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NATIVE ADVERTISING HANDBOOK

2020 UPDATE



CONTENTS

- 2 INTRODUCTION & UPDATE SUMMARY**
- 3 SIMPLIFIED PRODUCT DEFINITIONS**
- 5 PROGRAMMATIC NATIVE**
- 6 BEST PRACTICES AND RECOMMENDATIONS**
- 7 CONCLUSION, FURTHER READING & CASE STUDIES**

INTRODUCTION

IAB Australia launched our original Native Playbook in October 2017 in order to provide some basic guidance and best recommendations on what was still a relatively new product type which was rapidly growing in popularity.

Over two years on and Native has become the hero product for display here in Australia, now making up 36% of overall display spend and is the fastest growing product on a quarterly basis.

With Native now firmly established as a key display product within the Australian digital media marketing mix, the Standards and Guidelines council are now keen to provide an updated review the product definitions, some best practices and a balanced mix of local product examples to showcase some of the best-in-class here in Australia.

The 2017 handbook was fairly comprehensive in its introduction to the product, information on the product structure and standard product execution. Therefore with this update we only intend to include incremental content that's additive to what we already have.

This will include:

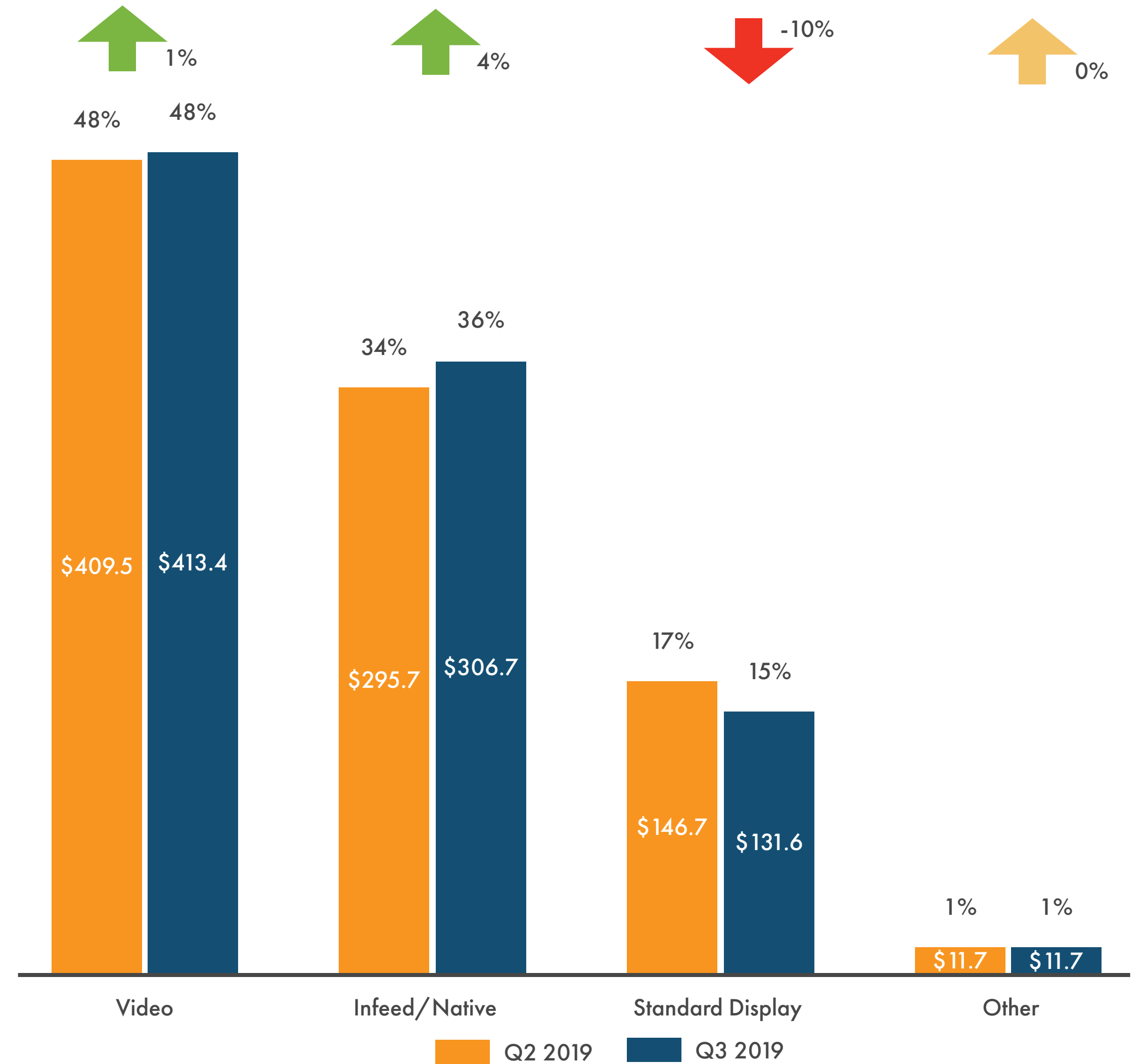
- A simpler, reduced set of product definitions and types (now only three)
- An introduction to programmatic native
- An updated set of recommendations and best practices from local experts
- A balanced set of best-in-class Australian product examples and case studies

