

THINK INNOVATION REPORT

NATIVES



SEPTEMBER 2020

TO SAY THE INDUSTRY HAS UNDERGONE SEISMIC CHANGES IN THE LAST QUARTER WOULD BE A MAJOR UNDERSTATEMENT. THE LAST FEW MONTHS HAVE USHERED IN AN ASSORTMENT OF NEW PRACTICES AND PROCEDURES, WITH COUNTLESS NEW CLICHES TO BOOT.

But, not everything has ground to a halt. While the global lockdown has temporarily shut down many aspects of physical life, it has also pushed us to continue reshaping our online presence, proving that the digital world can bridge the gap bringing humans together when we're physically forced apart. And, because of our inherent desire to connect, there has been phenomenal digital growth this year. Facebook, Apple, Google, Amazon and Microsoft have all declared record financial reports. Microsoft saw its revenues rise nearly 15% to \$35 billion for the quarter. Amazon recorded revenues of over \$75 billion this quarter. Even with their offices shut down, Apple reported earnings of \$58 billion.

LOOKING TO THE FUTURE

**Are you ready for
the next normal?**

And look at the way we now communicate; Zoom began the year as something of an underdog, and came out of the pandemic leading the pack (Sorry Skype, but it was yours for the taking), reporting 300 million daily participants. Similarly, Slack usage has increased exponentially, with up to ten million users on the platform at the same time during the peak of the pandemic. Teams, Microsoft's Slack equivalent, now has more than 75 million daily active users. But regardless of who's who, one thing we will all agree on is that people want to talk and, if they can't do so offline, they will communicate online instead.

We can't all be the Amazons or Apples of the world and this new landscape requires resilience and tenacity; the challenges have been relentless. Which brings us to our last point; surviving this new-look world of digital media requires bravery and innovation too.

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A FEW WORDS

FROM OUR ADVERTISING DIRECTOR



Tom Setter
Director of Advertising
Natives

At Natives we keep a constant eye on the future, searching for the latest opportunities for the education sector and student specialist marketers. The opportunities outside of our sector are often the most intriguing, as innovation is what enables us to bypass saturated markets and stand out as industry leaders within the education sphere.

We are serious about pushing boundaries, constantly moving, and looking forward. As part of my role, I am the dedicated member of our leadership team that is responsible for embedding a culture and learning on innovation at a strategic level. All while every Native holds on to our core value of curiosity, and is aware of the latest alpha and beta opportunities with our platform and publishing partners.

The concept of “innovation” flows through every aspect of our client experience. We pride ourselves on focusing on supporting the sector and sharing our knowledge; whether that’s by providing early access to the latest channel and technological developments, the latest resources to help inform your strategies, or our annual conference and roadshow events. Connecting our strategic partners with thought leaders from across the globe and giving you direct access to platforms such as Facebook, Google, TikTok and more, to discuss trends and latest developments.

INNOVA-

-TION

As part of all of our plans, you will see innovation opportunities and content suggestions offering new and better ways to engage your key audiences. And below, you'll find examples of these. This regular series will be published every quarter, filled with exciting, thought-provoking, disruptive ideas, challenging your old ways of thinking. The companies featured here are just a sample of the ones I've been talking to.

I hope this report inspires you to think differently, outside of the conventional box, and have new conversations with your colleagues and teams. Being bold is fun and exciting, but it's also extremely effective.

If you have any questions or want to see more companies or features you'd like to have added, or if you'd simply like to discuss your advertising strategy, email me. I'm happy to talk.

GET PERSONAL OR
GET LEFT BEHIND



In an era of scepticism and jadedness towards ‘pay-and-spray’ mass advertising, connecting with your audience on an intimate level is essential to achieving any meaningful success. This is particularly true when discussing Gen Z; previously, [our research](#) has found that they favour content that’s authentic and relatable.



A common misconception about advertising is that results are only measurable if your audience is online. Beyond conventional paid and programmatic channels, any branding that takes place outside of the internet sphere is perceived as a stab in the dark for many marketers. And, if you can’t track your audience, you can’t serve them the personalised, purposeful content that is most likely to resonate with them.

This is no longer the case; below, you’ll see the latest industry innovations we have unearthed using exciting technologies that can be harnessed to deliver your tailored messaging to users in the right place and at the right time.

Attributing mobile OOH exposure to online conversions

TL;DR: Wrapify connects OOH with tangible ROI through unique and effective statistical reporting. Offering refined audience targeting and a growing network of certified drivers to help get your brand out on the map, Wrapify is one to have on your satnav.

Immediate and clear attribution remains a challenge for most OOH formats. Brands and institutions are still unsure of how to measure just how many people actually saw an ad and the impact it had on the viewer.

In the spirit of busting OOH myths, we bring Wrapify to the table. Wrapify is an ad-tech company that connects brands with drivers of wrapped rideshare vehicles, enabling unique and effective geo-targeted advertising.





Though it has a simple business model, Wrapify allows brands to digitally capture and measure impressions, so that they can attribute exposure to its online versus offline engagements and conversions. This service also allows for Refined Audience Targeting, whereby you can refine the campaign geofence in each market via demographic, psychographic targeting. Targeting a student audience with your latest enrolment campaign? No problem.

Wrapify gets buy-in from their independent drivers (think Uber and Lyft) by providing them with financial incentives to cover their car in different ads. Currently, over 200,000 drivers are using the Wrapify app, forming a certified and growing network across America. Following the pipeline, Wrapify also enables brands to retarget the audience exposed to Wrapify vehicles across Programmatic Display, Mobile, Native, Connected TV (CTV) and Streaming Audio.

Interestingly, Wrapify also provides its clients with a feature called Swarm, which lets advertisers send a push notification to drivers, offering them a bonus if they either park their cars or drive around a specified area for a period of time. This can create an eye-catching impact in the targeted area, without harming the drivers' profits.

Zoom added Wrapify to its marketing mix in 2018. Going into various markets with Wrapify campaigns, Zoom was able to grow its awareness as well as user base. Then with the help of Wrapify's retargeting features, Zoom showed their online ads to the exposed devices from the campaign. All impressions, clicks, and attribution were measured on the platform.





