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THE NATIVE PLAYBOOK

HELPING YOU NAVIGATE BEST PRACTICE IN NATIVE/BRANDED CONTENT AND ADVERTISING

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INTRODUCTION

OBJECTIVE

Native, like many digital industry terms, has been used with varying application by publishers, marketers and trade media.

The aim of this playbook is to give the industry simplified and consistent definitions to help increase awareness of the potential of native, as well as inspire marketers and agencies to invest in native as an effective communication approach.

DEFINITION

Native is content or an ad placement that fits naturally in the environment where it is consumed. It has the potential to add great value to brands due to its effectiveness in communicating messages to consumers – particularly those who are averse to interruption.

Brands can leverage environments utilising the relevant platform or publisher's own user experience and best practice.

Native, in its simplest form, should look and feel natural to the consumer.

TYPES OF NATIVE

Since its inception, the term "native advertising" has served as a catch-all designation for any paid-for digital advertising or content marketing on a publisher's website that doesn't immediately resemble a pop-up or display ad.

Broadly, there are two types of native used as brand communication tools.

- Native/Branded Content: Brand-funded content that adopts the look, feel and user experience of the environment in which it appears. Traffic is driven from the publishers' own platforms and this content is consumed on the publisher's website.
- Native Ads: Brand funded placement that adopts the look, feel and user experience of the environment in which it appears. The user journey here is off-network, as a native ad directs to a clients owned/operated asset.

NATIVE/BRANDED CONTENT

Native/Branded Content should be a non-intrusive form of advertising that:
• Leverages the established engagement of the audience
• Is an opt-in experience
• Creates value for the audience
• Combats ad-blocking
• Builds the overall reputation of a brand (i.e. it isn't product centric).

Native/Branded content was the term originally used to describe content disguising brands' objectives within editorial style content. Disclosure of marketing content is now required by industry bodies and most publishers have moved to the term "Branded Content" to reflect the integrity of their content creation and disclosure. The IAB have included both terms in this playbook to recognise the evolution of the genre whilst acknowledging its origins.

TYPES OF NATIVE/BRANDED CONTENT

There are three types of Native/Branded Content which, in many cases, can work together concurrently:

1. **Sponsored:** Editorially produced content that is supported by a brand and is controlled by the publisher (i.e. the brand does not have approval or ability to dictate content). The value here is in being aligned with the publisher's thought leadership and the ability to reach a harder-to-engage audience.

2. **Custom:** Content that is created in collaboration with a brand to feature specific topics which is jointly controlled by the publisher and the brand. Many publishers will recommend against making this too product-heavy to benefit from maximum audience engagement.

3. **Syndicated:** Brand produced content that is created and controlled by a brand and hosted by a publisher. This allows the brand to benefit from the highly engaged audience on publishers' owned platforms.

DOES IT WORK?

The short answer is yes: To create real relationships between brands and consumers, research suggest Native/Branded content is more effective than straight advertising. There are many different ways to measure Native/Branded content but all research shows an uplift on key metrics.

• A 2017 study from the BBC (with multiple brands and 9000 consumers in five markets) found that content-led marketing deepens the emotional relationship between brands and consumers. In a broad study, the average campaign delivered a 30% increase in subconscious positivity, a 49% increase in average brand image, a 56% increase in recommendation & a 50% increase in consideration. (Source: BBC Science of Engagement 2.0.)

• Independent research conducted by Polar in 2017 found that, on average, consumer awareness of a brand increased to 69 percent & purchase intent increased to 51 percent after engaging with branded content. (Source: Polar: A Guide to Brand Measurement.)

