

IAB Deep Dive on In-Feed Ad Units

A supplement to the IAB Native Advertising Playbook

JULY 2015



The in-feed ad unit type, as identified in the IAB Native Advertising Playbook (12/14), has proved to be a major ad type deployed to achieve native objectives and is the one creating significant buzz in the industry.

This document takes a deep-dive view into today's in-feed advertising, specifically the consumer's first experience or ad discovery with the paid content distribution ad. This is what one sees before the click. We focus on exploring the most commonly used in-feed ad types found on the three dominant feed types: Content Feeds, Social Feeds, and Product Feeds. Focusing on feed types helps buyers and sellers to have a common framework to assess existing and future opportunities for current and emerging new in-feed ad types on both web and mobile based on their goals. This is important so that marketers and agencies know their creative options for in-feed advertising, particularly as more in-feed ads are served programmatically.

The ultimate goal is to ensure that the ad type and the ad experience best fit within a given publisher's environment/UX to meet the advertiser's goals.

www.iab.net/media/file/IABNativeAdvertisingPlaybook.pdf

Note:

This document is a companion piece to the <u>IAB OpenRTB Dynamic Native Ads API Specification Version 1</u> that was released in February 2015. The mission of the OpenRTB Native project is "to spur standardization and greater growth in the Real-Time Bidding (RTB) marketplace for native ads by providing open industry standards for communication between buyers of advertising and sellers of publisher inventory." This allows native ads to be targeted, optimized, and transacted on programmatically, reducing workload on publishers and advertisers alike.

This document is also a precursor to a separate IAB Dynamic Ad Component and In-Feed Guidelines initiative designed to power "native" advertising at scale. These will differ from past IAB standards in that they will not center on pixel dimensions but rather on the treatment of the components of ads and how they are dynamically called and rendered into ads. These components are most often rendered into in-feed ads that, again, are often not pixel-dimension dependent.



This document was prepared by a working group within the IAB's <u>Content Marketing</u> and <u>Native</u> <u>Advertising</u> Task Force groups which was led by Kayla Wilson and Tanvi Kapoor from InMobi along with committee co-chairs Dan Greenberg from Sharethrough and Graham Harris from Yahoo. Susan Borst, Director of Industry Initiatives, was the IAB lead. All members of the IAB Content Marketing and Native Advertising Task Force groups* had the opportunity to comment on the final draft.

Sarah Fruy	
Satish Polisetti	. AdsNative
Michael Weaver	.Bidtellect
Jordan Hyman	.Bloomberg
Scott Messer	Demand Media.
Joseph Weinholtz	Disney Interactive
Tom O'Brien	. Disqus
Tony Winders	.GumGum
Kayla Wilson	. InMobi
Dan Rubin	Meredith Digital
David Cole	.Mixpo
Melody Dekel	.My6Sense
Arnon Dembo	.My6Sense
Justin Choi	. Nativo
Chris Rooke	.Nativo

Adam Weinroth OneSpot Tony Vlismas......Polar Kevin FloodPowerLinks Media Milena MarkovaPubMatic Liam DoyleSalesforce Marketing Cloud Cara DiBrunoSelectable Media Matt MinoffSelectable Media Lisa FongSharethrough Dan GreenbergSharethrough David ParkThe Daily News Ben KaplanTime Inc. Ari LewineTripleLift Edwin PhilogeneTumblr Graham HarrisYahoo

*A complete roster of members of the IAB Content Marketing and Native Advertising Task Force groups can be found in the appendix.

- Please address any questions or comments about this document to Susan Borst, susan@iab.net.
- For questions related to the IAB Native OpenRTB Specification API Version 1, please contact Melissa Gallo, Melissa@iab.net.
- For questions related to the IAB Dynamic Ad Component and In-Feed Guidelines initiative, please contact Shailley Singh, shailley@iab.net.

WHY WE PREPARED THIS PAPER

The IAB Native Advertising Playbook, published in December 2013, acknowledged that there are different types of in-feed native ads that fit neatly within a user's natural activity stream. It was also

noted that these in-feed ads have the largest variation in execution. As in-feed native ads continue to evolve with new ad unit types and with the advent of programmatic in-feed native ad buying and selling, the IAB Native Advertising Task Force thought it would be helpful to publishers, advertisers, and agencies

The ultimate goal of this deep dive on in-feed ads is to ensure that the ad type and the ad experience best fit within a given publisher's environment/UX to meet the advertiser's goals

to add more structure and definitions so the industry could speak a consistent language on the topic. This "deep dive" will serve as supplement to the original Playbook.