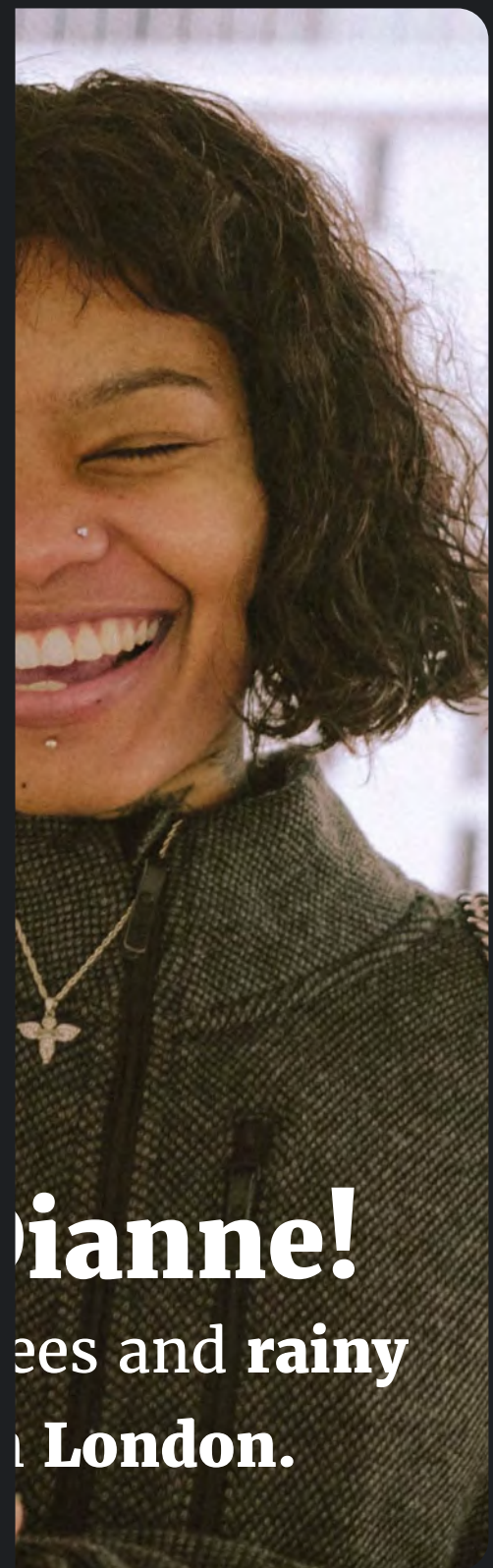
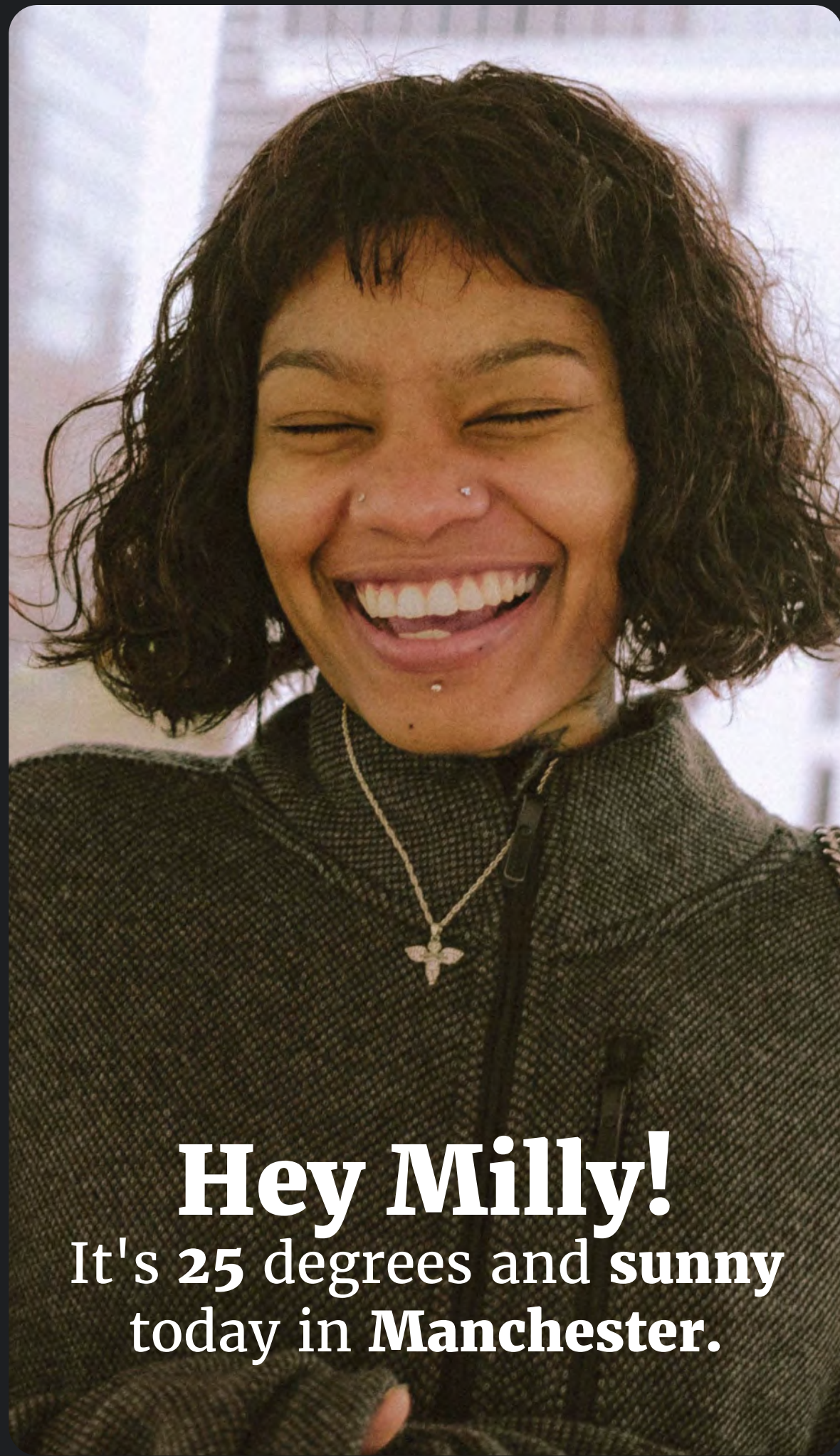
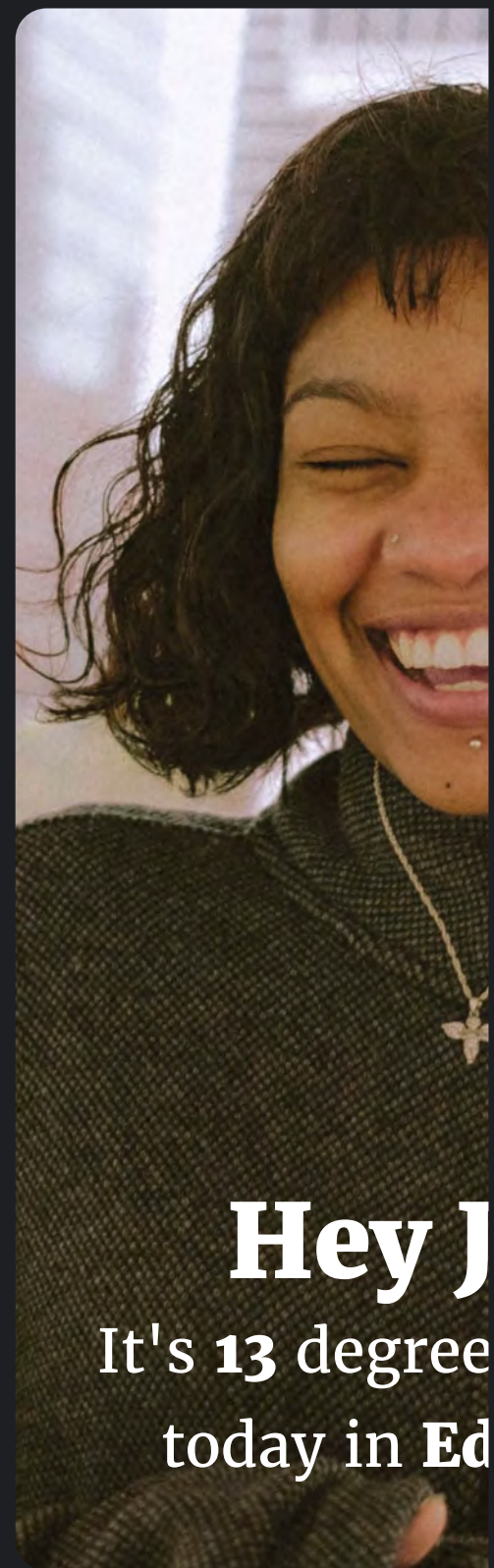
Wrapify could be an interesting option for OOH campaigns. It is incredibly streamlined in terms of ad execution, and it offers comprehensive reporting that shows you in detail how your OOH campaigns are performing. However, given the constraints of OOH when it comes to driving conversion actions, Wrapify should primarily be considered as a tool for driving awareness. As with most platforms, it should always be supplemented with other marketing tools for a successful full-funnel approach.

