



# Guidance Report

## Mobile Native Advertising



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## CONTENTS

- 1** What Makes Native Great

---
- 5** What is Native Advertising?

---
- 6** How Do Native Ads Work?

---
- 7** Native Ads are Unique on Mobile

---
- 8** The Formats

---
- 17** The Case for Native Advertising: It's Fit & Effective

---
- 17** Ads That Fit In Receive More Focus And Attention

---
- 20** Effectiveness By Advertiser Goal

---
- 25** Summary on Effectiveness

---
- 26** The Time for Best Practices

---
- 26** Best Practices for Publishers

---
- 31** Best Practices for Advertisers

---
- 37** In Summary

---
- 38** The Last Word

---
- 39** About the MMA

---
- 40** Acknowledgements

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## What Makes Native Great

In a chaotic world, people strive to make things fit together. To illustrate the whimsy that one experiences with things that “fit”, the Tumblr page “[Things Fitting Perfectly Into Things](#)” is dedicated to finding and displaying what [Mashable](#) called “the miraculous act of pairing objects with their oddly wonderful same-sized mate.” There is an entire corner of the Internet that delights in these pairings, including [Twitter](#) and [Reddit](#) pages.



**Laptop + Baking Dish = Apple Pie**

So, it should come as no surprise that when ads fit with the environment where they are served, people notice. This is the inherent benefit of mobile native advertising, *which 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.* In a word, the ads “fit.” Not only can native ads fit better, according to recent findings that MMA released as part of its [SMoX](#) series of cross marketing effectiveness studies, mobile native advertising performs significantly better than mobile display. And these results were seen across a variety of campaigns, for brands such as AT&T, MasterCard and Walmart, with objectives from increasing awareness, to improving image, to driving sales.<sup>1</sup>

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<sup>1</sup> For more information on SMoX.ME click [here](#).



When optimized for frequency of exposure, mobile native advertising performed as much as 10 times better compared to mobile display advertising at similar frequency, more than covering for the price premium of native and thus improving the ROI of the campaign overall. Furthermore, in contrast to display, native ads build impact at lower frequency because there is greater attentiveness to the content, suggesting that there are different rules and best practices to maximize the performance of mobile native advertising.

## **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 co-existed 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.

A couple that SAVES together STAYS together

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

D from DREYER'S Ice Cream

**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

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

Source: Pinterest



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 mobile offers.

This Guidance Report summarizes the work the MMA Mobile Native Advertising Committee has developed over the course of the past year. It includes the definitions, formats, research on effectiveness and then concludes 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.



## What is Native Advertising?

A form of paid media where the ad experience follows the natural form and function of the user experience in which it is placed.





## How Do Native Ads Work?

Technology automatically assembles each component into a native ad.







## Native Ads are Unique on Mobile

Mobile native advertising is a format of advertising that takes advantage of the form and function of the surrounding user experiences, all of which are indigenous to the wide variety of mobile devices.

Native advertising is distinct from content marketing. Where content marketing aims to match content and format, native advertising, at least on mobile devices, is primarily an ad format that matches the style of the site or app where it serves. Moreover, native advertising can be bought programmatically, whereas content marketing usually requires editorial involvement.

An outcome of Native advertising is higher engagement with the viewer, which can help marketers with objectives including branding, as with in-feed ads, or performance, with search or app downloads formats, for example.



## The Formats

The mobile native ads committee reviewed and categorized all of the different types of native ads on mobile. They are complementary to the core six IAB native ad formats: in-feed units, paid search units, recommendation widgets, promoted listings, in-ad (IAB standard) with native element units and custom /”can’t be contained.”

Because mobile has unique device capabilities, the MMA native ad formats are designed specifically for the mobile marketing channel. They are in-feed social, in-feed content, in-feed content, in-map, in-game, paid search, recommendation widgets and custom.



**In-Feed (Social)**



**In-Feed (Content)**



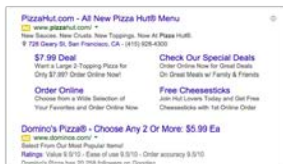
**In-Feed (Commerce)**



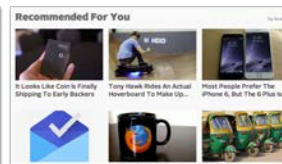
**In-Map**



**In-Game**



**Paid Search**



**Recommendation Widgets**

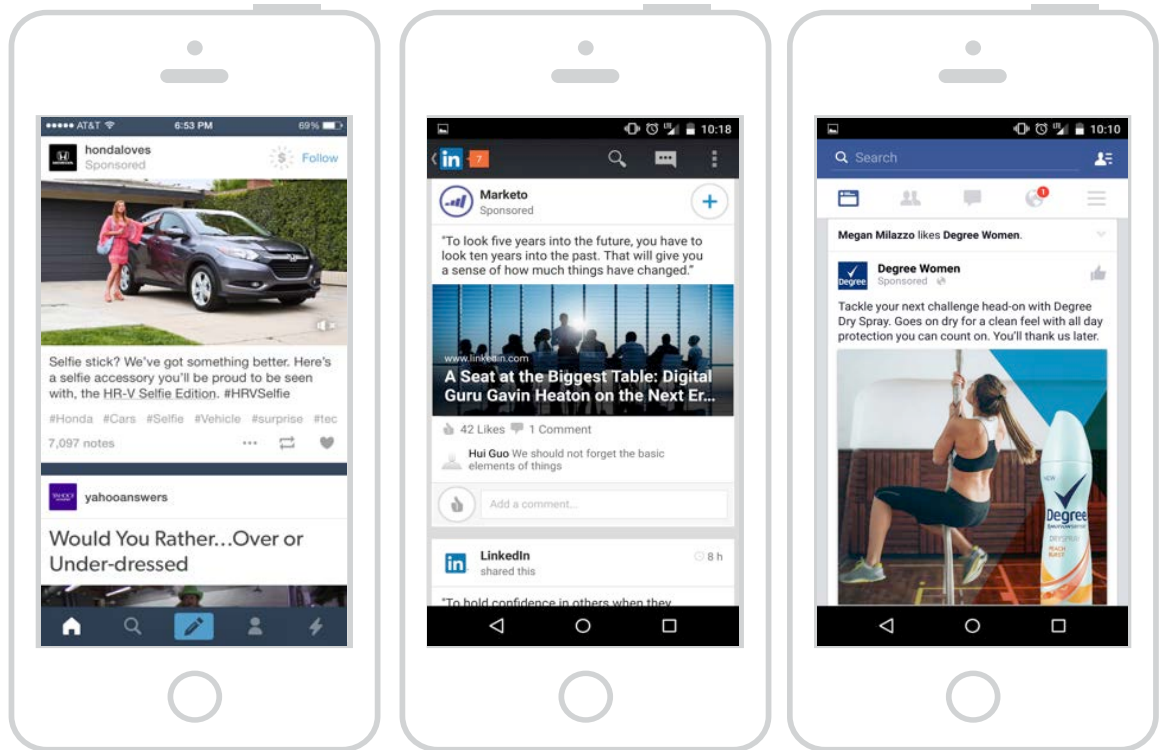


**Custom**

For each format, we explain how it is native by describing the function and form. We provide examples of companies that specialize in each format, and provide guidance for advertiser objectives.