Note: The focus of this paper is on the paid in-feed ad itself, what a consumer sees before they click regardless of the type of content (article, video, other) or who prepared the content (brand, publisher, other.) Where noteworthy, commentary is provided on post-click actions and dimensions.

WHY IS THIS PAPER IMPORTANT?

Examining different permeations of in-feed ads is important so marketers and agencies know their creative options for in-feed advertising, particularly as more in-feed ads are served programmatically. As will be discussed, it is also important for advertisers to understand the context of their ads on a given feed type, as what may work on one feed type or specific site may be inappropriate or less impactful on a different feed type or specific site. This is equally important from the publisher perspective to ensure that the in-feed ad type is a "fit" for the site.

• For more information about the importance of context/relevance for both brands and publishers, please refer to the IAB/Edelman quantitative study titled "<u>Getting In-Feed Sponsored Content Right:</u> <u>The Consumer View.</u>"

Background

The IAB Native Advertising Playbook defined "native advertising" as a concept encompassing both an aspiration as well as a suite of ad products. It is clear that most advertisers and publishers aspire to deliver paid ads that are so cohesive with the page content, assimilated into the design, and consistent with the platform behavior that the viewer simply feels that they belong. To achieve this, advertisers deploy tactical ad products, and the IAB Native Task Force identified the six categories of ad unit types most commonly used today in pursuit of this goal. These included:

- In-Feed Ads (as seen on sites such as Facebook, Forbes, Twitter, etc.)
- Paid Search Units (as seen on sites such as Ask, Bing, Google, Yahoo, etc.)
- Recommendation Widgets (as found in Disgus, Gravity, Outbrain, and Taboola units)
- Promoted Listings (as seen on sites such as Amazon, Etsy, Foursquare, Google, etc.)
- In-Ad (IAB Standard) with Native Element Units (as delivered by companies such as Appsavvy, EA, Federated Media, Martini Media, and OneSpot)
- Custom / Can't Be Contained these are either uber-custom executions unique to one site or unit types that don't have enough players to warrant their own classification, such as Recommended Playlists



Because of the enormous variation between and even within these six native ad unit types, IAB provided a Native Evaluation Framework continuum as way for marketers, agencies, and publishers to evaluate different offerings. The five characteristics for evaluation are:

- Form. How the ad fits with the overall page design native ads match the visual design of the experience they live within and look and feel like natural content.
- Function. Does the ad function like the other elements on the page in which it is placed? Does it deliver the same type of content experience, e.g., a video on a video page or story among stories, or is it different?
- Integration. How well do the ad unit's behaviors match those of the surrounding content? Are they the same (e.g., linking to an on-site story page and social actions), or are new behaviors introduced (e.g., linking off-site)?
- Buying & Targeting. How is the ad placement targeted? Is it narrowly targeted (e.g., baseball section of sports page) or more broadly targeted (e.g., run-of-network)?
- **Measurement.** Is the ad typically evaluated on more top-of-the-funnel brand engagement metrics (e.g., views, likes, shares, time spent) or more bottom-funnel, direct response metrics (e.g., click-through, download, register)?



EVALUATING IN-FEED ADS BY FEED TYPE

Because ad types can come and go quickly, we thought it would be most helpful to evaluate in-feed ad units according to the type of feed that they are typically found on. While acknowledging that feed types are continuing to evolve, with some sites actually mixing feed types and/or taking on variable aesthetics/content which don't fall cleanly into one bucket, there are three main types of feeds where In-Feed native advertising can be found:

4

iab.



Content Feed: editorial sites, feed reader apps, and other content-focused apps designed with a news feed of articles, images, videos, or music. Ad types are primarily articles, images, or videos.

Product Feed: sites and apps that display product listings, service listings, or app listings. They contain product, price, reviews, and purchase information. Ads within these feeds are primarily products, services, or app installs.

Social Feed: include users' posts, businesses' posts, articles, photos, videos, and status updates. Ads on social feeds pull

in social data such as friends who like the brand, followers, likes, number of views, and comments. Ad types vary across all categories.

Note: For the purposes of this report, we excluded in-game advertising which is included in the In-Feed ad type in the IAB Native Advertising Playbook. More information on in-game advertising can be found in the <u>IAB Game Advertising</u> <u>Ecosystem Guide</u> prepared by the IAB Game Advertising Committee.

THE THREE MAIN FEED TYPES AT A GLANCE

Ī

ab



*The difference between an ad in a Content Feed and Social Feed is that a native ad in a social feed often pulls in unique assets from the brand or user profile, including friends who like the brand, followers, and profile image.