Further Reading:
• *Why Native advertising is essential for publishers and brands*: Mumbrella
• *Online native content Case study*: Fairfax and Nielsen

BEST PRACTICE NATIVE/BRANDED CONTENT

These are the principles for best practice Native/Branded Content:

OBJECTIVES AND MEASUREMENT
- Be clear about your objectives before you even brief content, so you can be sure you have the right solution and the right measurement in place.
- If the desired outcome is driving affinity, advocacy or intent to purchase, brands should measure Native/Branded content through brand awareness, brand uplift or perception shift, consumer engagement and relationship building.
- If the desired outcome is low-cost conversions, leads or purchases, brands should potentially consider Native/Branded ads instead of content. If content is packed full of links to buy it can be a distraction to engagement.
- Measurement has evolved at the same time as branded content itself. As content has changed from straight advertorials to building a stronger, emotional connection with them, the measurement has moved away from ad metrics like impressions and conversions to a focus on engagement and brand lift.
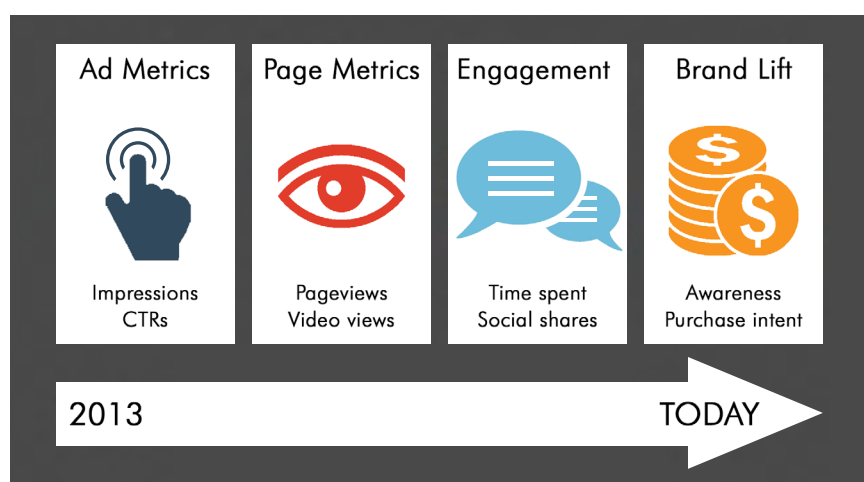
ALIGNMENT FOR BRAND TONE AND PUBLISHER TARGET AUDIENCE
When choosing a publishing partner, it is crucial that you pick one which aligns with your own brand. It is better to be seen as authentic than to have your brand questioned for the tone or environment it's in.

LEVEL OF CONTROL
Be clear on how much control you and the key stakeholders in your company are going to need, so you don't commit to a content type or approval turnaround that won't work for your internal approvals.

ORGANISATION CULTURE AND POLICIES
Native/Branded content can be a high-touch marketing strategy. Really understand what is required and ensure that your company is able to undertake the necessary and timely approvals through Legal, Compliance, and Communications, etc.

NEWSWORTHINESS AND AUTHENTICITY
People's attention span is becoming shorter. Branded content is competing with the best content in

the world for readers' attention and consumers simply won't bother with branded content unless it's of the same standard and quality as the provider's editorial content. Publishers are great at finding the angle for a majority of briefs. However, sometimes you'll be trying to put a square peg in a round hole and may need to look at a slightly different story angle. Trust the publisher as they know their audience best and ensure that you're creating truly interesting and valuable content that audiences will give up their time to engage with.

TRANSPARENCY OF ATTRIBUTION AND DISCLOSURE

Research shows that consumers are more receptive to content marketing when brand involvement is fully transparent, and this is key to retain audience trust in both the publisher and brand. Regulatory boards now apply the same standards to content as they do to advertising: full disclosure is required. Attribution naming conventions differ from publisher to publisher so familiarise yourself with your chosen partner's attribution policy before you start working together. You need to be comfortable with how your brand will appear as you're unlikely to be able to change it down the line.

DISTRIBUTION STRATEGY

Publishers will amplify the content on their sites and use paid distribution off-platform too. The benefits of increased reach through paid channels are coupled with the risks of lower quality or non-endemic audiences. Always ask where the audience is coming from. In addition to publisher amplification, make sure to consider all your owned assets and paid channels (and even employees) as possible distribution channels to maximise reach for content.