## In-Feed Social

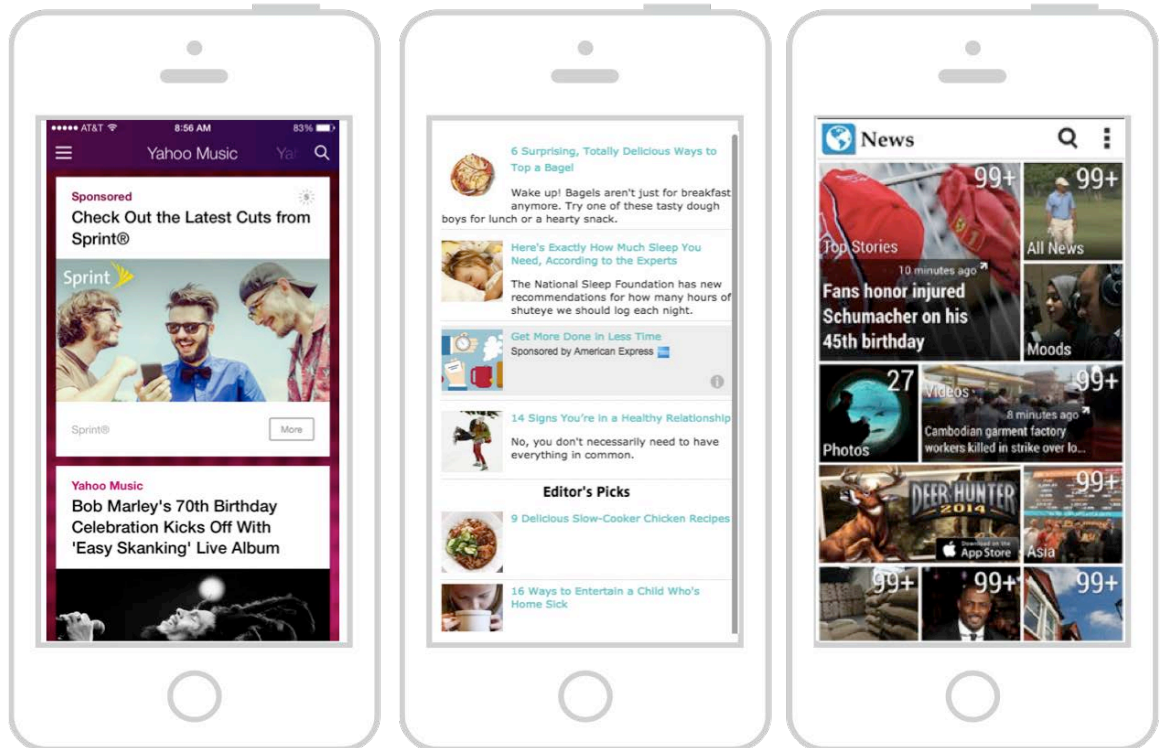


Social feeds include users' posts to social networks and sponsored content from advertisers. Social network data pulled into the native ad, such as friends who like the brand and likes or comments, provide social proof to consumers.

- **Form:** Ad blends in to each social network, i.e. Facebook Post, LinkedIn Update, Promoted Pin, and Sponsored Post (Tumblr)
- **Function:** The social network capabilities are available for the ad, i.e. Pin, Like, Tweet, Follow, Repost, etc.
- **Examples:** Tumblr, Pinterest, Twitter
- **Advertiser Objective:** Awareness or content engagement



## In-Feed Content

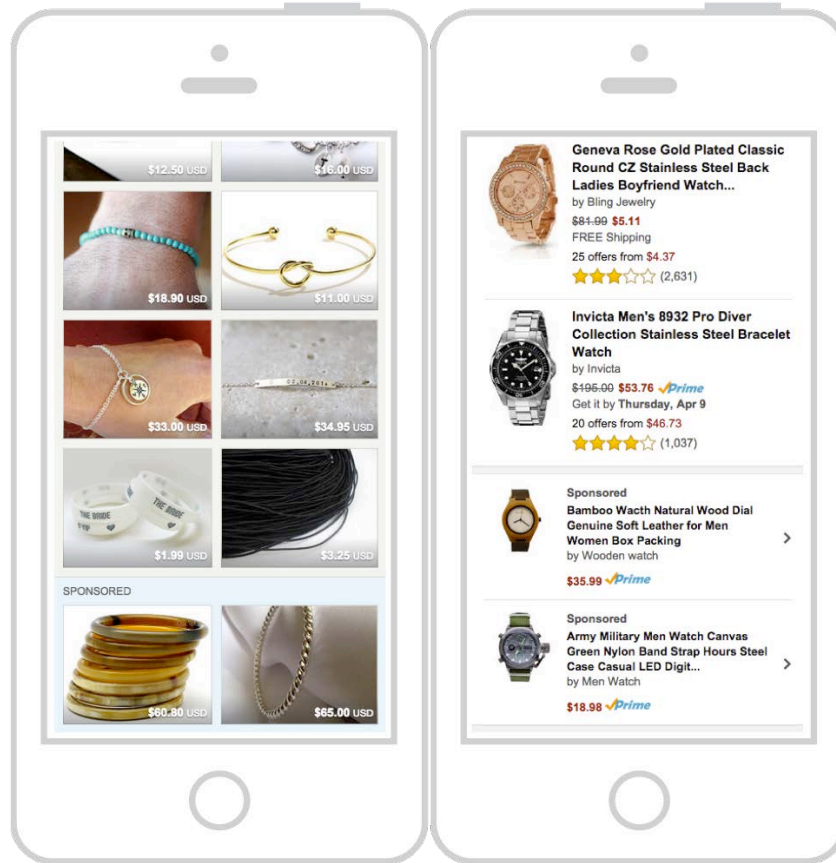


Editorial feeds, streams, and walls include both paid and unpaid content in various forms, including written stories, music, games, videos and inboxes.