6



THE FOUR MAIN AD TYPES AT A GLANCE

There are four primary types of ads which are largely differentiated by the content objects contained within them. The graphic below is one representation of how each type may be executed; however, other variations exist depending on the site. Regardless of the variation in layout, it is the content object in the ad that remains consistent.

	Headline Text Goes Here Description goes here O Sponsored by Brand Name	A. Story Ads – In-feed ad links to articles / written editorial content pieces
L	.ogo Image	
	Headline Text Goes Here Description goes here O Sponsored by Brand Name	B. Video Ads – In-feed ad links to video (short or long forme Vine or GIFs)
ideo Asset L	.ogo Image	
A i	Headline Text Goes Here Description goes here * * * * Sponsored	C. App Install Ads – In-feed ad links directly to download a mobile app
App Icon	Description goes here * * * *	

While a brand can, technically, run any ad type on any feed type/site, it is considered best practice to follow the design approaches based on the feed implementation (form, function). Aligning the in-feed ad with the form, function, and integration of the page it lives on will help deliver on the "native" aspect of the ad, meaning that the ad that will be so cohesive with the page content, assimilated into the design, and consistent with the platform behavior that the viewer simply feels like it belong.

It is also important for marketers/agencies to know how the consumer will experience the advertising content based on different types of user interactions, which will vary depending on the ad unit (e.g., advertising experience is revealed by clicking, tapping, hovering, or swiping). As in-feed ad units evolve, there may be new types of interaction mechanisms to stay abreast of. Further, marketers/ agencies need to understand where that interaction will take the consumer, e.g., staying on the same site, taken to a different site, driving an action such as an install or a call, etc.

EXAMPLES: GUIDE TO WIREFRAMES

ab

To start to understand the most common variety of in-feed ad unit possibilities, you can mix and match the four main ad types in the three main feed types. As previously stated, technically, any combination could be used for any site and there are other ad types such as full screen stories that are not included here. These examples are not meant to be prescriptive but rather representative of the range that is commonly used today. The wireframe examples below provide just one possible user interaction for each ad unit type for demonstration purposes only. What follows is an overview of common combinations, followed by additional wireframe examples by feed type.

A note about carousel format ads: While this format is closely associated with one platform, Instagram, it is being used by numerous other sites. The carousel format is included in the IAB OpenRTB Dynamic Native Ads API Specification Version 1. These type of ads can either be a brand's carousel to tell a story or it can be a carousel created by publishers with ads from different advertisers.

For all combinations, please refer to the IAB Native Evaluation Framework found on page 4 to ensure that the ad type and the ad experience best fit within a given publisher's environment/UX to meet the advertiser's goals.





Content Feed Ad Examples







Social Feed Ads



Story Ad: Example #2 Carousel of story ads can be swiped





AN IMPORTANT NOTE ON DISCLOSURE

Disclosure continues to be of paramount importance for these and all native advertising units. Disclosure language for in-feed ads, what a consumer sees before they click, is typically at the discretion of the publisher; therefore, it is important for marketers and agencies to understand how an in-feed ad will be disclosed as paid advertising, particularly as more in-feed ads are traded programmatically.

The IAB continues to recommend the following Disclosure Principles:

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 itln 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 vs. what is publisher editorial content.

The above principles also hold true for disclosure for the second consumer viewing experience, what one sees after the click.

Additional disclosure resources can be found in the IAB Advertising Playbook.

CONCLUSION

In-feed ad unit adoption is growing across publisher sites while different ad unit types are introduced and/or retired quickly. While there are three main feed types (content, social and product), we also see feed types continuing to evolve with mixed feed types that have variable aesthetics/content which don't fall clearly into one bucket. But even with these changes over time, it is important that one thing remain the same and that is the need to evaluate the ad from the consumer perspective on a given site. Net-net: Just because an advertiser can place any type of in-feed ad on any type of feed site, doesn't necessarily mean that they should. To meet advertiser's goals within the aspiration of native (form, function, integration), advertisers should respect the consumer expectation on an individual publisher site and publishers should consider rejecting ad types that do not meet their consumer expectations relative to surrounding editorial content. Finally, disclosure continues to be of paramount importance so the consumer clearly can distinguish between what is paid advertising vs. what is publisher editorial content.

About the IAB

The Interactive Advertising Bureau (IAB) empowers the media and marketing industries to thrive in the digital economy. It is comprised of more than 650 leading media and technology companies that are responsible for selling, delivering, and optimizing digital advertising or marketing campaigns. Together, they account for 86 percent of online advertising in the United States. Working with its member companies, the IAB evaluates and recommends standards and practices and fields critical research on interactive advertising. The organization is committed to professional development, elevating the knowledge, skills, and expertise of individuals across the digital marketing industry. The IAB also educates marketers, agencies, media companies and the wider business community about the value of interactive advertising. Founded in 1996, the IAB is headquartered in New York City.