TERMS OF USE

Not all publishers grant a client ownership of Native/Branded content off their own network. Syndication terms and costs should be clearly stated. This is particularly poignant if talent was used in the creation of the content. There may be licensing and or timing restrictions on use.

PRICING MODELS

There isn't a one-size fits all approach to the pricing of branded content.

The primary pricing models are:
1. Sponsorship Packages (cost for the overall piece)
2. CPM (Cost per thousand impressions)
3. CPV (Cost per content view)

Most publishers offer CPM based pricing. This is most commonly used with media agencies as their budgets are tied to impressions and reach.

Many publishers trade on CPV – but proceed with caution. Some publishers, especially larger ones, are using paid off-platform sources. This can mean they're buying low-cost views from readers who will be less engaged with the publisher or content. Ask for transparency around distribution strategies and mark success by engagement not just the view.

BEST PRACTICE – EXAMPLES
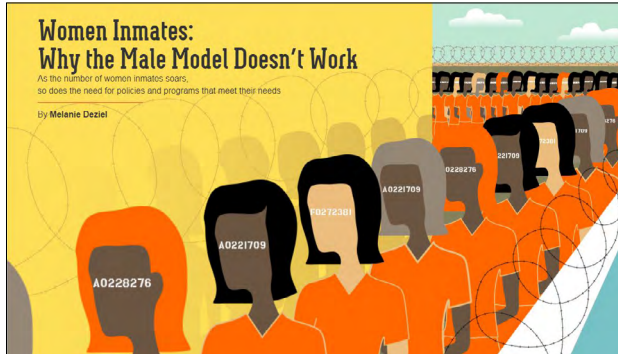
New York Times
Orange is the New Black
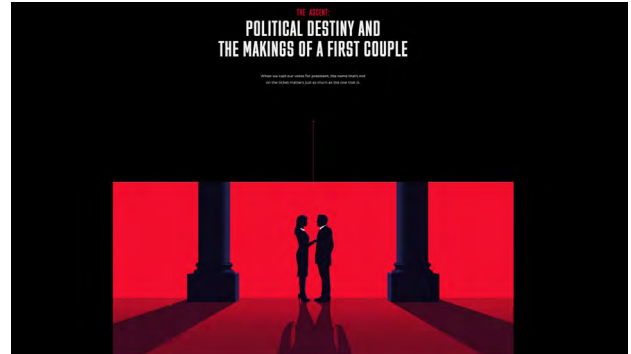
The Atlantic
House of Cards
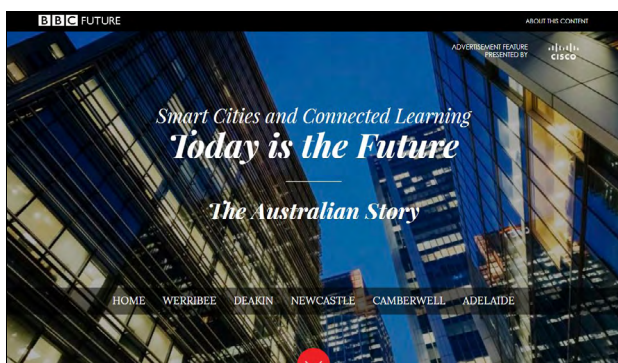
BBC and Cisco
Smart Cities (Co-branded content)

Pedestrian and Telstra
(Co-branded content)

Guardian and Nespresso
(Co-branded content)
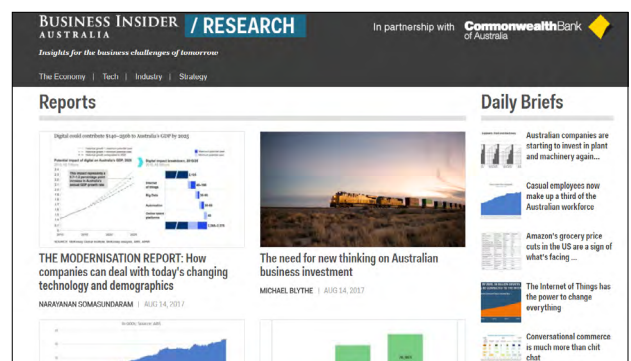
Business Insider Australia and Commonwealth Bank (BI / Research)