If you want to feedback on any of this content then please feel free to by contacting us at iabaustralia@iabaustralia.com.au

Thanks very much to all the contributors listed below for their efforts in putting this updated handbook together:

- Amy McCormack, A&A Digital
- Chantelle Schmidt, Pedestrian Group
- Isabelle Dunn, Hearts & Science
- Lucy Pierce, Taboola
- Olivia Nati, News Corp
- Sebastian Graham, Verizon Media
- Sharnee Rawson, The Guardian

Breakdown of General Display Advertising - By Type Compared to Immediate Prior Quarter



Source: Australian Online Advertising Expenditure Report (compiled by PwC), Quarter ended Sept. 30, 2019

SIMPLIFIED PRODUCT DEFINITIONS

In terms of an overall definition of Native Advertising we have refined the wording as per the below:

Native Advertising should complement the natural design, location and behavior of the environment in which it exists, through content which provides a non-disruptive and relevant consumer experience to the context within which the ad resides.

A critical aspect of Native Advertising is that an obvious disclosure that these are adverts must be very clear and prominent. At no stage can these adverts be seen to be misleading in anyway by not being clearly labelled as being sponsored content, the landing page must match the native advertising ad, albeit highly relevant to the environment and context. The consumer must be able to clearly distinguish between what is editorial content and native advertising content.

In terms of the specific product definitions we have aligned with the recommendations recently suggested by the IAB USA (IAB Native Advertising Playbook 2.0, May 2019) with a reduction down to only three product types.