- **Form:** Ad will match site layout, including fonts, graphics, etc.
- **Function:** Ads have the same user experience as unpaid content, including flipping, swiping, and viewing in-feed
- **Examples:** Yahoo, News Apps, SoundCloud, Sharethrough
- **Advertiser Objective:** Drive engagement with content such as read, view, watch or listen



## In-Feed Commerce

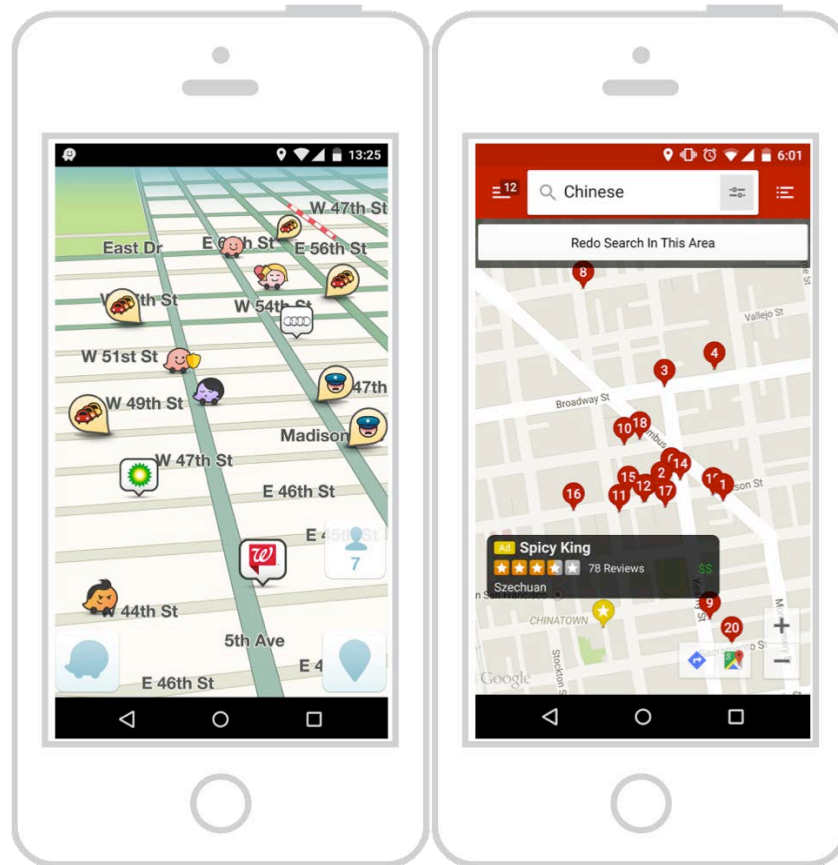


Commerce feeds contain product listings and promoted products are integrated within. This is a big retail opportunity to connect with users near the store or in store with NFC, iBeacons, GPS, and payments.

- **Form:** Ad blends in to site or app. includes same details as organic products such as price, reviews, product details, etc
- **Function:** Ad has same functionality as organic products such as buy, like, wish list
- **Examples:** Amazon, Etsy, Shopkick, App Store
- **Advertiser Objective:** Sell physical or digital products and services



## In-Map



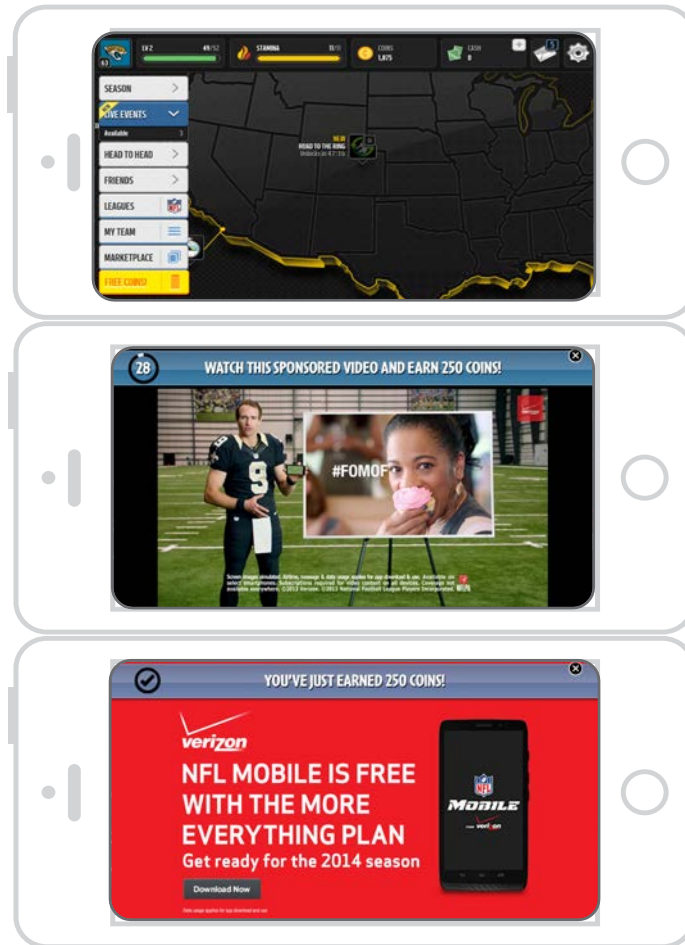
Mobile maps provide location and navigation information. In addition to map data and organically generated business listings, maps also provide native ads in-maps.

- **Function:** Ads appears on map with location context
- **Form:** Ads can show distance to location, navigation, directions, click to call, hours, etc
- **Examples:** Waze, FourSquare, Google Maps
- **Advertiser Objective:** Drive in-map location awareness & arrivals





## In-Game

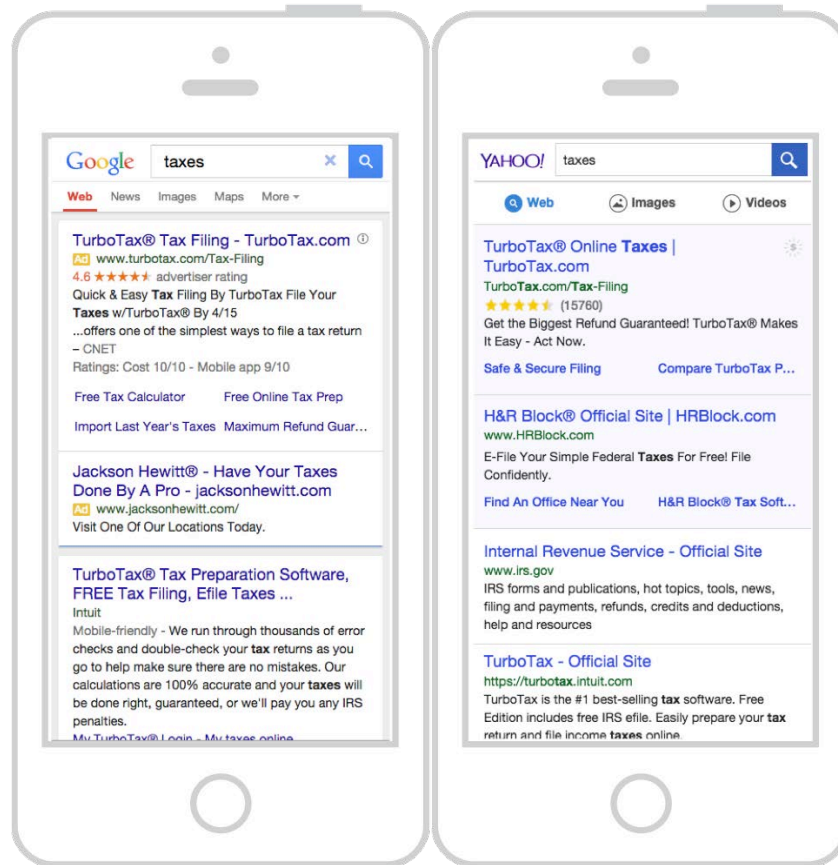


Ads are opt-in where players are invited to watch a video and earn a reward. The reward is a digital currency or feature that adds value to the player experience.

