with Gatorade to create a Live Event sponsorship that rewarded players with Stamina points, for their popular



game Madden Mobile. Gatorade successfully aligned with an in-game element that was relevant to both brand attributes and natural game progression. This delivery mechanism non-intrusively communicated Gatorade's messaging while simultaneously enhancing the player experience.



Source: Electronic Arts

Samsung Electronics Italia ran a promotional campaign on the InMobi network, offering 200 Euros off on a new Samsung mobile phone, upon the exchange of an old one. Well-blended, nonintrusive native ads that put the user experience first and fit in the publisher context, delivered a conversion rate of 2%. The combination of targeting and an integrated ad experience resulted in high eCPMs for the publishers as well.



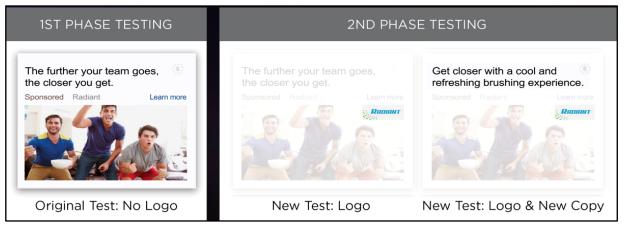
Source: InMobi



Disclosure

To maintain the trust of the user while driving brand recall for the advertiser sponsoring the native ad, disclosure and transparency is of paramount importance. Based on experiments and multiple iterations, it has been observed that highlighting the name of the brand is essential for creating an association between the promotional message and the brand entity.

Yahoo Digital labs conducted a test with Ipsos on the effect transparency has on campaign parameters such as brand recall and purchase intent for a major sports brand. Brand awareness improved from 70% to 84% by adding a prominent logo and an engaging headline. Purchase intent increased from 64% to 75%.



Source: Yahoo!

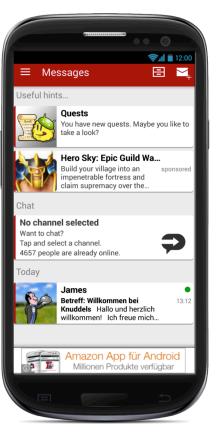
Placements

For native advertising to be effective in terms of performance and monetization, the ad unit needs to be easily discoverable. In case of a feed structure, best results are achieved if the ad unit is available on the main pages, above the page fold and then repeated every few (5-6) tiles. Several ad networks provide server side controls to vary and optimize the placements, while many publishers opt to build this in-house.



For example, mobile publisher Knuddels GmbH placed native ads in the main screen of the app to preserve a seamless user experience and foster better engagement with the ads. Click-throughrates increased by 15x compared to traditional banner ads that were placed at the bottom of the screen on the same page.

With in-game ads, publishers are getting creative about tying in the ad unit to the underlying elements and story. Rewarded video ads are a good example of how advertisers use opt-in video ads to reach gamers while maintaining a playerfirst approach. While the video ad unit may not be considered native, the fact that its placement is tied into the story is definitely interesting. The surfacing mechanism ensures players are aware of opportunities to view video ads in exchange for in-game content such as extra lives, virtual goods, locked content, etc.



Source: PubNative



Source: Tactile Entertainment - Skyline Skaters



Persistence

Unlike banners where ads are refreshed every 30-60 seconds, native ads need a more persistent presence. When native ads appear in the feed structure, which may be used in a fast scroll mode, it is important to give the user a chance to scroll back to the ad. Accordingly, refresh rates for native ads in social, news, and commerce feeds may be limited to 1-2 minutes or even once in a session - depending on the average session time of the publisher.

For instance, a social and entertainment app publisher on the InMobi network saw CTRs improve by 15x simply by optimizing the refresh rate of the native ad unit. In the initial implementation, the native ad unit was refreshed as soon as the user scrolled past the unit. In the revised implementation, the ad unit was made more persistent and not refreshed throughout the session, giving the user a chance to come back to the ad after scrolling through the entire feed.

In case of in-map native ads, the small size of the ad unit necessitates a more persistent presence as an "Always On" or "High Frequency" unit.



Source: Waze, 2014



Best Practices for Advertisers

Relevance

Relevance is relative, and the onus of ensuring that the ad unit is relevant to the user lies on both the publisher and the advertiser. While publishers and ad networks control relevancy for the user with their targeting capabilities, advertisers also need to take the context of the user into account when crafting their messaging. The context of the user, in turn, is defined by the content in the publisher's app. The target audience is available on a variety of apps and ensuring the brand's message is delivered in the most native manner across all these interfaces is ideal for capturing the attention of the user. For instance, 52% of visitors to Yahoo Food say they learned more about cooking from the native ads on the site.

Restaurant chains may advertise with a promotional scheme on a social feed, a coupon on a commerce feed and direction to it's nearest store on the in-map format.