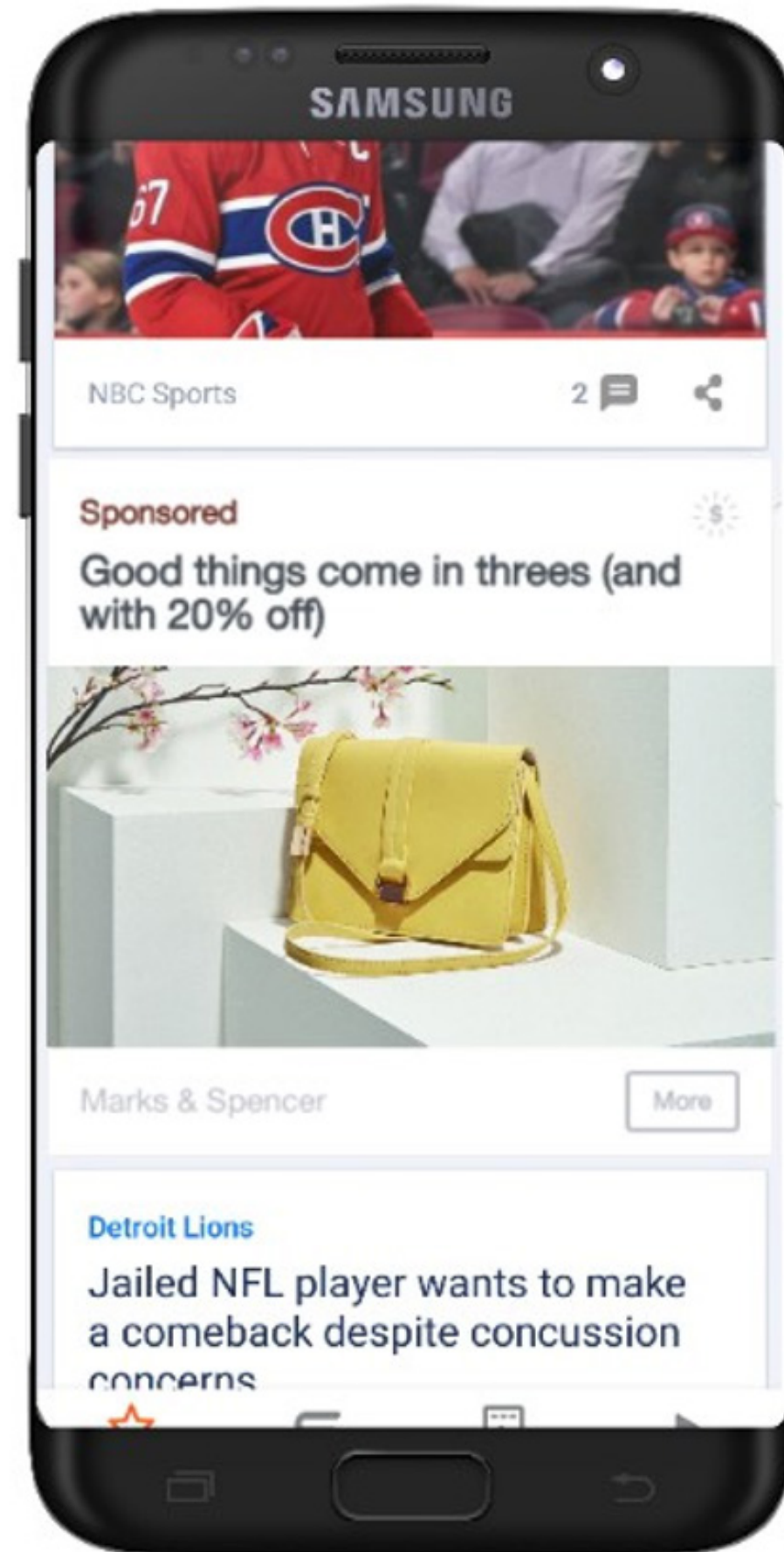
- In-Feed / In-Content Native
- Content Recommendation
- Branded / Native Content

IN-FEED / IN-CONTENT NATIVE

These ad types are positioned within content,

product or social feeds. In-Feed ads will closely mimic or replicate the look and feel of the editorial content - and In-Content ads will sit in-between or below the publisher content.

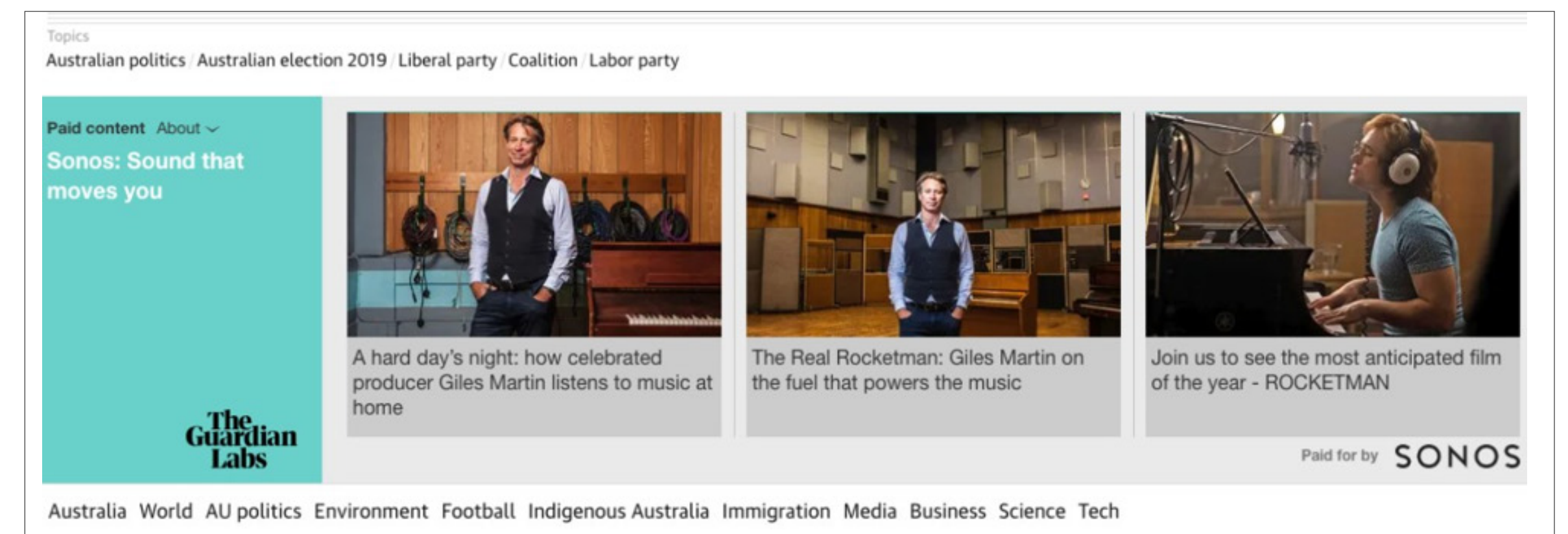
An example of this is shown below:



