THE DEFINITIVE GUIDE TO CONTEXTUAL ADVERTISING
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Rocketium 35
“Dear marketer,

Before you target me, ask yourself why I’d want to care…”

- Gen Z prospects

Consider this
“60% of Gen Z will not use an app or website that loads too slowly.” (Institute of Business Management), via Hubspot
PREFACE

Ads were always contextual -- at least until digital behavioural patterns became common knowledge and behaviour targeting took center stage. However, we are now at an interesting turning point in the history of online ads. Browser policies and privacy mandates have made non-negotiable restrictions on targeting through third-party cookies. As a result, there is a renewed focus on user experience and consent.
Because Chrome, Safari, and Firefox will all no longer support this type of data tracking (third party cookies) by 2022, publications like Digiday are calling Google's phase-out the

“death of the third-party cookie.”
Marketers are obligated to care not only about the mandates but also about the fact that the users they are targeting are evolving to distrust the media overall and subsequently, brands that try too hard. Besides, the steep costs of lawsuits (GDPR suits costing as much as €20 million or 4% of global revenue) are tight shackles that could potentially crush a company.

Contextual targeting, is therefore, one of the key strategies you need to embrace to stay relevant. Through a complete overview of how you could master pruning context, here is a playbook with actionable suggestions.
Contextual targeting, where ads online are targeted to people based on the context of what they’re looking at on page, is looking not just appealing but also safer.

Contextual Advertising: The New Frontier, The Drum Studios, in association with gumgum
CHAPTER 1

Contextual PPC advertising
In the same survey, Contextual Advertising: The New Frontier, responses of various digital advertising senior executives in the UK and the USA were analysed. They found that about 49% of responders in the USA said that contextual advertising was the most widely used method of targeting while in the UK, 32% responders voted for it. In both the geographies, cumulative targeting --demographic, contextual behavioural -- a healthy mix emerged as a clear winner.

When asked to elaborate, the executives stressed on the fact that contextual targeting improved the relevance of ads for users as well as added to user experience.

<table>
<thead>
<tr>
<th>Demographic Targeting</th>
<th>Contextual Targeting</th>
<th>Geo-Location Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>46%</td>
<td>32%</td>
<td>29%</td>
</tr>
</tbody>
</table>

A visual snapshot of the mix as per the study
Let us look at today's strategies in PPC contextual targeting --

Off-the-shelf segments

This method lets users buy pre-built keyword segments that are relevant. Given the popularity of contextual targeting, providers today sell segments that have mapped consumption patterns of users in popular categories. For example - contextual baby food segments, luxury FMCG segments travel, books, electronics, each have not just keyword segments but targeted, micro-segmented variations too.
Custom segments

This method lets you create segments of users that specifically match your criteria. This way, you can group all relevant content together.

If you are looking to target users who are looking for handmade soaps -- you might add all words relevant, handmade bathing bars, homemade soaps, even popular brands such as Lush could be your target. However, you would be wise to remove negative keywords such as soap operas -- based on the results you see.
**Target by sites**

Often prescribed only to smaller firms looking to go granular and do not mind the leg work -- this one relies on direct publisher partnerships. While it lets you target specific groups, decide a viable CPM, the flexibility of commitment-free advertising is missing. The brand safe environment, though useful, is very locally driven.

**Context and hyperlocal ads**

Where an ad is consumed adds a lot in making it effective. ‘Where’ could be the location, the video in which the ad is placed or the piece of content it is associated with. This is also not about creeping your audience as they go around, but more about merging in with their atmosphere and needs.

Hyperlocal context is built as a combination of your own audience data and the geo-local granularity ad partners provide.
KEY TAKEAWAYS

- Contextual targeting is an older technique that is today a growing trend given privacy concerns. It improves ad relevance as well as contributes to user experience. In the light of new policies, it is safer too.

- Contextual ads on PPC mostly rely on off the shelf segments, site targeting and hyperlocal ads.
CHAPTER 2

Creating context on social platforms
Employ continuous optimization on Facebook and Instagram

Regardless of the ad format you choose, your Facebook context is only as rich as the experiments you run. Relevance changes everyday, with socio-political undertones, weather, and trends affecting audience moods a lot more profoundly than it did before social sharing became second nature to everyday consumers.

Besides, the more more you spend, the more creatives you need to combat ad fatigue or creative saturation.
“As per the table, an advertiser spending the same amount but through different number of ads may very well make the same number of impressions, but the impression per video will vary significantly. Meaning Advertiser A’s audience will fatigue sooner and eventually the ad will perform lesser.”

<table>
<thead>
<tr>
<th></th>
<th>Budget</th>
<th>Impressions</th>
<th>Videos</th>
<th>Impressions/ad</th>
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</thead>
<tbody>
<tr>
<td>Advertiser A</td>
<td>USD 100K</td>
<td>100,000</td>
<td>3</td>
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<tr>
<td>Advertiser B</td>
<td>USD 100K</td>
<td>100,000</td>
<td>6</td>
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</tbody>
</table>

In fact, on Facebook and Instagram creativity is one of the only strategies that still applies since finding the one diamond that performs amongst many that do not is rather difficult. Your must-dos are -

- A/B split testing
- Ad copy and creative testing
- Ad placement testing
Narrate subtly branded stories on Pinterest

Pinterest is organically contextual. Pinners often use the medium as a search engine and would look for original content - this case study of State Farm illustrates how an insurance company used life’s milestones to get Millennials and Gen X audiences to relate with the firm. Further, they changed their strategy during the pandemic to talk of safe road trips and the way insurance eases life decisions.