- **Form:** Video runs in ad container that matches the look/feel of the game. The video is not seen unless a player clicks on an icon that offers a reward for watching a video
- **Function:** Ad provides value exchange for players to engage with brands
- **Examples:** Verizon ran a video in Madden 15 where when a player watched the :30 second video, they are rewarded with 250 coins to improve the gameplay experience
- **Advertiser Objective:** Increase brand awareness, better advertising performance, higher engagement



## Paid Search



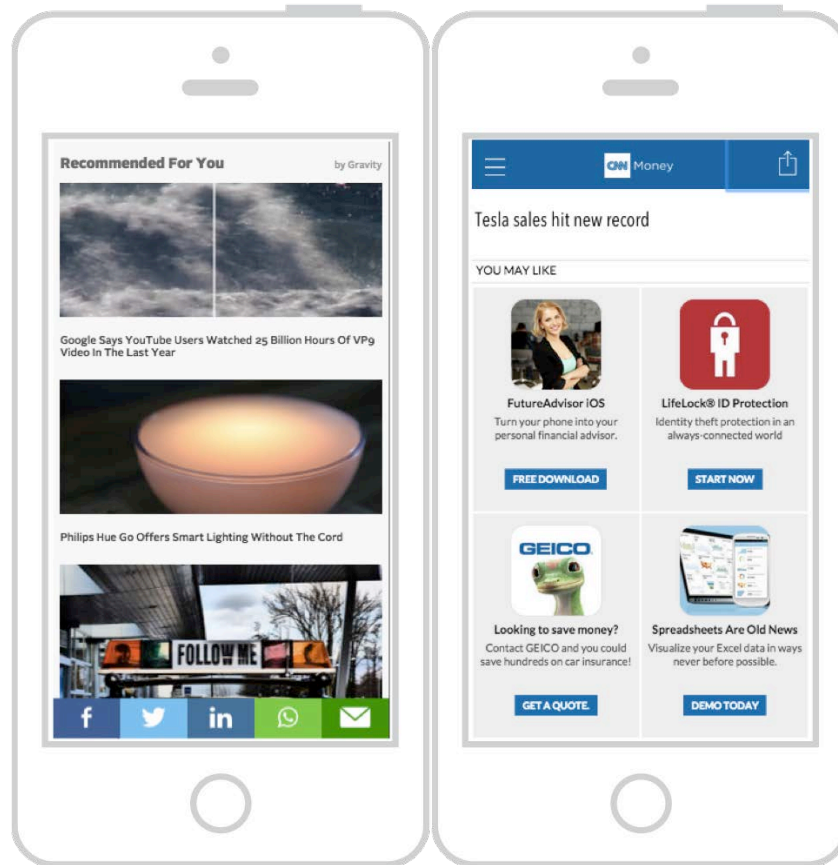
Ads appear on mobile search sites and apps integrated with organic search results. Mobile features such as click to call, nearest location, driving directions, hours of operation.

- **Form:** Ads appear on search results page above and below organic search results
- **Function:** Same functions as organic listings including click, call, etc
- **Examples:** Google, Yahoo
- **Advertiser Objective:** Drive site visits, calls or foot traffic





## Recommendation Widgets



Recommendation widgets feature sponsored links and often appear at the end of a feed or when a user is finished reading an article.

- **Form:** Image and texts match the editorial site
- **Function:** User behavior is same as organic content, click out to full article
- **Examples:** Gravity, Taboola, Outbrain, and Yahoo Recommends
- **Advertiser Objective:** Drive traffic to content



## Custom



Content that is built by a brand. For mobile, it can be editorial, music, apps, games or videos. Custom mobile native ads are great for offline integrations with location data and augmented reality.

- **Form:** Custom sponsorship must match site or app look and feel. Bring in elements from publisher to ad
- **Function:** Ad functionality should match organic app or site functionality
- **Examples:** Sit Or Squat app sponsored by Charmin, Pandora sponsored station, Citibike sponsored app
- **Advertiser Objective:** Increase brand awareness



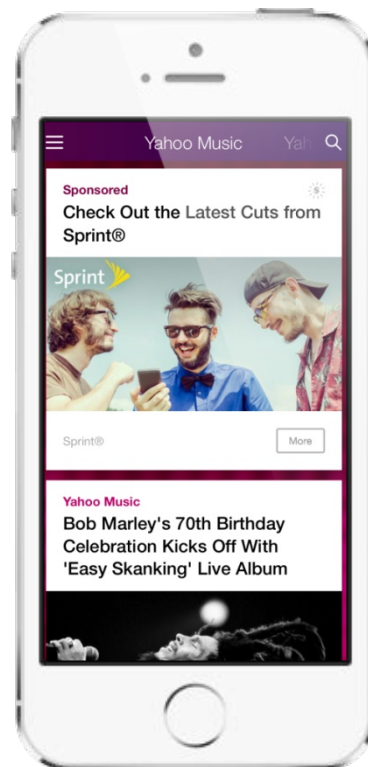
## The Case for Native Advertising: It's Fit & Effective

Across all of the MMA mobile native ad formats, native ads just fit. And, great **Fit** drives results for advertisers by increasing **Awareness, Engagement** and delivering lift in **Brand Metrics, Attention KPIs, Purchase Intent** and **Consumer Action**.

To support and illustrate the case for native advertising, the MMA conducted what is likely the most comprehensive industry survey of mobile native ad effectiveness in 2015. MMA members Ahalogy, Celtra, EA, PubNative, Sharethrough, Waze and Yahoo compared campaign results and research findings in an effort to demonstrate that when mobile native is done properly, it can become an extremely effective approach across formats and various advertiser goals and objectives.

### Ads That Fit In Receive More Focus And Attention

Native ads fit naturally into the environment where they are served. In multiple tests fit was found to drive beneficial effects for advertisers. When native ads appear in a mobile experience there is a halo effect that makes consumers perceive the ad better. When native ads were tested in Yahoo's premium content streams, they were found to have **23% higher ad quality scores and earn 3X more time and attention than mobile banner ads.**<sup>2</sup>



Source: Yahoo

<sup>2</sup> [Ad Environments: The Halo Effect \(Full Deck\), Advertiser Strategy & Trends, Thought Leadership, US, Americas, Sept. 2014](#)



## A Neuroscience Perspective

In a similar study, titled *A Neuroscience Perspective*, designed to assess visual focus and message processing, Sharethrough and Nielsen found that native ads received 2X the visual focus of banner ads placed in the exact same place in the feed.<sup>3</sup> In addition the study found that traditional banner ads received little-to-no visual focus on the text. Banners were processed in the peripheral field of vision as is common for these ad types. This type of processing occurs much faster than textual processing and can hinder reading of taglines. In-feed native ads on the other hand are read. As a result, native ad headlines were found to strengthen positive associations with the brand.