[BuzzFeed and Samsung](#)
(Co-branded content)

[Tasty and Fuze Ice Tea](#)
(Co-branded content)

[News.com.au and Tourism Tasmania](#)
(Co-branded content)

[Guardian and Rocky Mountaineer](#)
(Syndicated content)

[New York Times](#)
(Dell)

[BuzzFeed](#)
(Chobani)

NATIVE ADVERTISING

OVERVIEW

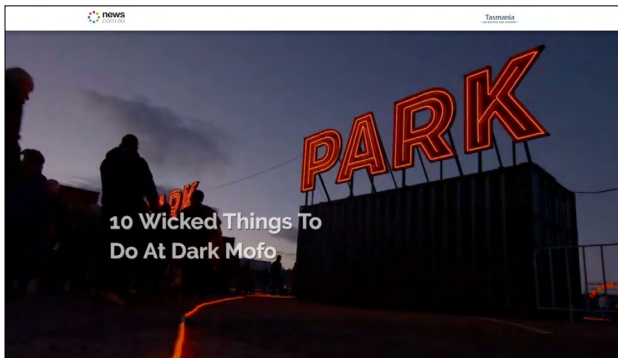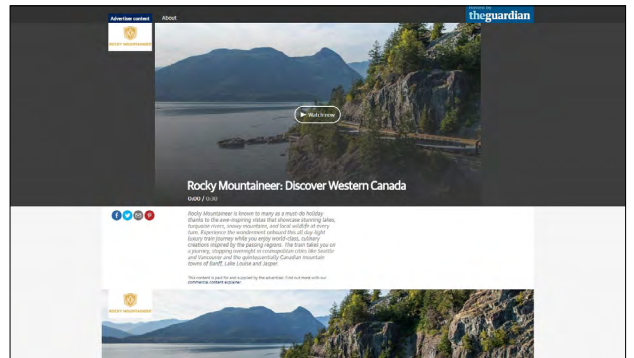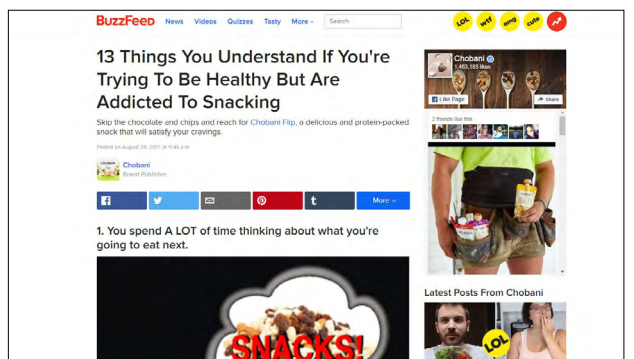Native Advertising is the fastest growing digital ad format and through it's various forms and implementations — from search, to social, content feeds and classifieds — accounts for the majority of digital ad expenditure in Australia.

The rise and rise of native advertising formats emerged from a pivotal shift by marketers and publishers from large, interruptive and often intrusive formats that were popular in the noughties, to formats and messaging that better aligned with the user and even added value from a content consumption perspective. This has also coincided with the growth of social media, mobile and content marketing from both an audience consumption and advertiser investment perspective.

FOUR CORE CATEGORIES

In 2013, the IAB Native Task Force (USA) originally identified the six categories of ad unit types most commonly used in pursuit of delivering native ad experiences that were so cohesive with the page content, assimilated into the form and function.

Four years on the IAB Australia Native Task Force has simplified and localized this categorization down to four core categories, based on most common use in the Australian media landscape.