Dynamic ad creation for programmatic digital OOH

TL;DR: Scoota utilises automated bidding controlled by external elements, and creates audience profiles using protected, super-accurate mobile data. The best areas are then mapped out, ads are distributed accordingly and continually optimised to engage the specific audience.

Wrapify isn't the only way to bridge the gap between digital and OOH. Scoota, the UK-based demand-side platform and creative ad platform takes on another element of OOH that doesn't always live up to expectations. While OOH will always hold a special piece of the advertising pie, getting your brand out into the world of searching eyes, DOOH (Digital Out-Of-Home) provides that little something extra. Traditionally, OOH couldn't always pivot its inventory in the same way as its more agile counterparts in the digital world. Which is where DOOH (Digital Out-Of-Home) advertising was born.





Scoota leads the pack by enabling advertisers to deploy programmatic campaigns dynamically across mobile, desktop, and DOOH. Delivering campaigns that are both contextually relevant and timely. So it's time to stop thinking about OOH and digital advertising as two completely separate camps.

Scoota allows advertisers to create dynamic elements beyond simple variations. These elements allow a variety of controls over creative message variations and can be activated at different times of day, or in response to certain behavioural data segments. Scoota utilises automated bidding controlled by external elements, such as the weather, and creates audience profiles using secure, accurate mobile data. Scoota's AI engine then maps out the areas that require optimisation based on ad performance and distributes the ads accordingly.

THE PROOF IS IN
THE PUDDING.

Scoota helped Nivea promote its sunscreen products using a 10-second display video on digital OOH billboards. They targeted locations where the weather forecast was over the threshold for UV and temperature to maximise the campaign's effectiveness.

CREME DE LA CREME.

Another success story is the commuter targeting they adopted for Pret a Manger. Scoota helped the brand place dynamic ads across train stations in London and Bristol during targeted time slots when commuters were likely to be considering what to have for lunch.

FOOD FOR THOUGHT.

Personalising your ads so that your messaging varies with the location it's displayed in, or the current weather conditions is a sharp way of grabbing that attention and ensuring your ads are as memorable as possible. Prospective students in rainy Liverpool could be seeing ads which dynamically show the messaging "Come join the sunshine down in Britain's Ocean City, Plymouth" - and it's a sure bet of getting that attention.

Pushing personalised advertising to the extreme

TL;DR: With Spirable you can create and optimise thousands of data-driven videos in minutes, tailored to the individual, delivered at scale.

And talking of personalisation, up last in this section we have Spirable, an integrated marketing company that's truly pushing the boundaries of hyper-personalised advertising.

If you aren't personalising your campaigns, then you're already behind. Here's just one company out there that is delivering and demonstrating the potential that exists when being smart with data.