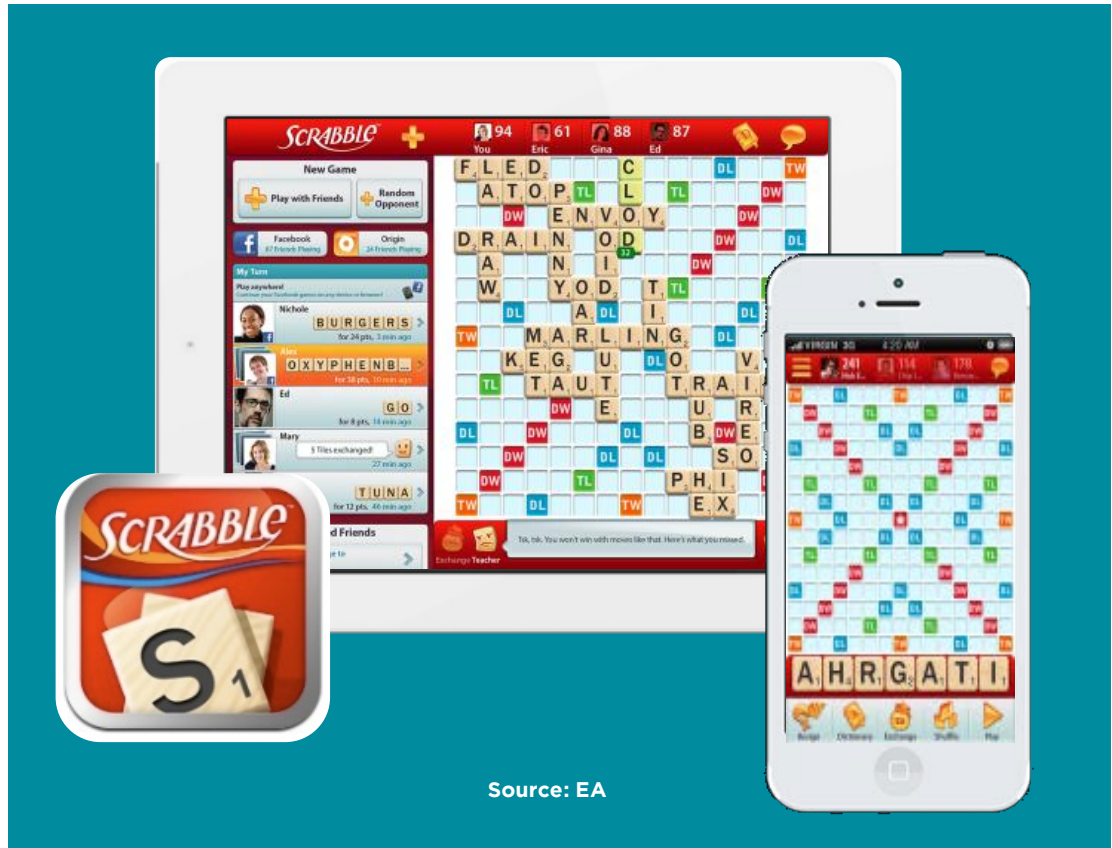
## In-Game - Scrabble Case

In a customized execution for a major auto brand, EA developed an immersive brand experience in Scrabble, consisting of a sponsored luxury game board and letter tiles as well as a custom in-game challenge. The program fit naturally into game play with elements designed to convey key brand messaging while rewarding players with new and highly coveted in-game features. Fit again proved to be key to the success of this

<sup>3</sup> <http://sharethrough.com/neuroscience/>



campaign: 93% of consumers surveyed thought the sponsorship was a good fit in the game, and 82% said the luxury kit even added to their enjoyment of the game.<sup>4</sup>



### PLAYER REACTIONS

**93%**

Thought the sponsorship was a good fit in the game

**82%**

Said the Luxury Kit added to their enjoyment of the game

<sup>4</sup> Native advertising on Mobile, Advertising Effectiveness Examples, EA Global Media Solutions, 2015



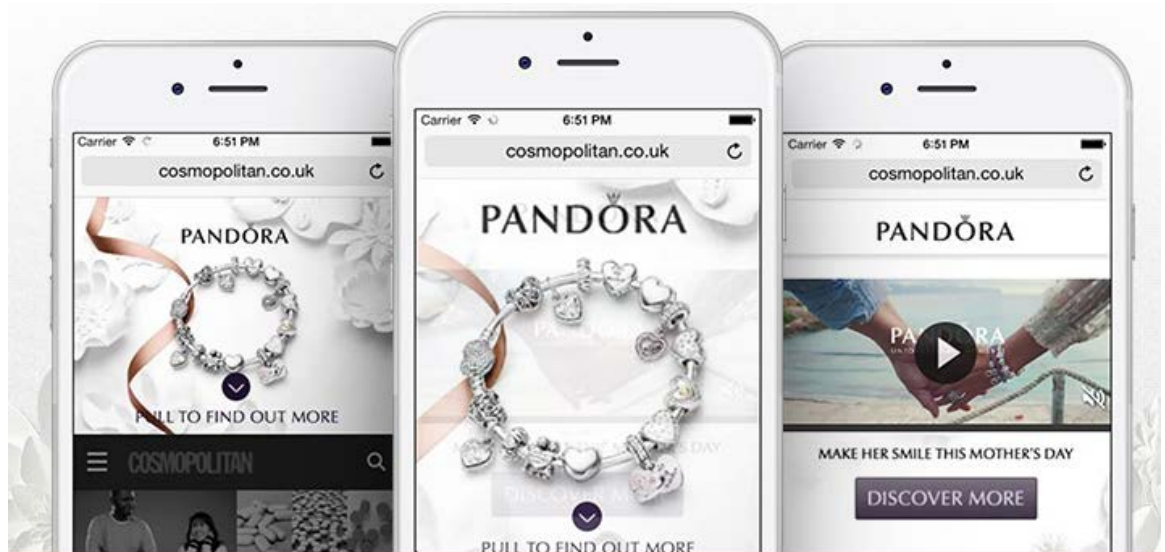
## Effectiveness By Advertiser Goal

### Engagement

For advertisers with engagement goals, mobile native ads outperform traditional banners. As the following examples illustrate click rates and other measures of engagement, trend higher when mobile campaigns use native ad executions.