Category	Environments	Examples
Search	Search Engines	**Insert Ad Images:** Google, Bing, Yahoo from Search Results page
In-Feed	Social Platforms, Content Publishers, Utility Mobile Apps	**Insert Ad Images:** Facebook, Twitter, Linkedin, Yahoo from content/user feeds
Content Recommendation Widgets	Content Publishers	**Insert Ad Images:** Outbrain, Taboola. Plista widgets on Content publishers
Promoted Listing	Classifieds, Directories, eCommerce Properties	**Insert Ad Images:** Ads on Realestate.com.au, eBay, CarSales.com.au

WHAT DOES IT MEAN TO ADVERTISERS?

Native placements can draw more attention than other more intrusive ad formats. Brands can now engage with consumers in a much more powerful way. It's a mobile-first advertising environment which allows it to grow as mobile consumption does.

WHAT DOES IT MEAN TO PUBLISHERS?

The emergence of native advertising technology vendors has made it simpler for publishers to capitalise on in-feed content and advertising experiences popularised by social platforms. Furthermore, Content Recommendation Widget providers provide tools for publishers to reticulate audiences across their networks whilst monetizing the content recommendation widgets via third-party demand sources.

Most native advertising technology vendors host the core creative assets on their servers, rather than advertiser ad servers; the impact is often faster load times resulting in a better user experience, and higher viewability rates. High-quality, well-targeted Native ads and content will also decrease levels of ad blocking.
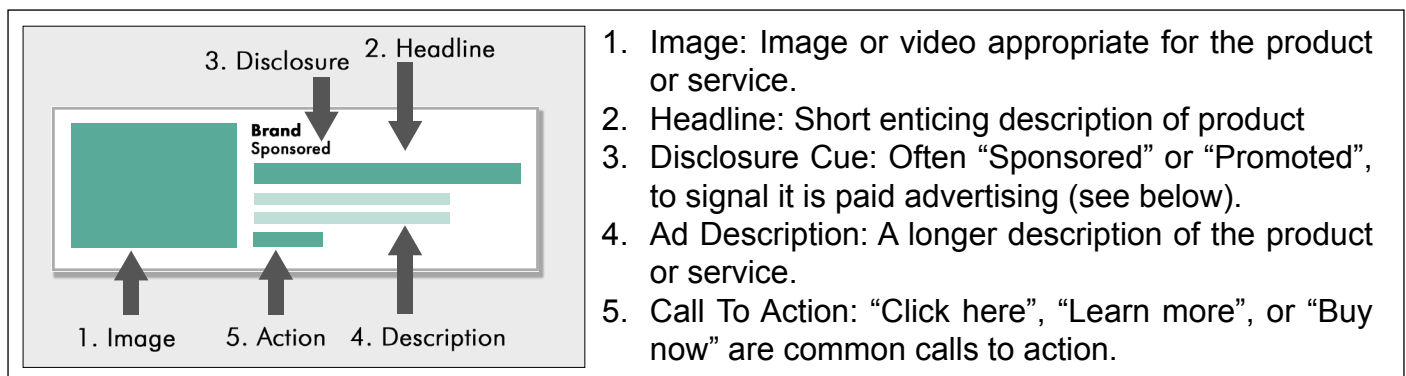
All of this allows Native Ads to achieve the following in many instances:
- Create incremental ad placements for monetization without removing core display or video units.
- Lighter page weight than display and video ad players.
- Less intrusive for audiences than high impact display placements translating to improved on-site audience metrics.
- Flexibility to monetize via direct sales, API native partners or programmatic channels.

THE COMPOSITION OF NATIVE ADS

Native ads are more innovative than traditional placements because they take the form of other links on the hosting page and leverage the environment the consumers are in. Given the advertising strikes such similar semblance to content, its critical the user can identify that the content is advertising and not editorial. Adequate labelling or shading should be applied so that the user is aware that they are likely to be taken to a different site or destination.

The elements composing a native ad are automatically adjusted on the host page to appear as if they are an integral part of the page, and hence an integral part of the user experience on this page.

1. Image: Image or video appropriate for the product or service.
2. Headline: Short enticing description of product
3. Disclosure Cue: Often "Sponsored" or "Promoted", to signal it is paid advertising (see below).
4. Ad Description: A longer description of the product or service.
5. Call To Action: "Click here", "Learn more", or "Buy now" are common calls to action.