During the fourth quarter of 2014, popular restaurant chain Dunkin' Donuts leveraged native ads on Waze to drive footfalls in its stores across multiple states in the US. Those who saw the ad were more than twice as likely to use the app to navigate to Dunkin' Donuts locations than those who did not see an ad, driving over 1,000 incremental navigations to stores nationwide.



Source: InMobi, Waze, 2014



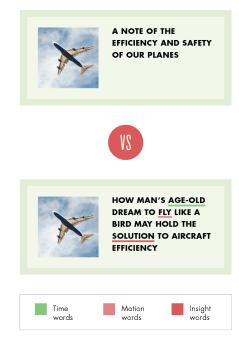
Interest

In the world of fragmented attention span, catching the eye of the target audience involves some creative content writing. This is especially true for in-feed native ads and recommendation widgets. That's where Native Ad Optimization (NAO) comes in: optimizing the headline, thumbnail and brand assets that make up a native ad can make a world of difference for engagement rates and emotional engagement, a measure of brain activity. A catchy headline and an alluring image are a must, to catch the attention of the user. Here are some tips on building eye catching ad creatives¹.

• Spice up your headline: Editors and writers and data scientists have come up

with multiple ways of improving headlines over the years. The latest research shows that Context Words, a series of emotionally engaging words discovered by Sharethrough, are shown to trigger more subconscious brain activity, resulting in a higher message resonance lift and direct impact on brand perception. Use at least 17% Context Words in a headline for maximum effect. Context Words provide, well, context by describing...

- Time (i.e. after, fast, long, prior)
- Insight (i.e. secrets, discover, relate, think)
- Motion (i.e. appear, replace, arrive, enter)
- Space (i.e. upon, above, beyond, biggest)



Source: Sharethrough

¹ Source: http://nativeadvertising.com/5-science-backed-ways-to-create-better-native-ads/



- Metaphors that can paint a picture in the reader's mind have also proven to be
 - a smart tactic for writing engaging headlines. Scientists at Princeton and the Free University of Berlin have demonstrated that metaphorical sentences are more emotionally engaging and persuasive than the same sentences written more plainly, like the example below. If you're clicking away on those BuzzFeed articles, there's a reason why: catchy headlines!



Source: Sharethrough

Use creatives that convey the emotion you want to: Our brains are wired to
imitate everything we see through something called "mirror neurons." Mirror
neurons are considered to be the mind's mirror — they fire both when an action
is taken and when it is simply observed. Translation? Your brain can't
distinguish between what you're observing and what's actually happening to
you. If you want someone to drink your latest beverage, use a picture of just
that.



WEAK



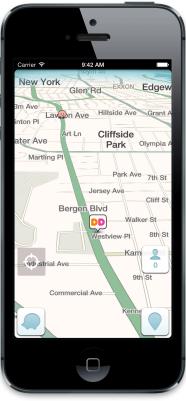


 $\bigcirc \bigcirc \bigcirc \bigcirc$ strong

♥ = Emotional Engagement



- Creative Rotation in terms of ensuring that the user is exposed to different versions of the story to create a well-rounded impression is also helpful in maintaining user interest. Advertisers have been creating multi-episode stories that stretch out over multiple ads for TV for quite some time now. This helps pique the user's interest and keeps them on the look out for the next part of the story. Similarly, on mobile native ads, creative execution is important to keep the users engaged over time. Refreshing creative images, headlines and the messaging are a good way of enforcing the brand's message without leading to ad fatigue. The main responsibility for creative refresh lies with the campaign manager, but it is in the best interests of publishers as well to drive this agenda, to ensure their users are presented with fresh content.
- For native ad formats like the in-map ad unit, where the original map is center stage and highly dependent on the visual imagery, the most effective means of providing value to the user is through simple and concise ad creative, using the clearest iconography possible.



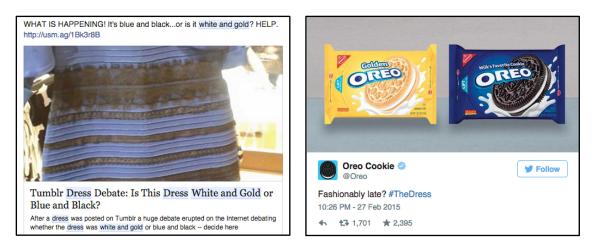
Source: Waze



Agility

Viral advertising is personal and while it may come from an identified sponsor, its distribution is mostly free of cost. With the growth of the internet, proliferation of social networks and the always in hand mobile device, viral trends have become commonplace. Utilizing the latest viral trends to tweak the messaging of a native ad campaign is a surefire way to leverage public interest. Wittiness and good timing can earn those extra brownie points for your brand. Social media news feeds are the most popular medium for discovering and sharing viral trends and native ads fit in this environment very well.

Remember when the Internet exploded with discussion around the color of a dress? Was it black and blue or white and gold? Several brand advertisers used this opportunity to leverage the attention this topic was getting to promote their brands and products. The tactic is called newsjacking.