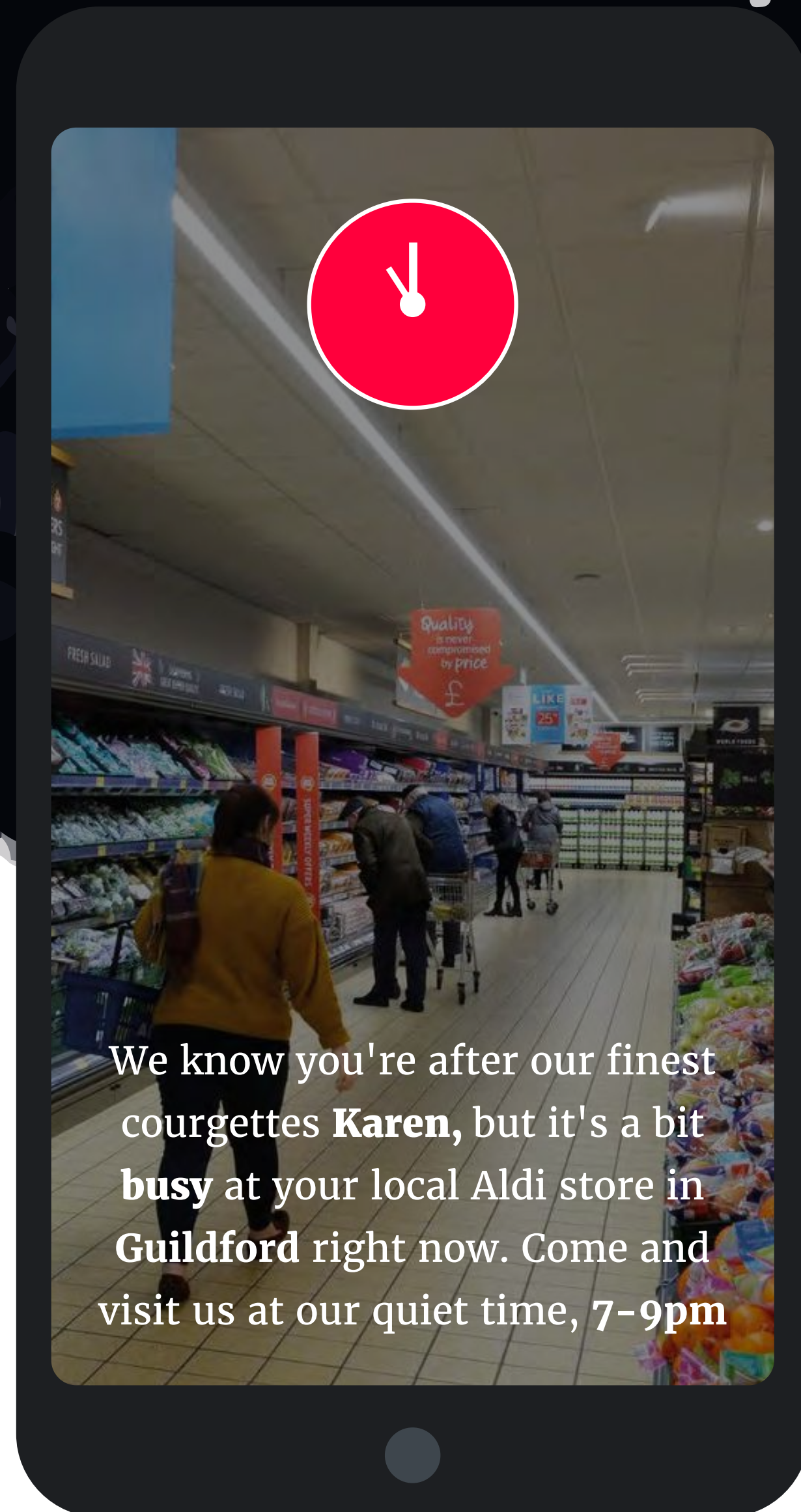


84%

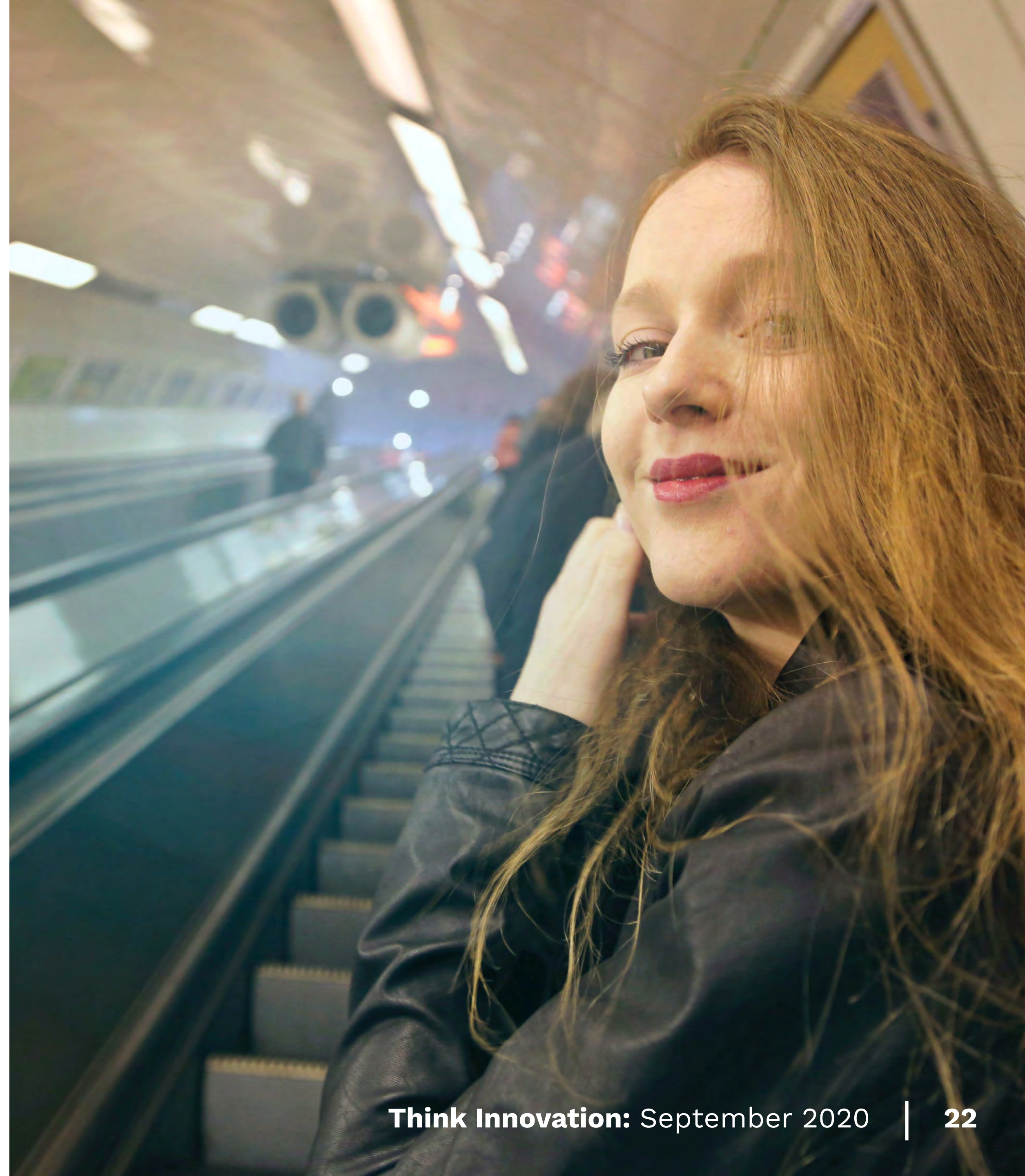
OF CONSUMERS SAY **BEING TREATED LIKE A PERSON, NOT A NUMBER,** IS IMPORTANT TO WINNING THEIR BUSINESS.

We know that personalised advertising involves using insights into who a customer might be to increase the relevancy of an ad. And we know that [84% of consumers](#) say being treated like a person, not a number, is very important to winning their business, and that [72% of consumers](#) say they only engage with personalised messaging. Long story short; personalisation is not something to sweep under the carpet. These insights can be as simple as name, geolocation and basic demographic information. Or they can be more specific, including factors such as niche interests, buying intent, and behavioural patterns.

But hold your horses, because Spirable empowers brands to forge even stronger relationships with individual consumers. They drive conversions by allowing them to converse with customers on a personal level via millions of hyper-personalised, data-driven video ads. For example, these ads could feature a particular customer's name, location, and even their favourite celebrity so the customer can relate to the brand personally.



COMBINING CREATIVE
TECHNIQUES WITH
MACHINE LEARNING TO
MAXIMISE ENGAGEMENT



It's one thing to ensure personalisation is in all your ads (and you can do that by adopting automation and the innovations we've just seen), but another to maintain that real human feel when you're relying heavily on technology. How do you use AI to supercharge your marketing without losing the human insight, creativity and nuance that's so essential to your brand voice?