CONTENT RECOMMENDATION

This ad type usually sits below (and sometimes adjacent to) editorial content and whilst it's highly relevant to the context and environment is clearly external content and upon clicking users are taken to a different site. The format can be articles, products or video.

Some examples of these are shown below:



SIMPLIFIED PRODUCT DEFINITIONS


BRANDED / NATIVE CONTENT

This is brand-funded content which exactly matches the format, look and feel of the publisher's editorial and whilst relevant to the context, must clearly be labelled for consumers as being sponsored content.

Some examples of these are shown below:

POPSUGAR. BEAUTY

POPSUGAR / sponsored by / L'ORÉAL PARIS



Popsugar > Beauty > Makeup > Get a Faux Lash Extension With \$25 Mascara From L'Oréal Paris

This \$25 Mascara Will Give The Illusion Of Lash Extensions

28 October, 2019 by [KASSIA BYRNES](#) paid for by [L'ORÉAL PARIS](#)

The 'doe eyes' look is taking over your Instagram feed, and for good reason. The bold, wide-eyed look is simple yet undeniably glam – very reminiscent of Marilyn Monroe. Blissfully, it's also a trend that isn't too hard to perfect yourself as long as you have the right tools.

PEDESTRIAN

BUSINESS INSIDER AUSTRALIA

TECH MONEY & MARKETS BRIEFING IDEAS EXECUTIVE LIFE RESEARCH





Image: 20th Century Fox



This article has been sponsored by 20th Century Fox. »

When Henry Ford II decided he wanted the Ford Motor Company to enter the racing world in 1963, he knew the quickest avenue would be to simply acquire an existing sports car, so he approached Enzo Ferrari in the hopes of striking up a deal.

PROGRAMMATIC NATIVE

Native Ads have been included in the programmatic protocols since 2015, via the OpenRTB Dynamic Native Ads API Specification. This standardisation has enabled a suite of automated Native Ad products to be made available to DSPs.

Recent growth in Programmatic Native has resulted across both the open internet as well as Social Platforms, which continue to dominate Native spend. Global data suggested that this trend should continue.

