

Lesson no. 4 – Contextual Advertising

CONTEXTUAL ADVERTISING



Contextual advertising is advertising on a website that is relevant to the page's content. In traditional contextual advertising, automated systems display ads related to the content of your site based on keyword targeting.

One of the more well-known examples of contextual advertising is Google AdSense. Google robots automatically serve ads that relevant to your users. For example, if you run a movie review blog, AdSense might serve contextual ads to buy movie tickets or sign up for a movie streaming service. The ads are selected from the inventory of advertisers who register through AdWords.

Some more examples of contextual advertising include:

- a) In-game contextual advertising: Sony's Wipeout HD was one of the first games to contain contextual advertising before loading.
- b) In-video contextual advertising: An example of this type of contextual advertising would be a YouTube ad for shampoo shown before a video tutorial for how to cut your own hair.
- c) Native advertising is a form of contextual advertising, where sponsored ads are designed to look like the native content on a website. (This is sometimes seen as a deceptive advertising practice.)
- d) Behavioral advertising is expected to become the next frontier of contextual advertising. Behavioral advertising is designed to target the user based on their behavior rather than just the user's stated preferences.



I. IN TEXT ADS

In-text advertising is a form of online advertising in which website operators give permission for ad services to link keywords in their blog entries or other content to advertising companies' websites.

While in-text ads are relatively new compared to display ads, this form of advertising is becoming more and more common. When websites opt for in-text advertising, they typically pair up with a larger service, like Vibrant Media. Bloggers or web operators apply for advertising accounts and are given code to enter into their website. This code gives the advertising service permission to link advertisements within the content of the website.

Though in-text advertising has gained some popularity, there is also some debate about the proper usage of such ads. Ads most frequently appear as hyperlinked keywords within the body of online posts, with a double underline to indicate that they are advertisements. Readers scrolling through posts can move their cursor over the text to view the advertisements, which pop up as clickable windows within the page's frame.

Proponents of in-text advertising point to the more direct connection between advertisers and readers. Those interested in advertisements associated with specific key words can scroll over double-underlined text to view them; those who are not interested can simply avoid doing so and thus avoid seeing the ads altogether.

However, there are many complaints made about the relevance of most in-text ads. Using technology similar to Skimlinks, the code identifies words in content to determine which ad to display. Unlike SkimWords, these ads are often not context-aware.

In-text advertising typically works according to a pay-per-click model, with publishers being paid for each time a reader clicks on an in-text ad. The payments are typically lower than for other forms of online advertising, but the advertisements themselves tend to be less intrusive (but still more intrusive than affiliate marketing), with no need for changes in design to account for ad placement and no need for advertisements to show up at all if readers opt to not scroll over the linked text.



II. IN IMAGE ADS

Simply put, in-image advertising is exactly what it sounds like. Through a platform, your ads get placed over images across the internet. Here's an example.



These images are on websites that are a part of the platform's network, so you'll want to make sure that you choose a partner who has a robust list of quality partners. Some inimage advertisers include:

- a) GumGum
- b) imonomy
- c) PopMarker
- d) Znaptag

Your ad can be placed right over the image or your partner might offer something called inscreen advertising, where your ad appears at the bottom of the screen that the user is viewing. Either way, the concept is that these ads will capture the attention of the user more than banner ads do, as people have generally fallen victim to "banner blindness" and no longer even see the ads that are on the pages they are viewing.



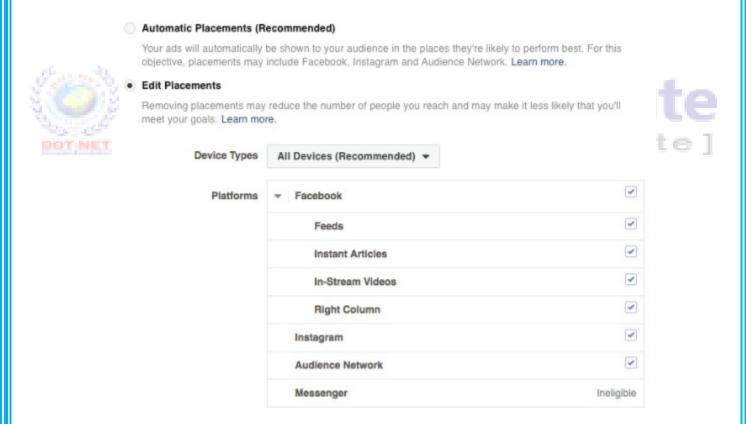
III. IN VIDEO ADS

Digital advertisers have two options to place their in-stream video ads: <u>Facebook and the</u> Audience Network.

On Facebook, in-stream video ads are played during videos (mid-roll) from familiar publishers and digital-first creators that specifically tailor their content to Facebook audiences. Here, the ads only appear on mobile devices, and only after 60 seconds of the main video content.

Video ads on <u>Facebook's Audience Network</u> are slightly different than typical Facebook instream video ads. They may appear before or during video content (pre-roll or mid-roll) on hundreds of publisher sites and apps, and they can be 10-30 seconds long. With Audience Network, in-stream video ads are displayed on both mobile *and* desktop.