Native Advertising Task Force Mission Statement:

The Native Advertising Task Force is focused on evaluating the value and potential of Native Advertising. This includes evaluation of the native advertising ecosystem and terminology, disclosure principles, ad performance evaluation, opportunities/obstacles by platform, scalable vs. custom solutions, consumer perceptions, messaging and more. All output is generated by working groups formed from the Task Force at-large. This group works closely with the separate Content Marketing Task Force.

Leadership

Dan Greenberg, Sharethrough, Co-Chair Graham Harris, Yahoo, Co-Chair Susan Borst, IAB, Primary Staff Liaison

Member Companies

Aarki AARP AddThis adMarketplace AdsNative AdTaxi Networks Advance Local Ahalogy Airpush American Express Publishing Amobee AOL Autotrader.com **BBC** Worldwide **BBN** Solutions **Beachfront Media** Bidtellect Bloomberg Brandtale Brightcove BuzzFeed Condé Nast DailyMail.com/Elite Daily DataXu Demand Media Dieste **Discovery Communications** Disgus Dow Jones & Company (Wall Street Journal)

Drawbridge Dstillery Dun & Bradstreet **Electronic Arts** engage:BDR **Expedia Media Solutions** eyeReturn Marketing Facebook Flipboard Forbes Media Foursauare FOX Networks Group Gawker Media GLO Gaming Gloto Corp. Google Gravity GroupM GumGum Hearst Magazines Digital Media IAB IAB Canada **IDG** Communications InMobi inPowered IronSource IZEA Jumpstart Automotive Media Jun Group Kargo

LA Times LIN Digital LinkedIn Lonely Planet Los Angeles Times Mansueto Ventures Mashable Meredith Digital Merkle MGID Microsoft Advertising Millennial Media Mirriad Mixpo MODE Media Modern Healthcare Moko Social Media MONSTER my6sense National Public Media Nativo NeoReach Netflix NetSeer Nexage NTENT OneSpot Optonline Outbrain Pandora



PGA TOUR Phunware Advertising PointRoll Polar POPSUGAR **PowerLinks Media** PubMatic PubNative GmbH PulsePoint Purch Qualia Media Quixey ReactX Realtor.com Rodale **Rubicon Project** Salesforce Marketing Cloud Selectable Media Shareaholic

ShareThis Sharethrough Slate Magazine Solve Media sovrn Spendsetter Spotify Studio One StumbleUpon.com Taboola The Business Insider The Daily News The New York Times Company The Onion The Weather Channel **Thomson-Reuters** ThoughtLeadr Time Inc. TripAdvisor

TripleLift Trulia Tumblr Turner Broadcasting System Unilever Unruly Viacom Viant Inc. Vibrant Media Vidcoin Virool Visible Measures VivaKi Yahoo Yavli YouTube 7efr ZUMOBI

Content Marketing Task Force Mission Statement

Mission

This task force seeks to shine a light on the dynamic and evolving content marketing space and provide guidance and best practices that will ultimately help shape its formation and future growth. With the growing, industry-wide discussion over the definition of content marketing, it is important for the Interactive Advertising Bureau and its members to have a firm position on this topic from the view of publishers and sell-side facing organizations. Core to this discussion will be the convergence between technological development, publisher interest, advertising demand, and changing consumer behavior.

Leadership

Lisa LaCour, Outbrain, Co-Chair Chris Schraft, Time Inc., Co-Chair Andrew Susman, Studio One, Chair Susan Borst, IAB, Primary Staff Liaison

Member Companies

Aarki AddThis AdTaxi Networks Advance Local Ahalogy Altimeter Group Amobee **BabyCenter** Bloomberg Brandtale Brightcove BuzzFeed Condé Nast Content Marketing Institute Crowdtap Demand Media Demandbase **Discovery Communications** Disqus Dow Jones & Company (Wall Street Journal) Dstillery Dun & Bradstreet eBay

Foursquare Gawker Media Google Gravity **IDG** Communications inPowered IZEA Jun Group **Kinetic Active** LinkedIn Lonely Planet Mashable Meredith Digital Merkle MGID Millennial Media Moko Social Media OneSpot Outbrain PGA TOUR **PulsePoint** Purch Shareablee, Inc. Sharethrough SmartBrief

sovrn Studio One Swoop The Daily News The Madison Square Garden Company The Onion The Weather Channel Thomson-Reuters Time Inc. Tumblr Unilever Vibrant Media Vidcoin Wibbitz Yahoo ZUMOBI