Source: Facebook, Twitter



Measurement

Native advertising has had a positive response on both direct response metrics (like CTR, CVR, Views, etc.) as well as indirect and inferred metrics (such as brand awareness, purchase intent, etc.). Identifying the metrics that matter the most is critical to aligning native ads with a campaign's objective. Different forms of native ads can be used based on the advertiser's objective and have specific direct response metrics to measure.

- In-Feed Social:
 - Advertiser Objective: Awareness or Content Engagement
 - Metrics: Views, Clicks, Shares
- In-Feed Content:
 - Advertiser Objective: Awareness or Content Engagement
 - Metrics: Views, Completion Rates, Engagement, Time Spent
- In-Feed Commerce:
 - Advertiser Objective: Sell physical or digital goods or services
 - Metrics: Conversions
- In-Map:
 - Advertiser Objective: location awareness, drive footfalls
 - Metrics: Increase in visits over time
- In-Game:
 - Advertiser Objective: Awareness or Higher Engagement
 - Metrics: Clicks (or Post-ad action), Engagement, Completion Rates
- Paid Search and Recommendation Widgets:
 - Advertiser Objective: Drive site visits, calls or traffic
 - Metrics: Views, Clicks



Conclusion

Across the industry, as developers get more and more creative with app experiences, we see different implementations emerge for native ads. There is no doubt that mobile native ads demonstrate higher levels of engagement and interaction compared to display rich media. Marketers are pleased with the uplift in brand consideration, recall and purchase intent, which proves that native advertising is equally effective for upper funnel brand objectives.

To summarize the learnings explained in this paper, advertisers can take the following 4 steps to improve the efficacy of their native ad campaigns:

- 1. Identify the environments and publisher contexts which are most relevant for their campaign and customize the messaging and format accordingly
- 2. Spice up the ad creative to catch the eye of the user
- 3. Maximize exposure by leveraging social and viral trends for advertising in social feeds
- 4. Identify the direct response metrics and the end conversion metrics that impact their business and optimize campaigns towards achieving them

Publishers can improve the ad experience and monetization potential of native ads by taking the following 4 measures:

- Improve the relevance of the advertising message by using 1st party and 3rd party data to create narrow targeting cuts for native ad formats which blend with the context and visual appeal of their app
- 2. Build trust with the user by disclosing that a unit is an advertisement along with the name of the advertiser
- 3. Identify the most appropriate placements within the mobile site to balance content with advertisements
- 4. Create a more persistent awareness of the ad unit by modulating the refresh rates based on the content type and user behavior



The study of multiple advertising campaigns has emphasized that when the placement of the native ad is right and the advertising copy is executed creatively, users take notice. As these trends continue to deepen, marketers have started integrating mobile native ads as an important part of the media plan with a focus on getting the messaging right. As users jump from app to app, advertisers are learning to leverage the different native ad formats available across these experiences to create a rounded messaging for their target user and drive real results.

With this paper, the MMA Native Advertising Committee has compiled best practices that demonstrate how brands can make mobile native advertising a powerful aspect of successful mobile marketing efforts. Combined with the definition of the different mobile native ad formats and the paper on the mobile native ads effectiveness study, the Committee hopes marketers have a handy guide in hand to make the most of native advertising.

About the MMA

The MMA is the world's leading global non-profit trade mobile marketing association comprised of more than 800 member companies, from nearly fifty countries around the world. Our members hail from every faction of the mobile marketing ecosystem including brand marketers, agencies, mobile technology platforms, media companies, operators and others. The MMA's mission is to accelerate the transformation and innovation of marketing through mobile, driving business growth with closer and stronger consumer engagement.

Anchoring the MMA's mission are four core pillars; to cultivate inspiration by driving the innovation for the Chief Marketing Officer; to build the mobile marketing capabilities for the marketing organizations through fostering know- how and confidence; to champion the effectiveness and impact of mobile through research providing tangible ROI measurement; and advocacy. Additionally MMA industry-wide committees work collaboratively to develop and advocate global best practices and lead standards development. www.mmaglobal.com



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The Mobile Marketing Association welcomes any feedback, from members and nonmembers alike, so that we can continue to refine and improve the guidance we provide to the mobile marketing ecosystem. Please send feedback to comments@mmaglobal.com.

This MMA Mobile Native Advertising program was formed under the leadership of the Co-Chairs, Bob Bahramipour of InMobi and Steven Schuler of Yahoo. There are currently 30 member companies: 140 Proof, 3Q Digital, Aarki, Adcel LLC, Ahalogy, Applift Inc., Bidtellect, Central Garden & Pet, DataXu, Inc., Electronic Arts Inc., Facebook, Foursquare, Google (Waze), InMobi, Intuit, Kargo, Nativo, Near, OpenX, PadSquad, Pinterest, PubNative, RTBIQ, Quixey, Sharethrough, Swrve, The Marketing Arm, The Weather Company, Time Inc. and Yahoo Inc. Any MMA member company is welcome to join this initiative, and if interested please contact us at committees@mmaglobal.com.