Advertisers can select their placement choices in the "Placements" section of ad set creation:

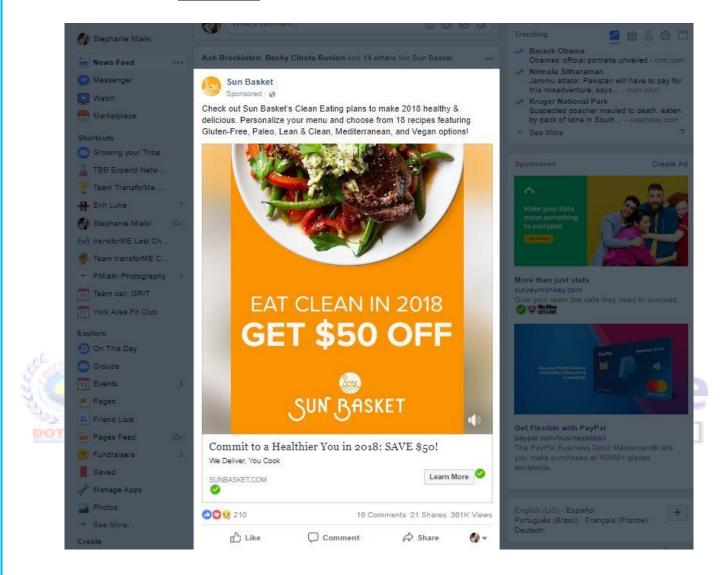


While selectively choosing your own or electing automatic placements are both options, <u>Facebook recommends the latter</u> for most advertisers because this allows the platform to find the most optimized placements for your video ads based on relevance, objective, and budget.



The difference between in-stream and Facebook videos

Before instream video ads, marketers could run news feed video ads, or <u>Sponsored ads</u>, like this one from <u>Sun Basket</u>:



The primary difference between news feed video ads and in-stream video ads is that news feed video ads are standalone ads that appear in users' news feeds, rather than *within* another video.

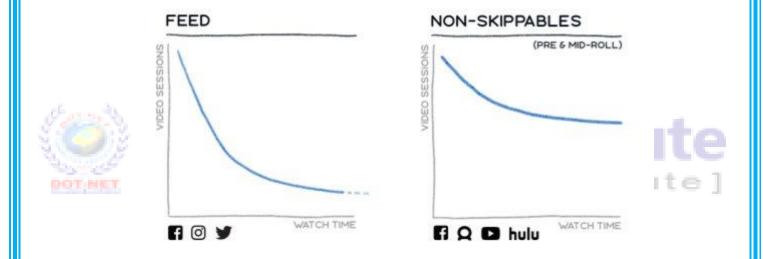
Another difference, <u>seen below</u>, is the video length ads can run — news feed for 240 minutes, and in-stream for only 5-15 seconds. In addition, in-stream ads require sound, while news feed ads do not.

Objectives for each ad placement vary, too. For Facebook feed ads, all objectives are supported. For in-stream ads, though, only four specific objectives are supported:



	Facebook Feed	Facebook Feed with link	Instant Articles	Facebook In- Stream	Instagram Feed	Instagram Stories	Audience Network: Native, Banner, Interstitial	Audience Network In-stream
Source Ratio	16:9 to 9:16	16:9 to 9:16	16:9 to 9:16	16:9 to 9:16	1.91:1 to 4:5	9:16	16:9 to 9:16	16:9, 1:1
Video Length	240 minutes max	240 minutes max	240 minutes max	5-15 seconds	1 - 60 seconds	1 - 15 seconds	1 - 120 seconds	10 - 120 seconds
Objectives Supported	All	All	All except Store Visits, Messages	Engagement, Reach, Video Views, Brand Awareness	All except Store Visits, Messages	All except Engagement, Store Visits, Lead Generation, Messages	All except Engagement, Store Visits, Lead Generation, Messages	Reach, Brand Awareness, Engagement, Video Views, Conversions
Captions Supported	Yes	Yes	No	Yes	Yes	No	No	No
Sound Required	No	No	No	Yes	No	No	No	Yes

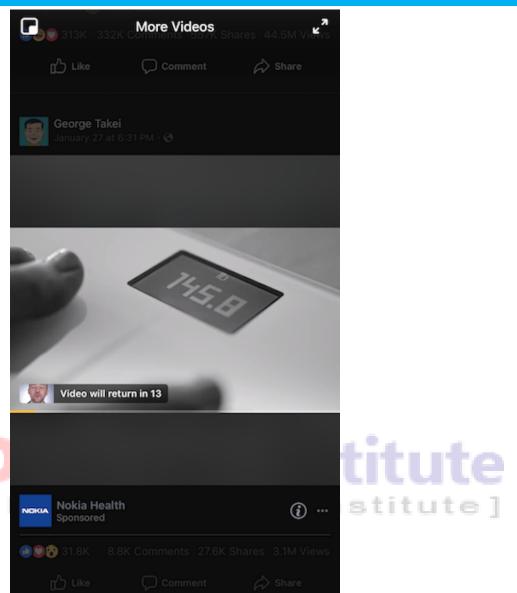
Differences in the data for each video ad placement also exist. For example, viewership rates aren't as high on news feed video ads. The <u>two graphs below</u> demonstrate how long people watch both types of video advertisements before their attention starts to drift:



From that comparison, it makes sense that in-feed video ads have a sharper drop in watch times because Facebook users are typically mid-scroll and, on the go, so it's harder to capture their attention for an extended period.

Conversely, in-stream non-skippable ads are inserted into videos that users have chosen to watch, like this <u>George Takei video</u> with a 14-second Nokia Health mid-roll video ad. If the user wanted to finish watching the chosen video, he or she must view the video ad in its entirety, hence longer watch times:





Since the person has already chosen to watch the video, it likely means that they're in a watching mood and the sound is on. Granted, total watch time tends to decrease as video ad length increases, however in-stream ads still have longer watch times overall.