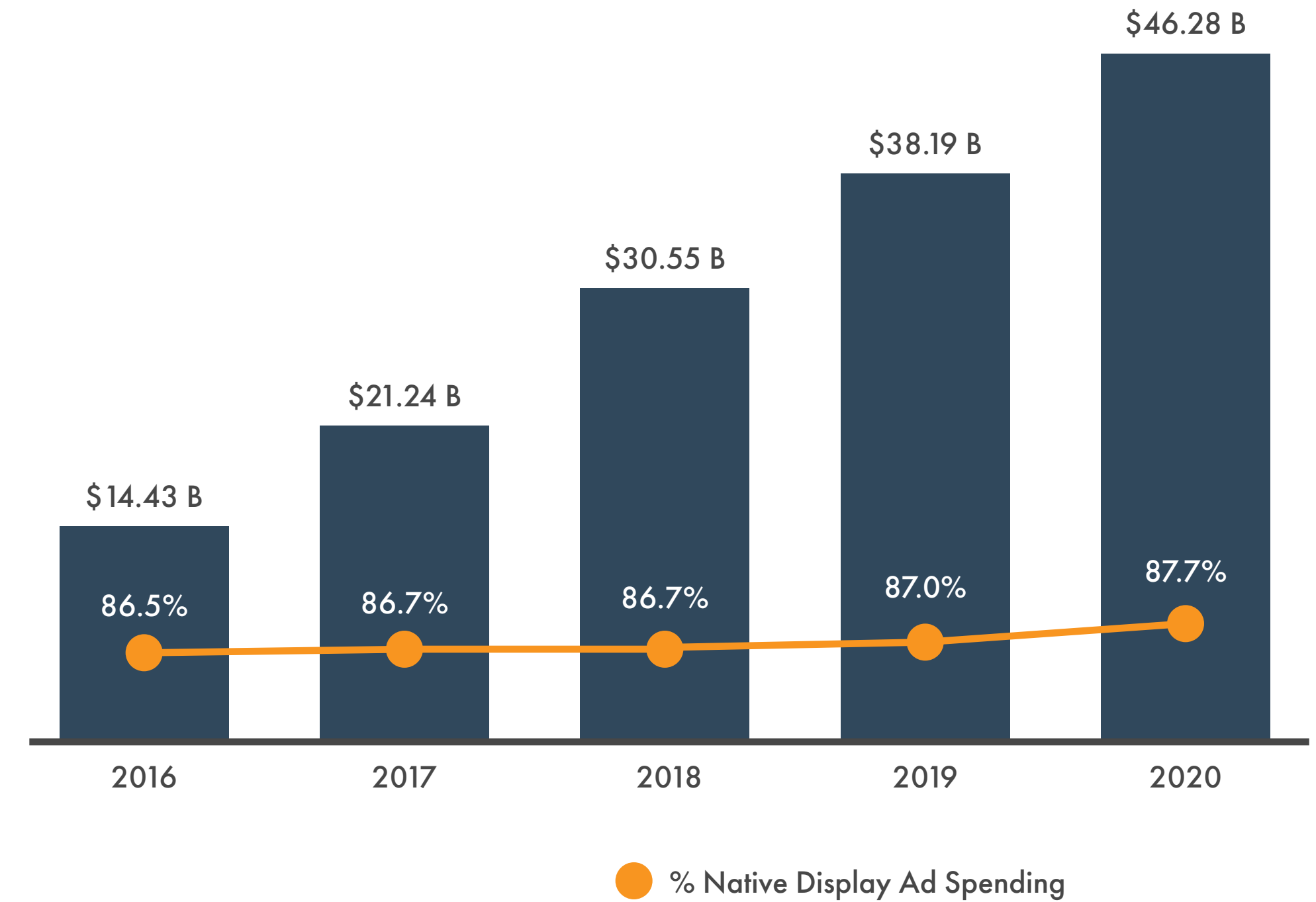
Automation enables buyers to make native ads even more relevant. By leveraging contextual variables in real-time, programmatic native ads can be tailored to both the consumer and the environment at scale, so as to optimise performance.

For some best practices regarding programmatic native, please consider the below:

- Vary your creative assets, in terms of both images and text, to ensure that all the various elements will enable greater variability. This should ensure that there are plenty of options to show for all your available inventory styles and formats.
- Effectively utilise contextual targeting so as to ensure you only show ads that are relevant to both the surrounding content and environment. This will improve the overall customer experiences.

- Measure your native ad performance alongside all of your other products to ensure that you can comprehensively review all of your programmatic campaigns strategically. It's critical to manage reach and frequency across campaigns to ensure that native fits seamlessly into your overall broader digital marketing strategy.

U.S. Programmatic Display Ad Spending: 2016-2020



Source: eMarketer, March 2019

BEST PRACTICES AND RECOMMENDATIONS

In terms of general best practice, we've compiled some product questions for marketers to consider - as well as a collection of recommendations from some local experts.

At its core, Native advertising needs to display a brand message which resonates and interests a reader, served on the right platform, at the right time. When it's done well and makes sense for the brand, publisher and reader, Native advertising can be a win for the brand and a chance to spread awareness of the product or company.

Native advertising should be customised to each user based on their reading habits, and give the user the right to choose the type of content they wish to read or watch a video in a non-intrusive way. For the best consumer experience it is clearly labeled as sponsored content and be a mixture of publisher and sponsored content.

CONTENT

- What is your content strategy? What is your key message?
- Is it direct, punchy and engaging?
- Does it truly add value to the user? Does it take an entertaining or informative direction?
- Can you adapt the advertising to suit each platform?