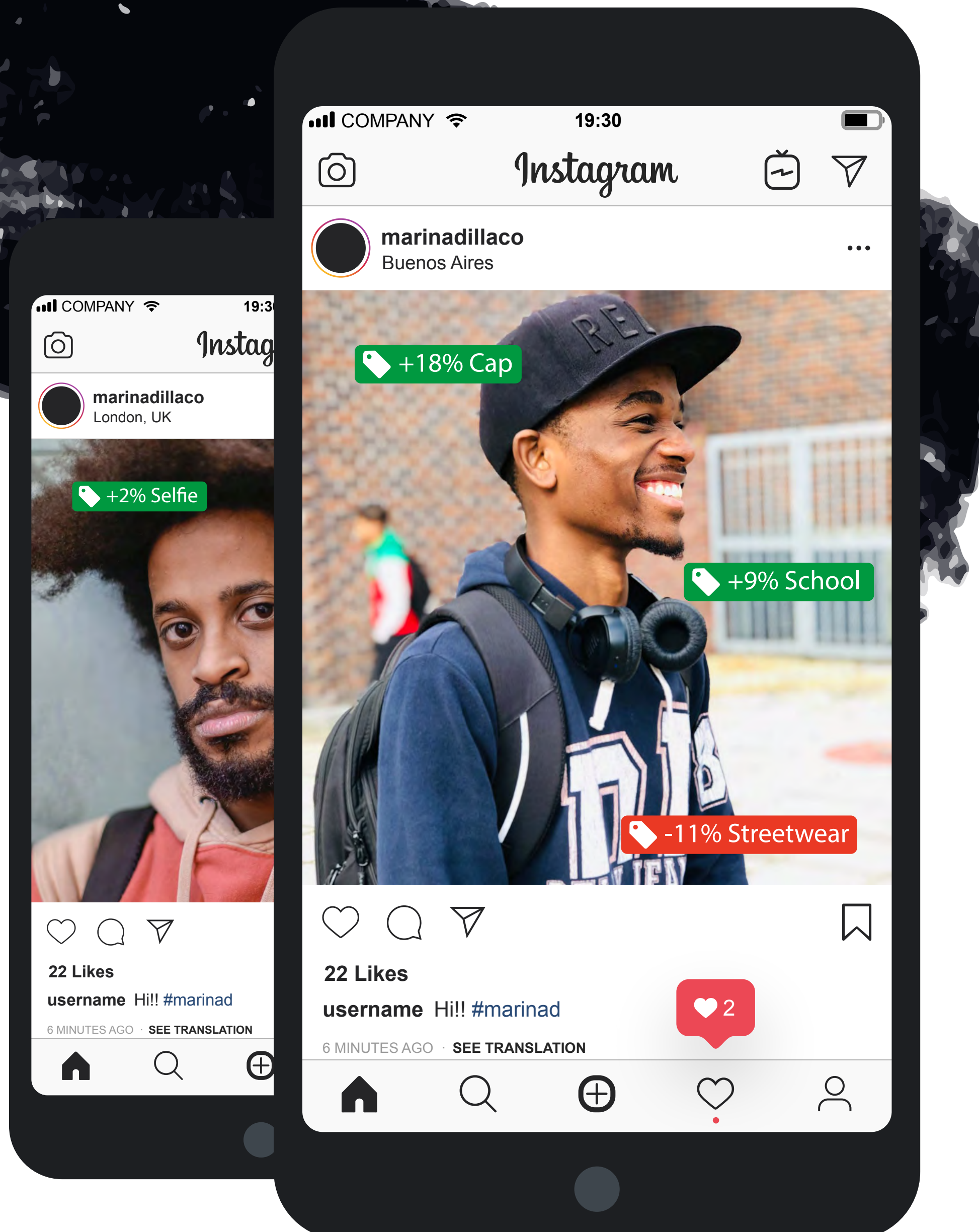
Here we outline the latest developments in marketing AI, from analysing images for optimised advertising performance, to accessing engaged audiences of millions via niche content-streaming platforms; using technology to enhance, not replace, your creative marketing expertise.

Can AI understand our physical surroundings to generate interest?

TL;DR: Picasso Labs uses AI to analyse which visual elements increase engagement and drive advertising performance, giving you valuable insights on your campaigns.

Picasso Labs' innovative technology leverages AI and machine learning technology to understand which visual cues, colours, objects and themes increase audience engagement.





It analyses creative for over 100,000 visual attributes and applies industry-specific image recognition to determine exactly which visual cues drive performance across the images and videos used within paid and organic activity.

Scoring is displayed as per the inset image, allowing performance optimisation to be used on the creative. Where relevant, we can use this technology to assess the impact of images for digital advertising for use at different points in the funnel and in delivering the required action (i.e. leads), feeding back the insights to inform your content strategy and future creative concepts.

You know what they say, a picture is worth a thousand words, and now you can optimise those too. Do we need to say more?

EMERGING MARKETS,
NEW PLATFORMS,
BRAND SAFETY



The live streaming boom is well and truly underway. Platforms like Twitch have stepped up their offering gaining significant market share.