A User clicking on a Native Placement opens the Target Page.

The page can be anywhere on the web, often on:
- Advertiser site
- Advertiser content on Social channels (e.g. YouTube video page)
- Other web sites (paid or earned).

The target page contains advertiser information in any desirable format (Text, Video, Rich Media, Form, Download page etc.).

DISCLOSURE CUES

Disclosure cues distinguish what is paid advertising and what is non-paid content, such as editorial or user-generated content. This distinction is important for audiences to understand what is advertiser content and what is the voice of the editor or the content contributors.

Regardless of native advertising unit type, the IAB advocates that, for paid native ad units, clarity and prominence of the disclosure is paramount. The disclosure must:

- Use language that conveys that the advertising has been paid for, thus making it an advertising unit, even if that unit does not contain traditional promotional advertising messages.
- Be large and visible enough for a consumer to notice it in the context of a given page and/or relative to the device that the ad is being viewed on.

Simply put: Regardless of context, a reasonable consumer should be able to distinguish between what is paid advertising versus what is publisher editorial content.

The IAB recommend up to three disclosure cues to distinguish Native Ads from content. These cues can include but are not limited to:

- Commonly used disclosure language: Commonly used disclosure language in native ads includes "Advertisement" or "AD", "Promoted" or "Promoted by [brand]", "Sponsored" or "Sponsored by [brand]" or "Sponsored Content", "Presented by [brand]", "Suggested Post" plus a "Sponsored" tag, "You might also like" or "You might like", "Elsewhere from around the web" or "From around the web", "You may have missed" or "Recommended for you".
- Icons: Ad Choices icons, "$" icons, Logos of the Native Advertiser Vendor.
- Visual Cues: Visual cues like shading, coloured backgrounds or borders are commonly used to distinguish paid vs. non-paid content, particularly across in-feed and promoted listing placements.

BUYING MODELS AND MEASUREMENT

Buying models vary between Content Publishers, Classified and Directory Sites, Search Engines and technology-driven Native Ad Marketplaces and Platforms. Below are the more common transaction models, cost models, campaign goals and metrics that Advertisers use to leverage the strong capabilities that native advertising formats can deliver.

Campaign objectives for Native Ads should always be aligned to the broader campaign and marketing objectives they are part of. The most common campaign objectives applied to Native Ads include:

- **Content Marketing Amplification**
  Measurements: website visits, website time spent/pages views, social referrals/earned media, social engagement (likes, shares, follows), video views.
- **Direct Response (Leads, Conversions, App Installs, Online Sales)**
  Measurements: total conversions, eCPA, eCPL, eCPI, eCPC, Conversion Rate, ROAS.
- **Website Traffic and Engagement**
  Measurements: Visits, time spent, pages viewed, on-site actions, on-site conversions.
- **Brand and Awareness**
  Measurements: Reach and frequency, viewability, awareness, video views.

Ensure your Native ad partner offer tools for tracking and optimisation to support your campaign goals, or allows you to implement your own independent campaign tracking.

TRANSACTION MODELS

There are a variety of ways for a publisher to sell, or an advertiser to buy, native placements:

- Direct Sell by the publisher to the advertiser. The Publisher then uses a native solution to fulfil the campaign on their site/network.
- Native Platforms such as Outbrain, Gemini, Taboola or Plista.
- Programmatic Exchanges: such as Google DBM, Appnexus, TheTradeDesk etc.

PRICING MODELS

Pricing or buying models do not determine whether or not an advertisement is native. Pricing models and pricing vary greatly but the table below outlines the most common buying models in the Australian media industry.

CPC	Cost Per Click Advertiser is charged when a consumer clicks on the native ad and lands on the target page.
CPM	Cost Per Thousand Advertiser pays for every 1000 impressions of the native ad.
CPA	Cost Per Action Advertiser is charged when a consumer takes an action on the target page. Examples can include an online purchase, registration, download or subsequent click to a product page or other sales related tools.
CPV	Cost Per View For video campaigns. Advertiser is charged only after a pre-determined number seconds of the video view (usually 2-6 seconds).
CPCV (for video)	Cost Per View For video campaigns, Advertiser is charged only for users that complete watching the full video.