DESIGN

- What does the ad look like?
- How does it fit with the overall page design?
- Does the ad match the visual design of the environment it lives within?
- Does the experience of the ad have the look and feel of natural content?

Thumbnail Best Practices:

- People are always preferable— even better if they're at

medium zoom from the shoulders up, or even closer.

- Avoid image clutter. Clean images with a single center of focus will help you stand out.
- Utilize eye-catching colors to attract the users' attention.
- Avoid ClipArt, brand logos, and images with layers of text. These may not crop well, and end up being off-center.
- Real photos drive better engagement than illustrations
- Test a range of both black & white and colour images

Video Creative Best Practices

- Fill the screen for a higher impact experience. Using big images in your videos are more eye-catching.
- Add subtitles to account for users watching videos with their sound off to drive more engagement.
- Use text overlays and call-to-action buttons to drive users to the end of the video or to complete an action.
- Videos showing actions (activities, eating) generate greater engagement

General recommendations - do

- Content needs to be engaging and exciting to drive readership voluntarily
- Focus on how your message can add value to the consumer
- Focus on interest, not interruption
- Messaging needs to be clear and concise
- Customise content for each specific environment, matching the style and tone of the page
- All native content should be clearly labelled

General recommendations - don't

- Re-publish press releases or run generic messaging
- Use exaggeration, paid reviews or bias (eg "World's best")
- Utilise large branded images or logos - images should be styled to fit with the surrounding content

LOCATION

- Where does the ad placement live, physically?
- Is the ad placement within the publisher content feed or outside of the content feed?

BEHAVIOUR

How well does the ad unit match the behavior of the surrounding content?

Is it similar (e.g. linking to an on-site story page)?

Or are new behaviors introduced (e.g. links off-site when all other publisher content on the page remains on site)?

DISCLOSURE

How does the publisher disclose to the consumer that this is an ad and not part of their editorial content?

Is the disclosure clear and prominent?

With regards to disclosure we recommend to:

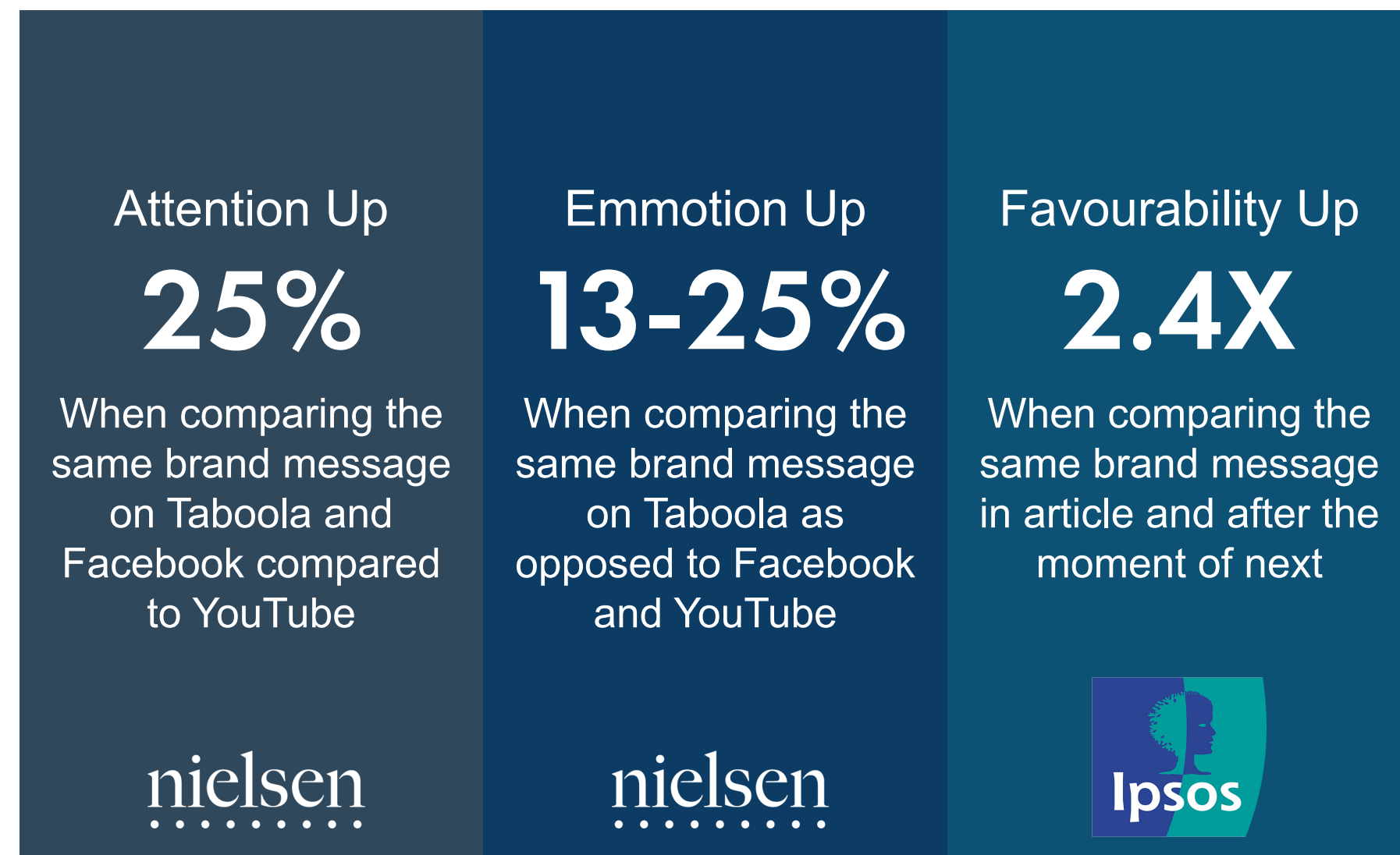
- Always use language that conveys the advertising has been paid for, thus making it an advertising unit, even if that unit does not contain traditional promotional advertising messages.
- Always ensure that the disclosure is large and visible enough for a consumer to notice it in the context of a given page and/or relative to the device that the ad is being viewed on.
- Always ensure that, regardless of context, a reasonable consumer should be able to distinguish between what is paid advertising and what is publisher editorial content.