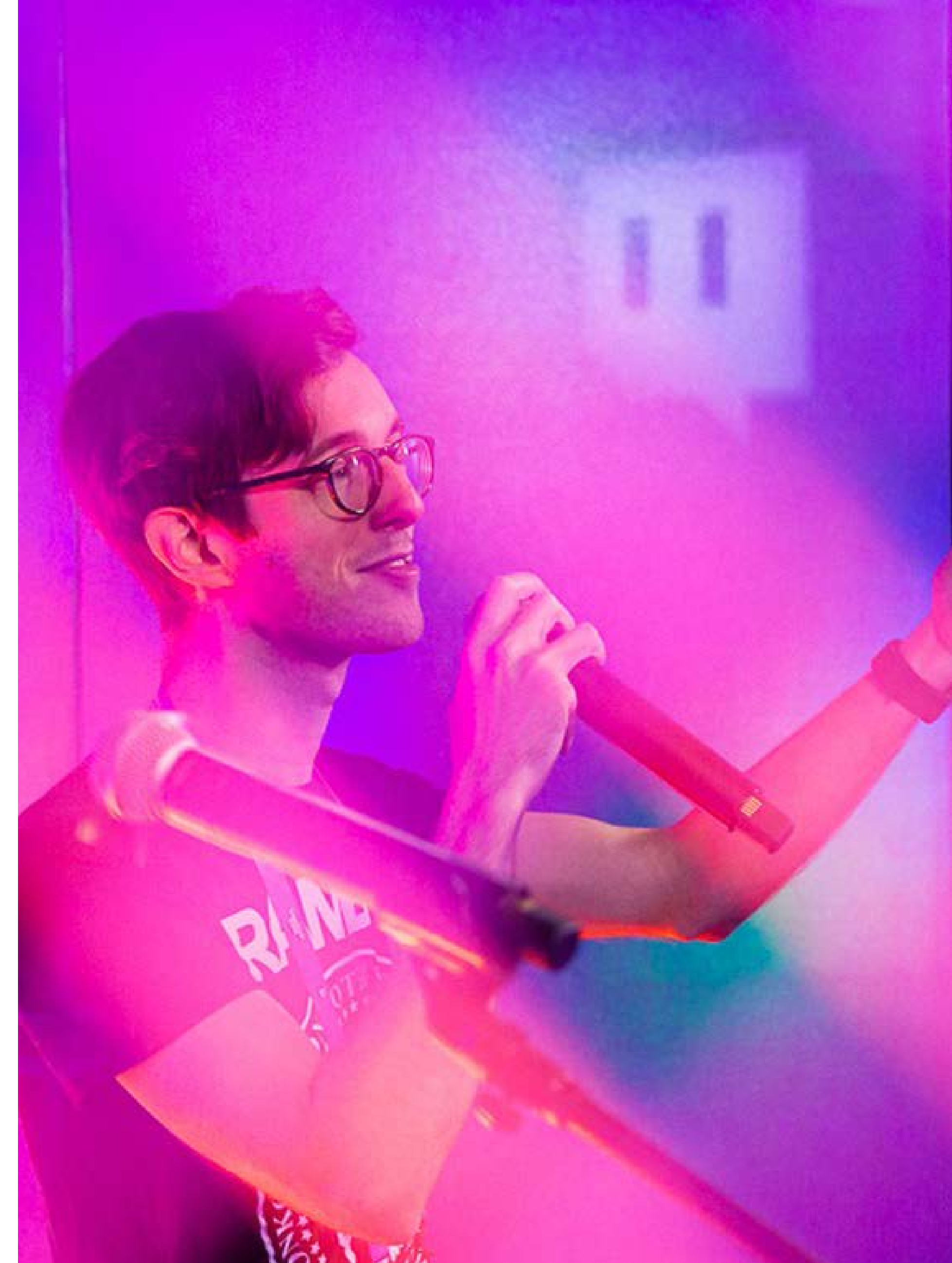
Live streaming represents a unique opportunity for marketers, as it offers an opportunity to ring-fence your audience while they are ‘in the moment’ and highly focused. Unlike standard news feed video ads, users have no incentive to scroll past your content.

The big worry with live streaming ad platforms relates to their brand safety implications. As live content cannot be immediately moderated, streaming on these platforms often puts advertisers at risk of appearing alongside unsavoury content. In light of these pitfalls, we must be selective about which streaming platforms we use.

Twitch: Sharing with a community of millions

TL;DR: Twitch offers the perfect platform for brands to really build that halo effect with their audience. Having just successfully launched Twitch Music and the live streaming of Premier League matches, Gen Z is congregating here in their millions and you really need to be there too.

Twitch is an online platform where users can broadcast themselves live over the internet to millions of viewers and now, thanks to Twitch Music, music creators. Having already established a loyal [eSports](#) community, Twitch has also streamed some [Premier League matches](#) during the pandemic, so we can expect its already burgeoning user base to grow even further.





How Twitch do advertising differently

When a channel reaches Affiliate or Partner status, the streamer can choose to monetise it with ads. Using particular creators to advertise alongside offers advertisers two benefits; firstly, choosing who you sponsor offers protection by way of brand safety, as trusted creators are far less likely to share controversial material. Secondly, it allows advertisers to refine their audience by partnering with creators who are likely to attract a similar target demographic.

Twitch also offers its ad revenue sharing programme to the top 17,000 streamers, fostering a mutually beneficial relationship between advertiser and streamer. The streamers privy to the sharing programme log on to Twitch to practice playing, potentially drawing in thousands of viewers, and then during a break (to grab a drink or stretch their legs), they will ask viewers to watch an ad, noting that it will help support their career. The relationship built between player and viewer is what will make your brand visible.

Whilst the way in which Twitch sets up advertising will mitigate brand safety risks, it is important to remember that Twitch is ultimately still a live-streaming platform. Therefore, you can never be entirely certain which content your ads will appear alongside.



FOOD FOR THOUGHT.

Twitch is a great platform for driving awareness and building that audience connection. However, you are unlikely to get someone out of Twitch with a click. Consider Twitch during top of funnel activity when brand association will get your audience excited and interested, but be sure to supplement this platform with better conversion-driving options too. And if you have students on your campus with an already established audience, why not give them centre stage instead? A relevant audience will already be more receptive to your content.

Quibi: The next streaming revolution?

TL;DR: Quibi is a new mobile-only streaming platform that hopes to compete with the likes of Netflix. It operates on a paid subscription basis, with the cheapest option containing ads. It has a big emphasis on brand safety, but there are concerns about its high CPM and whether it will be popular with a student audience, particularly during a lockdown.

Quibi is an American short-form mobile video platform whose subscription service aims to revolutionise streaming for smartphones. It [raised \\$1.75 billion](#) in April 2019 ahead of its launch. After all of the hype and a barrage of TV advertising, Quibi secured over 1.7 million downloads in its first week after launch, but it remains far from reaching the lofty heights of Disney Plus and Netflix. Quibi is unique among streaming platforms in that its content will be mobile-only.





Quibi is built for people who want to watch shows during the brief breaks in their day, such as while they're commuting or scrolling through social media, and assumes they will be willing to pay for these clips if they're after high-quality, exclusive content. The success of the platform's mobile-only pledge also remains to be seen. Users may still favour having the option to enjoy shows from home, or on devices with larger screens. It's also unknown how popular it will be with the student population, given that short-form content on TikTok and Snapchat is widely available and free.

When it launched on 6 April, Quibi began by showing ads from its first-year sponsors including Bud Light, Cheerios and Pepsi, among other brands. Quibi currently runs non-skippable ads that are six, ten or 15 seconds long before each of its episodes. Quibi recommends longer ads for its shows that run for five-to-seven minutes and shorter ads for shows that last one-to-five minutes. Quibi also urges marketers to create ads for its Turnstyle format that automatically adjusts for vertical and horizontal viewing. It's reasonable to assume that many subscribers will opt for the ad-supported version of Quibi, which will charge \$5 a month, as opposed to the ad-free version, which charges in excess of \$8 per month.