For instance, **PubNative found that native ad integrations in both gaming and non-gaming apps fared much better than traditional ads in terms of engagement metrics for advertisers. On average, CTRs were increased 6x and CRs 3.5x.**<sup>5</sup>

Working with the Pandora jewelry chain, Celtra and Hearst Magazines UK combined storytelling with a mobile native experience. Pandora's campaign showed expansion rates that were 150% higher than benchmarks for standard expandable banners. In *Mobile Marketer*, Caitlin Steele, online marketing manager for Pandora Jewelers, said the format provided a satisfying native user experience by adapting to the look and feel of the entire page, boosting customer engagement.<sup>6</sup>



<sup>5</sup> [http://pubnative.net/wp-content/uploads/2014/09/HappyMallCaseStudy\\_A4.pdf](http://pubnative.net/wp-content/uploads/2014/09/HappyMallCaseStudy_A4.pdf);

[http://pubnative.net/wp-content/uploads/2014/12/QuackCaseStudy\\_A4\\_web.pdf](http://pubnative.net/wp-content/uploads/2014/12/QuackCaseStudy_A4_web.pdf)

<sup>6</sup> <http://www.mobilemarketer.com/cms/lib/25193.jpg>

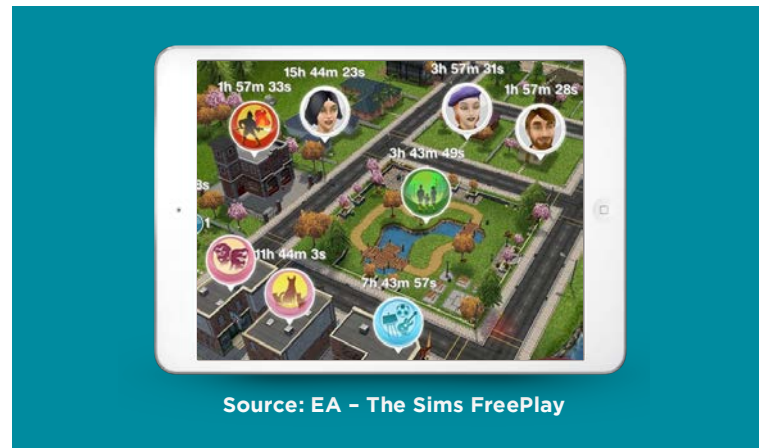




In a broader study on native ad formats Celtra measured a boost in engagement across several clients and publishers with native video and rich media ads. Native formats were by far the best performers when compared to traditional rich media ads. Both key performance metrics in the study, expansion rate at 1.84% and engagement rate at 18%, were more than 2 times higher than on standard ads. **In total, users were observed to spend 40% more time interacting with native ads than with standard ones.**<sup>7</sup>

As reported in Forrester's "*Boost Contextual Reach With Content Marketing For Mobile*" report and furthering the point on engagement while differentiating across devices, Nativo found that **native CTR on mobile executions is 40% higher than that of desktop executions.**<sup>8</sup>

EA recorded strong click-through rates on another custom native campaign. A leading consumer electronics company wanted to engage a target audience for their line of oral care products. With a custom integration in The Sims FreePlay, the brand drove a 7.8% CTR to its microsite after consumers viewed campaign media.<sup>9</sup>



In addition to native outperforming traditional banners, native on mobile outperforms native on desktop. Sharethrough found mobile native ad campaigns result in a 375% engagement lift over desktop native ads.<sup>10</sup>

<sup>7</sup> [Rich Media Monitor insights report for Q4, 2013](#)

<sup>8</sup> Boost Contextual Reach With Content Marketing For Mobile, Forrester Research, 2015

<sup>9</sup> Native advertising on Mobile, Advertising Effectiveness Examples, EA Global Media Solutions, 2015

<sup>10</sup> Sharethrough Platform Data Q1 2015



## Brand Awareness

Not only do native ads deliver engagement; they have also helped drive results for brand advertisers who measure effectiveness with metrics like recall and awareness.

Yahoo! measured how mobile native ads deliver greater brand lift metrics. In a study of 1,000 in-market travel consumers Yahoo! saw native ads increase top of mind awareness 114% compared to a control group. This lift was even greater when two native formats were used together. **When in-stream native ads were combined with a paid mobile search campaign the lift jumped to 279%.**<sup>11</sup> Similarly, EA recorded an 87% brand lift in the Scrabble autos campaign mentioned previously; demonstrating how fit helps drive brand metrics.<sup>12</sup>

Waze has implemented a number of native in-map campaigns for brand advertisers. To date, they have executed 64 Ad Effectiveness studies for major brands in 9 countries. Participating brands represent a wide variety of industries including retail, restaurants, fuel, automotive, banking, telecom, grocery, entertainment and insurance. **The research placed branded pins on users Waze map, marking specific business locations throughout the course of a drive. Average brand recall was over double of the control group, a 104% lift.**<sup>13</sup> The Waze advertising research methodology compares the lift in ad recall and lift in navigation for users exposed to the ads vs. a control group. Two campaigns serve as examples of the effectiveness of the in-map format from Waze, that ran in the Waze app.

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<sup>11</sup> Gemini Mobile Ad Effectiveness Study: Travel Brand (Mobile Ad Strategy/Advertiser Strategy & Trends, USA, Americas, June 2014)

<sup>12</sup> Native advertising on Mobile, Advertising Effectiveness Examples, EA Global Media Solutions, 2015

<sup>13</sup> Waze, Ad Effectiveness Research





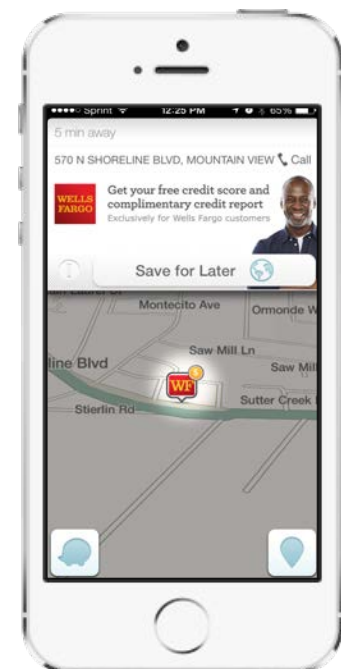
**Dunkin' Donuts: The campaign goal was to drive restaurant traffic.**

- Ad unit recall was well above our benchmarks, and for navigation lift we saw that users exposed to the ads were more than twice as likely to visit a Dunkin' Donuts location. We drove over 1,000 incremental store visits to their store during one of their Waze ad campaigns!



**Wells Fargo: The campaign goal was to drive consumers into branches to receive a free credit score and complimentary credit report.**

- Waze showed a huge lift in navigations to branches in the exposed group vs. a control, and ad recall studies showed that Waze users remembered seeing the Free Credit Report offer.





## Purchase Intent and Action

With mobile native ads, engagement and fit drive more than brand metrics. Across our survey many mobile native ad providers reported increased purchase intent and consumer action to complement increased brand lift.