Marketers will win on Pinterest when they combine organic content creation and ads to drive engagement where users expect to find it. Mixing up messages and surprising audience further helps keeping your Pinterest feed engaging.
Get your ACT right on Youtube Ads

YouTube ads can be contextualized with great granularity through the platform’s ACT (Advanced Contextual Targeting) module - that lets you go into the depths of categories and then sub-categories. Shopping - luxury or budget – for example, or travel – backpacking or luxury.

AdExchange writes, “ACT is naturally powered by machine learning, which analyzes YouTube videos frame by frame, looking at images, sound, speech and metadata all connected to specific videos. While YouTube already has 300 pre-packaged video lineups matched to specific interests, brands can also work with a YouTube rep to create their own.”
“With image recognition technology, an advertiser marketing a luxury car might use the technology to run an ad on a website geared toward auto enthusiasts. And it’s a safe bet that consumers who are viewing such a site will be more likely to be receptive.”

How Marketers use Computer vision

- By gumgum
KEY TAKEAWAYS

- A/B split testing, ad copy and creative testing as well as ad placement testing are crucial to fight creative fatigue on Facebook and Instagram.

- Take advantage of Pinterest’s organic contextual undertones with creative marketing that surprises audience.

- Make the most of YouTube ACT and invest in image recognition technology if possible.
CHAPTER 3
Contextual message and your brand identity
Yet, according to **Gartner Brand Survey 2019**

- 35% marketers faced challenges in managing a global brand and keeping it relevant
- 32% respondent faced difficulty in measuring brand metrics
- 31% faced challenges in brand governance and multi-brand portfolio
The world is significantly smaller today. This means your customers expect that you understand their cultural context. Earlier, global brands had insurmountable power to get away with messages that were racist, sexist and culturally inappropriate to few regions, even as they entertained others.

Today, reports after reports state how Americans boycott brands over politics. Moreover, spoiled for choice and empowered with a social audience, consumers do not forgive easily.
Relevance is the game changer. Gartner recommends, “Commit to the ongoing pursuit of relevance. You must actively monitor the marketplace to remain tuned into the trends, preferences and cultural factors that shape the collective mindset.”

Visual communication is most of what users take away from your brand. 64% users stated that shared ‘values’ created a trusted brand relationship. Consistent, relevant, culturally conscious images are the lego blocks of your brand, apart from the millions you might have already spent on nurturing an identity.
Commit to understanding consumers with the right data and messages. Messages evolve and improve with better understanding of consumers. Data gets generated when you take on experiments -- that opens new insights about your users and their motivations. This is a constant loop that feeds your database.
As a brand, commit to the ongoing pursuit of relevance.

Said relevance prunes with monitored branding and messaging experiments.

Consistent, relevant, culturally conscious images are the lego blocks of your brand.
Gen Z is a self-taught, completely digital native generation - 33% watch lessons online, 20% read textbooks on tablets, and 32% work with classmates online.*
CHAPTER 4

How does creative automation help?
What is creative automation?

Put simply, it is the reliance on technology to automate repetitive tasks in the creative workflow and emphasize on two areas instead - strategic marketing and creative designing.

For example, the designer can build on-brand templates for various campaigns, while business users can create multiple variants from the same -- to build and nurture context, and drive action. Sophisticated creative automation solution providers enable form-based interfaces and spreadsheet uploads to help generate variants or create channel-optimized sizes.
Brand consistency

A brand is a living, breathing organic being in the eyes of the consumer. Its identity must be a friend. This identity is created through consistency, in a world that is biased towards visuals.

Creative automation effectively removes redundancy but not at the cost of alienating users or brand infringement. For example, templates are built with brand guidelines and enabled with control parameters that do not let business users compromise on brand sanctity. Governance, as a result, is child’s play -- both easy and quick.
Contextual relevance

Context is the entire world of the user. It could be the Gen Z’s complex tryst with puberty, millennials’ endless dating conundrum or the baby boomer’s perplexity as a digital immigrant. All these nuances are juxtaposed against their everyday habits of browsing, content consumption and spending, further driven by their country, profession, gender, and needs. Are you, as an advertiser, part of this complex world?
Tinder’s demographic targeting is a great example of how it strived to subtly rewrite cultural mores in Asia and tap into an urban, millennial audience. On the other hand, had the brand gone with its brazen approach that worked in western demographics, it would have faced backlash.
Seamless workflow and a state of ‘flow’

A seamless workflow frees you from redundancy and clutter. “Professionals take 18 minutes on average to locate a document manually and spend 50% of their time searching for information.” Given such numbers, imagine the time that your team could use to actually create and nurture your brand - a task that frankly no technology can completely take over.

Partnering with the right creative automation platform is crucial to enjoy the demonstrated benefits. An online banner creator or design production tool is significantly different from a Creative Automation Platform.
In a world that is biased towards visuals, brand identity relies on consistency.

Context refers to the entire world of your users -- one that makes ads less intrusive.

A seamless workflow frees you from redundancy and clutter. As a result, it opens the door to creativity.

Creative automation is the root all the above benefits.
Rocketium puts CMOs at the heart of the enterprise and its growth agenda. As an AI-powered platform, Rocketium allows marketers to spot an opportunity, create digital ads, and release it across media in minutes and hours instead of days and weeks.

A week saved in creation is often a week of advance sales. Further, Rocketium’s path-breaking auto-ad generator ensures that your ads from around the world are created at warp speed to suit the context of different geographies, across multiple languages, even as your creatives are on-brand, every single time!