**QUICK BITES.
BIG STORIES.**

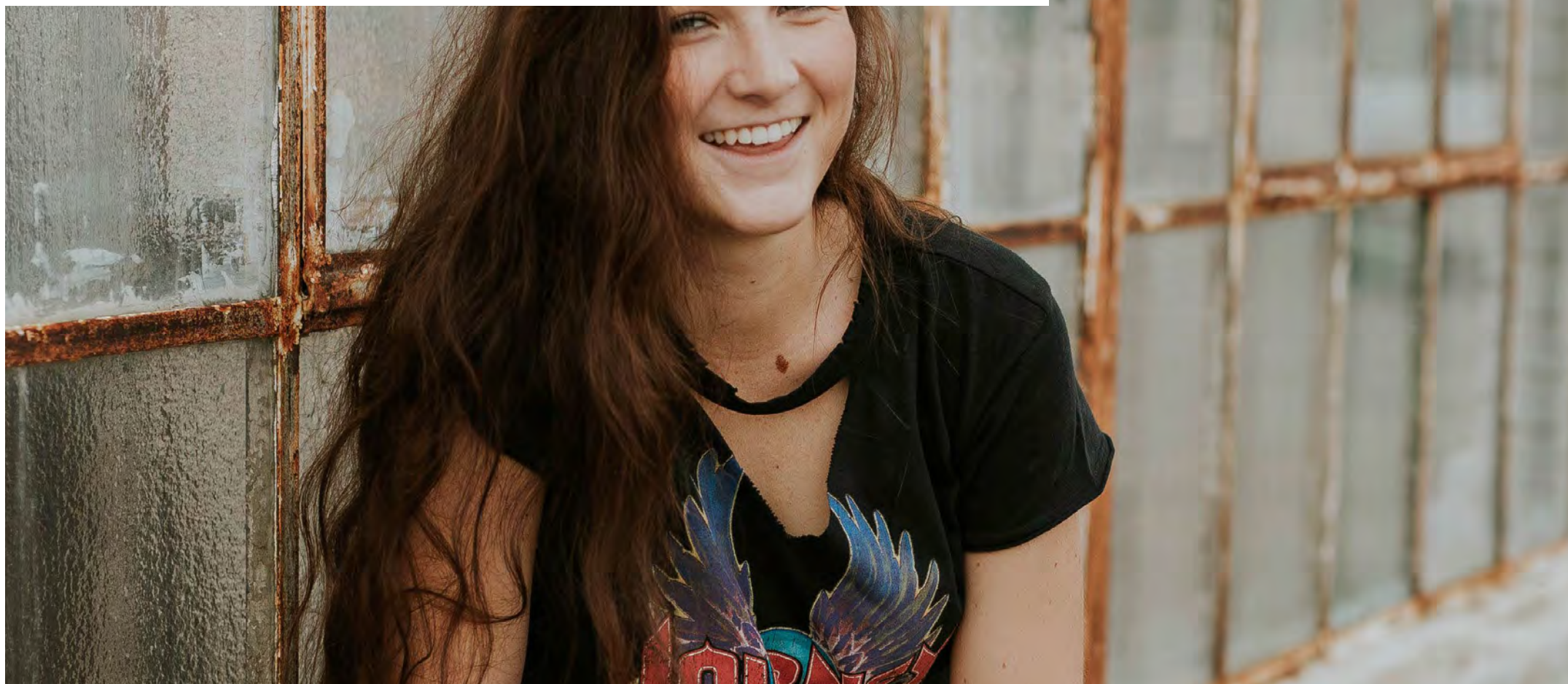


[Brand safety](#) appears to be high on the agenda for Quibi’s developers, which could make it a promising option for brand-conscious advertisers. However, this guarantee comes at a premium CPM, significantly higher than other streaming platforms. The ramifications of the Covid-19 pandemic may raise questions regarding their mobile-only approach; with movement having been restricted in many countries, neglecting [desktop users](#) could prove to be costly. Also, this month will see the initial 90-day trials begin to expire. The industry conversion rate for a free trial to paid subscription hovers at just [over 30%](#); if that holds true for Quibi, it could mean a difficult situation for them, having spent hundreds of millions of dollars on brand-new premium content. That said, after successful rounds of fundraising, Quibi still has a lot of money in the bank — an estimated \$750 million - so we think this is still one to watch out for.

TALKING OF STREAMING
PLATFORMS,
LET'S LOOK AT CHINA



As most will know, China is a major partnership and recruitment market for the UK education sector. It's the second biggest market for English language training, with more than a third (35%) of all non-EU UG students that came to study in the UK originating from there in 2018/19, and the number of students making the journey increasing from 89,540 to 120,385 between 2014 and the last intake.



Marketing to students in China represents a unique opportunity in terms of reach, but it also comes with its own obstacles; due to media censorship laws, conventional advertising platforms such as Google and Facebook are rendered ineffective in Chinese markets.

So, how can you reach that highly-valuable target audience in their homeland, when there are substantial barriers to penetrating the Chinese digital wall?

Bilibili

TL;DR: Bilibili is fast becoming the new YouTube for Chinese Gen Z-ers, offering a highly-engaged audience and highly-effective placement opportunities for student marketers.

Founded in 2010 and by 2018, [listed on NASDAQ](#), Bilibili, also known as 'B Site', is fast becoming the Gen Z answer to YouTube in mainland China. With most of its video content themed around ACG (Animation, Comic and Games), it's currently one of the most popular video streaming platforms, especially among young people.





B Site is best known for its ‘bullet subtitles 弹幕’; text-based commentaries overlaid on their videos in real-time. These subtitles encourage secondary user-generated content creation, which in turn boosts engagement and user ‘stickiness’ on the platform. And the language used in the videos has an impact too; Bilibili has been the birthplace of many Gen Z Chinese buzzwords, so **it’s not just where the conversation is happening - it is the conversation.**

As of May 2020, the platform has [172.4 million monthly active users](#) and 50.8 million daily active users, with 85% of these aged between 16 and 30 and 66% in the 18 to 24 age group. A typical streamer, on average, watches 16 videos and **spends around 95 minutes streaming content on the platform every day.** And with hyper-engaged, highly-relevant audiences like these, Bilibili is definitely one to watch for savvy student marketers.

Bilibili offers biddable media buying with different bidding options for static image, GIF and video ad formats across a variety of different placements. Overseas advertisers are also able to utilise its in-platform landing pages where there isn't the capacity to host content in mainland China, which is key for running a successful, accessible digital campaign. We've seen many advertisers across the education sector capitalising on this emerging and highly relevant opportunity, including the top [overseas education agent](#) and the tech giant [NetEase](#) for its online education platform.

Hujiang, one of the most popular online learning platforms in China for foreign language training, [ran a campaign](#) with a budget of £17k targeting users nationwide who were interested in foreign language learning and achieved cost-effective results: £0.66 CPM, £0.14 CPC and 0.47% CTR.