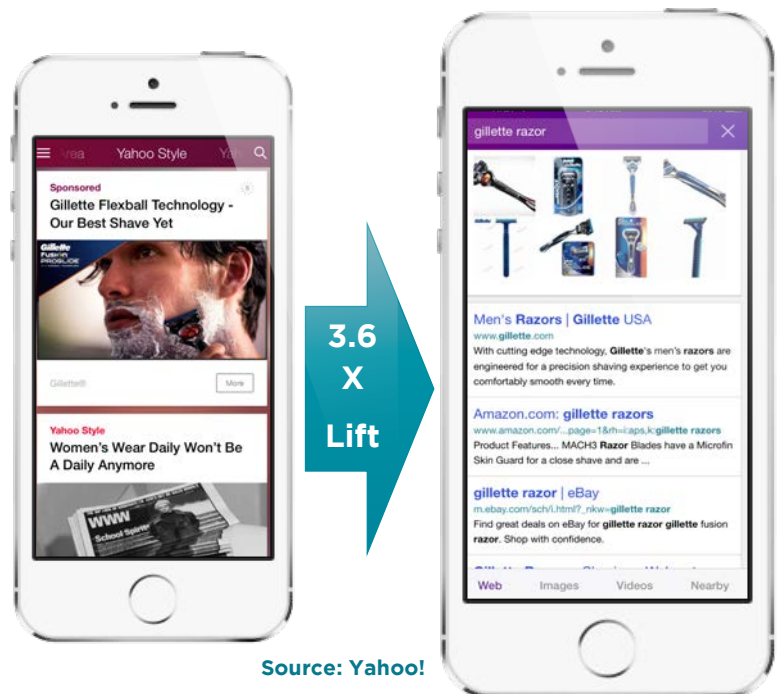
Ahalogy, working with Pinterest, found that **52% of active Pinners pull up Pins in-store to guide purchase decisions and that 53% of daily users have purchased online or at a brick & mortar because of a mobile native ad they saw on Pinterest.**<sup>14</sup>

**Among four custom mobile native in-game experiences, EA measured purchase consideration lift between 30% and 200%.**<sup>15</sup>

Waze was able to go even further recording Navigation Lift, measured by store visits, between a control audience and a group exposed to mobile native in-map ads.

**Aggregating 15 Navigation Lift studies for major brands in 4 countries Waze saw a 53% lift in navigation to advertised stores.**<sup>16</sup>

Yahoo! took another approach: **in a study of 9 unique campaigns, using search lift as a proxy for purchase intent, they saw 3.6X higher branded search activity for in-stream native campaigns compared to mobile banner campaigns.**<sup>17</sup>



<sup>14</sup> Ahalogy, Winning via Mobile & Native on Pinterest

<sup>15</sup> Native advertising on Mobile, Advertising Effectiveness Examples, EA Global Media Solutions, 2015

<sup>16</sup> Waze, Ad Effectiveness Research

<sup>17</sup> Yahoo in-stream ads AdFx Study: Aggregate Report (June 2014, Native/Advertiser Strategy & Trends, USA/Americas)



## Summary on Effectiveness

Across the industry, we see key trends emerge in mobile native ad effectiveness, and it is clear that when the native ad fits, it is effective. Our survey demonstrates higher levels of mobile native ad engagement and interaction surpassing that of display rich media, while also highlighting that brand consideration and recall lifts signal significant traction for mobile native advertising to fulfill upper funnel brand objectives.

The feedback from consumer studies has emphasized that native ads fit their environment, and when executed to not only fit, but to also enhance the consumer experience, we see advertisers reap the benefits. While mobile banners may still help some marketers achieve lower cost scale and reach, the unrivaled quality, fit and effectiveness that mobile native formats can drive at less frequency is undeniable.

As these trends continue to deepen, the conversation shifts from the need to understand native as a novel advertiser solution to developing it as an integral part of the media mix where it is a driver of omni-channel strategies. Marketers, when deciding on the goals of a campaign, will elevate their considerations to include the native format in order to deliver optimal results.

Whether it is paid search or in-feed brand content, native advertising has the promise of making cross-device tactics an inherent part of any marketing plan looking to drive real results. The MMA's SMOX research underscores the vitality and effectiveness of mobile native advertising, showing surprising strength at lower frequency (fewer placements and exposures) that contributes to better ROI.

While the story so far indicates that mobile native is a good fit and can be extremely effective, it is just the beginning. As this type of advertising grows in usage, advertisers, agencies and media partners will all have to strive for high integrity in how they build and execute mobile native ad programs to ensure that consumer trust is maintained at all times.



## The Time for Best Practices

As the Native format continues to grow in both popularity and effectiveness the MMA Mobile Native Advertising Committee sees this as a perfect opportunity to codify best practices for publishers and advertisers alike. At a time when user attention is fragmented and stretched in different directions by the multitude of apps on the small screen, and publishers are moving towards byte sized content, mobile native advertising can be made effective only if it catches the user's roving eye at the right moment. Even though the native ad format is meant to fit in by design, it is important to ensure that the marketing message stands out and is relevant to the user context. By pushing these tenets out now, we are encouraging the marketplace to heed these principles so that consumers get the primary benefit that native provides – compelling and material user experiences. Keeping these best practices in mind while implementing native ads can make all the difference in converting the indifferent scroll into a thoughtful click.

## Best Practices for Publishers

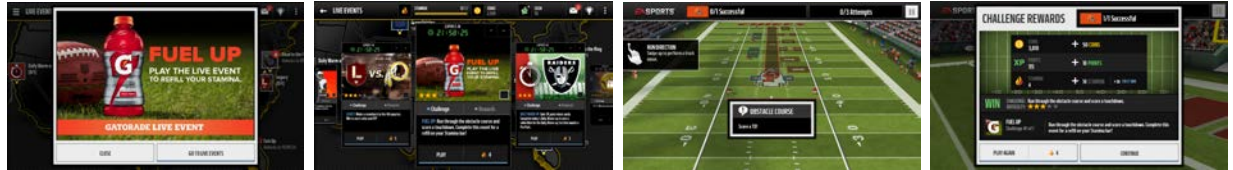
### Relevance

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 in-game 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, non-intrusive 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.