Good native content shouldn't involve tricking the audience into thinking the advertising is editorial content. It should deliver enough value that the reader engages voluntarily, even though they're aware it is coming from a brand.

CONCLUSION

Native Advertising has seen healthy growth recently in Australia and we fully expect this trend to continue, across both Social Platforms and traditional publishers. Most major publishers now have dedicated content teams and the number of dedicated vendors are increasing all the time, particularly in relation to Programmatic Native.

In 2019 Nielsen and Taboola recently ran a study to test attentiveness and emotional response with different content experiences called 'Moment of Next' - which utilised eye tracking technology to judge emotional response to content. Some of the results are below.



We're very hopeful that the trends towards quality, disclosure and attractive visual native advertising continues and the brands commit more spend into these products. Consumers are now much more comfortable with the concept, particularly now that they can recognise any paid-for content and find native ads attractive, engaging and useful.

FURTHER READING

IAB Native Advertising Playbook - Oct. 2017

- <https://www.iabaustralia.com.au/research-and-resources/research-resources/item/2392-iab-native-advertising-playbook-oct-2017>

Australian Digital Advertising Practices - July 2018

- <https://www.iabaustralia.com.au/guidelines-and-best-practice/guidelines-best-practice/item/3-guidelines-and-best-practice/2612-australian-digital-advertising-practices-july-2018>

Case Study (IAB MeasureUp 2019) - For the love of coffee: The fix of native advertising

- <https://www.iabaustralia.com.au/component/cobalt/item/2819-measureup-2019-presentations?Itemid=301>

Nielsen and Taboola whitepaper - 'Moment of Next'

- <https://go.taboola.com/nielsen-whitepaper/>

CASE STUDIES

Guardian Labs

Sonos

- <https://www.theguardian.com/sonos-sound-that-moves-you>

Bank Australia

- <https://www.theguardian.com/bank-australia-coming-clean>

Skoda

- <https://www.theguardian.com/skoda-australia-independent-thinkers-guide>

Coca-Cola

- <https://www.theguardian.com/coca-cola-australia-world-without-waste>

News Corp

View News Corp case studies for 7-Eleven, Foxtel and Society One

- <https://www.iabaustralia.com.au/general-content/item/28-general-content/2838-native-content-news-corp-case-studies>