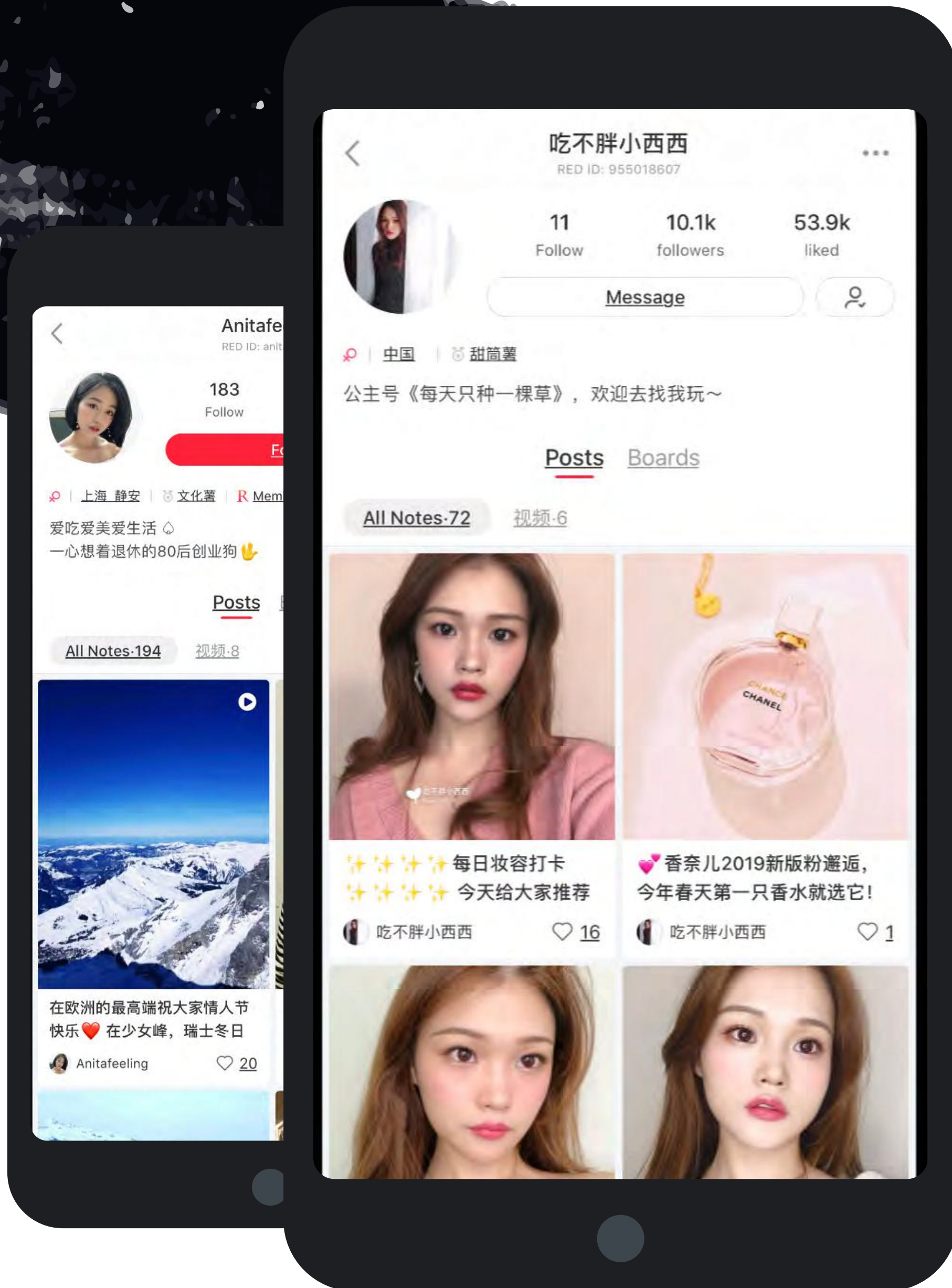
EF Education First, an international company specialising in language training, ran a campaign with a budget of £12.5k, again targeting users interested in foreign language learning across China and achieved similar outcomes: £0.57 CPM, £0.17 CPC and 0.34% CTR. This indicates that the platform is highly effective for driving results when given a medium-to-large sized advertising budget.

RED

TL;DR: RED is a Gen-Z friendly social review and lifestyle-sharing platform which offers brands paid search, display advertising and organic content options in-app.

Another way to access the Chinese market is with RED, also known as Xiaohongshu or literally ‘Little Red Book’. The app started as a platform for tour and shopping guides in 2013, but it soon became one of the biggest social media and e-commerce (social-commerce) platforms in China. RED allows users to write, share and read ‘notes’, not only for products but also for services and experiences (including overseas study experiences), making it essentially a lifestyle-sharing platform. It also offers overseas advertisers the option to utilise in-platform ‘notes’ and landing pages, even when they are not authorised to host internet content in mainland China. This makes it the ideal tool for any marketer seeking to expand their horizons into the Far East.





With 300 million registered users, 70% of whom are aged 30 and under (as of July 2019; 2020 figures are pending, but we anticipate them to have grown further), RED is a highly relevant platform for brands looking to connect with Chinese Gen Z audiences. More interestingly, 80% of its registered users are female and 60% of its users are based in [Tier 1 and Tier 2 cities](#) which generate the majority of China's applications for overseas education.

Social search has become the norm for Chinese netizens. With social credits and reviews being the key to winning Chinese audiences and customers, RED offers brands both paid search and display advertising opportunities, as well as organic content and note creation opportunities on the platform.

Delivering experience-based ad copy and making the content native and as authentic as possible to social-commerce platforms like RED will lead to greater performance in driving interest and, ultimately, conversions as audiences look for influential factors to their decision-making on this platform.



FOOD FOR THOUGHT.

As streaming platforms take the necessary precautions to ensure brand safety, they will gradually become more popular among advertisers. With question marks over many of the heavyweight suppliers at present, it's important to identify your options early on. Sometimes this safety may come at a higher CPM, so it's imperative that you conduct a thorough risk assessment to assess potential costs and benefits. This is especially true when examining platforms that are hosted entirely in another country.

Few placement types can put your brand in front of such an engaged, focused audience so do not be dissuaded by in-stream platforms. They can be an invaluable tool for generating brand awareness when utilised responsibly.

THE FUTURE:
WHAT'S NEXT?
AND BEYOND



At Natives, we have a constant eye on the future; assessing the latest opportunities for innovation from the wider advertising ecosystem is woven into our DNA.



Everything we do is linked to ‘Thinking Student’. This means that we don’t wait to hear about what students want and need from colleges and universities. Instead, we actively seek out students to generate these insights ourselves. In recent years, we have spoken to hundreds of thousands of students from all walks of life; across the UK, we’ve surveyed over 8,000 students this year alone.

We recognise that it is a very challenging time to be in business at the moment, whatever the size, shape or output. The bottom line that we must deliver on performance still holds. And the marketplace is tough, but we must continue to be bold, to make the time and dedicate the energy and the resources into what's needed to create content that not only represents your brand's core but also engages with your current and future audiences in their spaces of comfort. Because this is how you cut through the noise.



All of the platforms, companies and innovations included in the report can make you stand out and gain that edge over your competition; they might all have their caveats, and some may not be the perfect fit for you or for your next campaign, but there is potential here. They offer the possibility to do things braver and bolder. And, if they aren't what your brand needs right now, there are loads more on our radar. Please do [get in touch](#) with us to discuss any of the topics we raised, or any opportunities we have presented.



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