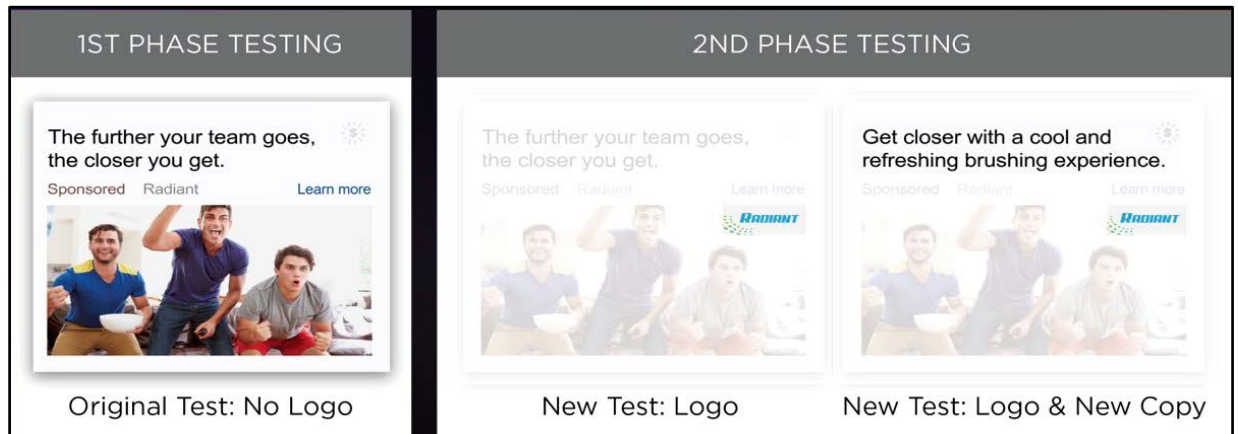
Source: InMobi



## 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

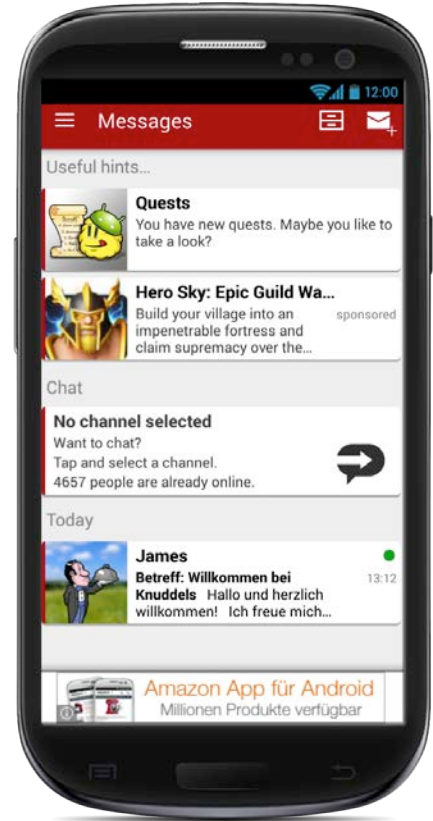
For native advertising to be effective in terms of performance and monetization, the ad unit needs to be easily discoverable. In case of a feed structure, best results are achieved if the ad unit is available on the main pages, above the page fold and then repeated every few (5-6) tiles. Several ad networks 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-through-rates 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 player-first 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

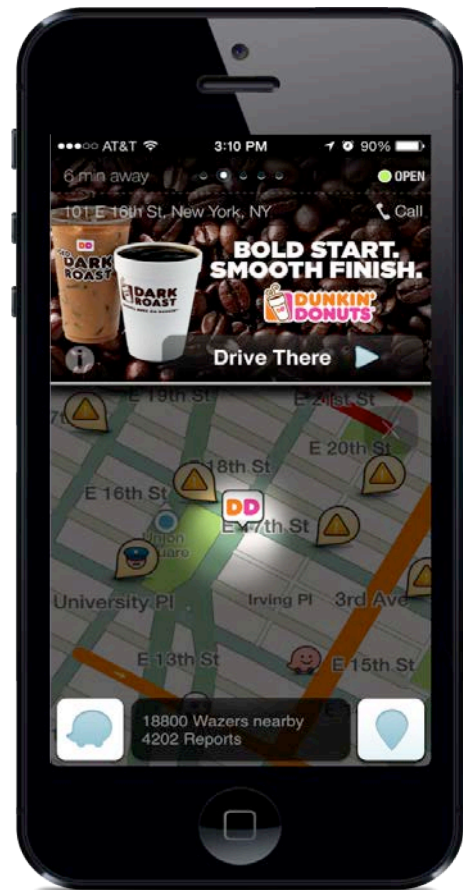


## Persistence

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





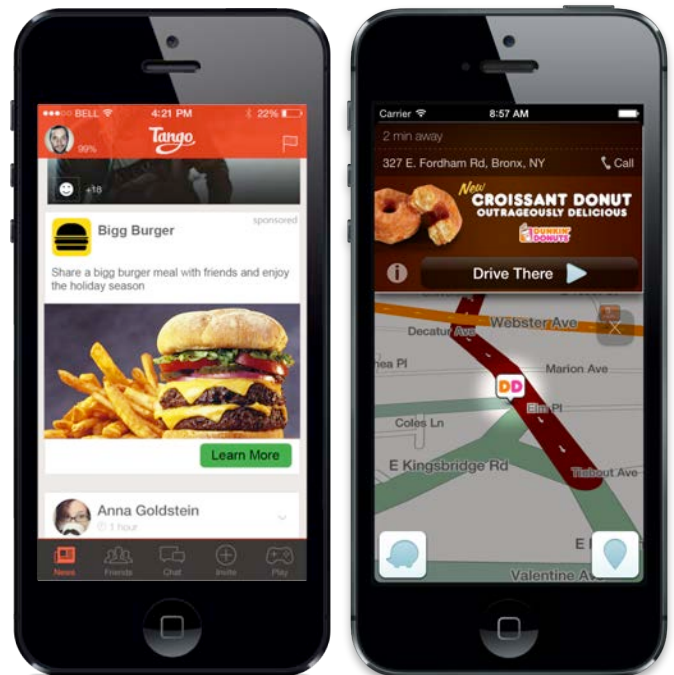
## Best Practices for Advertisers

### 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 creatives<sup>18</sup>.

- *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)

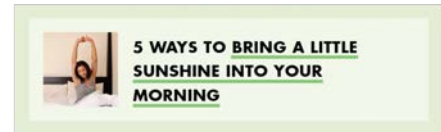
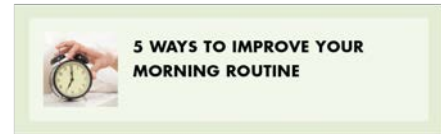


Source: Sharethrough

<sup>18</sup> 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



♥♥ MEDIUM



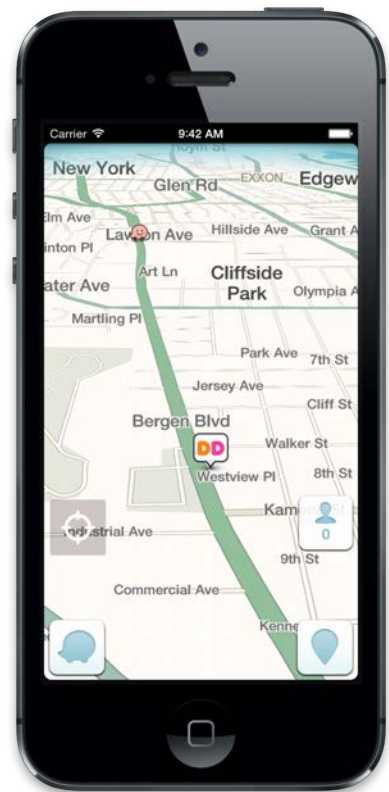
♥♥♥ STRONG

♥ = Emotional Engagement

Source: Sharethrough



- 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: Drive in-map location awareness & arrivals
  - 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



## In Summary

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:

1. 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 Last Word

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 final section, 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 section 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](http://www.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., Bidtellekt, 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](mailto:committees@mmaglobal.com).



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### Formats

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The Mobile Marketing Association welcomes any feedback, from members and non-members 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](mailto:comments@mmaglobal.com).