HOW TO GET ACTIVE WITH NATIVE

In a world where consumers have more control over their consumer journey, Native is an evolution of marketing that allows brands to engage with them in a way that adds value authentically, and builds long-term relationships centred around a positive user experience. It is an opportunity to tell a story and engage consumers in a more powerful way than other forms of intrusive or interruptive brand communication.

To understand more:
* Speak internally about it and request more education and training from publishers.
* Be aware of what your target consumer is reading by actively consuming those platforms and publishers' content.
* Review successful Native campaigns featured on the IAB Website and consider how your brand could communicate natively.

To get more active:
* Evaluate how much of your digital marketing investment is adding value to the consumer experience versus detracting from them.
* Consider how your brand story can be told more effectively through authentic native communication.
* Review your marketing goals and consider if native can play a role.
* Brief agencies and publishers to develop Native campaign ideas based on your objectives.
* Create a "test and learn" approach - create pilots with objectives, hypotheses and metrics. This will allow you to execute, measure and evolve what is working with the use of real data.

NATIVE RULES AND REGULATIONS

COMMUNICATION IS KEY

There is no absolute requirement that advertising or marketing communication must have a label within the context of Native Content or Native. Instead, the rules relating to native require an advertiser to communicate appropriately with the desired consumer about the content they are receiving.

If it is clear to the relevant audience that the content is commercial in nature advertisers have flexibility as to how to ensure that material is distinguishable as advertising or marketing communication.

Advertisers may use logos or brand names combined with other visual or audio cues where appropriate, such as background shading, outlines, borders, graphics, video or audio messages depending on the medium.

Some advertising or marketing communication may, by its very nature, be understood by viewers, and therefore be distinguishable, as an
advertising or marketing communication.

AANA BEST PRACTICE GUIDELINE

The AANA Codes are platform and media neutral and apply to all digital advertisers and digital marketers who promote brands, products or services to Australian audiences online.

When it comes to Native, the AANA Code of Ethics requires that advertising must be clearly distinguishable as such to the relevant audience.

To help industry understand how this requirement operates in practice, the AANA has produced best practice guidelines on the topic of Native.

Types of advertising viewed as distinguishable – no additional labelling required:
- advertorials
- sponsored segments
- commercial integrations
- product placements.

For example, where advertisers have made commercial arrangements for the branded products to feature as a product placement, and no other claim is made about the products, no label or disclosure may be required.

Even though consumers may not realise the advertisers have made a commercial arrangement for their products to appear, the use of the branded products may be sufficient to distinguish the material as an advertisement or marketing communication.

Does payment need to be made for content to fall within the remit of the guidance on Native?

The definition of advertising or marketing communication in the AANA Codes does not require payment to be made for Native content or Native advertorial to fall afoul of the relevant codes. The AANA Codes apply equally where other arrangements have been made in place of direct payment (for example, 'contra' or 'in kind' arrangements).

SUMMARY

Native is a term that is heard every week in digital media: In meeting, events, papers and trade media. The IAB recently asked over 100 people what "Native" means and we got several different answers. This is why we set up a Native Taskforce, pulling together some of the most experienced people on the topic from a range of companies steeped in Native Ads and Content. They shared their own experiences as well as tapped into their global and local networks. We also reviewed existing IAB work from the USA.

The first exercise was to bring clarity to the definition, which led to two work-streams; one focussed on Native Advertising and the other on Native/Branded content. We then brought the work together into a single playbook. This is version 1.0 of our IAB Australia Native Playbook. It is intended for marketers, agencies and their partners who are looking for guidance into the world of Native Advertising and Native Content.

Thanks to all the taskforce for pulling this together. Now over to the user to let us know your feedback.

We hope we have simplified the topic of Native and provided inspiration for you to step up your native activity.

Vijay Solanki
CEO, IAB Australia