IN-APP ADVERTISING

Driving revenue from your digital assets



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INTRODUCTION

As the digital publishing industry continues to evolve, we are witnessing a seismic shift in the way in which we advertise. With media becoming increasingly accessible through tablet and smartphone devices, publishers have adapted their advertising methods accordingly. At PageSuite, we continuously ensure that we remain fully informed with the latest media consumption habits so that our clients gain the most from their apps and digital editions.

The change in media consumption has forced publishers to reconsider their advertising strategies in order to sustain their commercial success. Such adaptations have notably facilitated a significant growth in digital advertising revenues, with smartphone display revenue increasing by 114% and tablet rising by 47% so far this year (2015). A research report published by the Association of Online Publishers (AOP) and Deloitte Digital Publishers Revenue Index Report (DDPR) also stated that compared with the first quarter of 2014, the first quarter of 2015 saw an 80% increase in mobile digital advertising revenues.* It is therefore essential that publishers endeavour to remain agile in order to successfully reach their goals.

PageSuite continuously promotes ways for our clients to monetise their apps and digital editions, however, this is not solely about integrating basic adverts. There is a growing focus upon making ads more engaging to enhance user experience and thankfully, the range of options available is rapidly expanding. PageSuite offers a catalogue of attractive advertising options such as; banner ads, MPU ads, animated interstitial adverts and more, to captivate users and ultimately, boost revenue.

This white paper continues to discuss the growth of digital advertising by exploring innovative advertising formats and discusses how PageSuite can enable you to integrate these into your solutions.

STANDARD ADVERTISING OPTIONS

PageSuite offer a wide range of advertising solutions to enable publishers to increase revenue and provide an engaging user experience. With more capital being invested in digital advertising above all other forms,* we explore a selection of the different digital ad formats including the more traditional concept of the banner ad, to the more engaging animated interstitial ad.

MPU ADS

MPU advertising is a popular format due to its unobtrusive nature. The ads merge well with the content of the app and do not block important features within the ad, making them part of the 'consumption experience' therefore, more likely to be viewed by users.

A survey conducted by 'Econsultancy' measured the effectiveness of 10 different types of adverts featured on 'Spotify'. The results concluded that 32% of consumers recommended MPU ads as the ad they are most likely to interact with.** The inconspicuous nature of MPUs is clearly instrumental to the user interaction.

BANNER ADS

The banner ad is one of the most traditional types of in-app advert. It is a powerful tool for building brand recognition and many users are more receptive to the ad due to the repeated exposure. Banner ads are favourable amongst consumers as they are less intrusive than other ad formats. Research also suggests that exposure to banner advertising leads to increased purchase intention.*** Some of our clients are implementing banner ads into their HTML5 article pop-outs within their e-editions as seen in the example below.

PageSuite Infinity gives you the opportunity to feature banner ads and MPUs within your app as they have been pre-built into many of the templates available. The simple tools within the PageSuite Infinity portal will enable you to seamlessly integrate these ad formats into your app in order to generate additional revenue. The ad space can be used to cross-sell supplements, to promote other publications, or can also be used to advertise third-party products.

be tried on two

* www.theguardian.com/media/2015/feb/18/digital-advertising-spend-set-to-outstrip-all-other-forms

** econsultancy.com/blog/63302-spotify-ads-which-is-right-for-your-brand/

INTERSTITIAL ADVERTS

Interstitial adverts are a very popular form of advert, especially within the publishing industry. Interstitials are full page adverts that periodically appear between pages within a digital edition or app. Users are typically able to swipe past an in-app interstitial as it falls into the regular stream of content, or they are able to close the ad to return to the desired content. Despite being so large, the nature of the ad means that interference with app activity is minimal, yet it also maximises the user's attention and encourages engagement.

A study conducted by 'VentureBeat' showed that the introduction of in-app interstitials resulted in the following*:



VentureBeat's research also found that 50.3% of developers favour interstitials as their current monetisation model ahead of all other ad formats. The overall findings clearly reflect the growth of user engagement with this ad format. Engagement can be increased further by implementing an animated, interactive interstitial within an app or digital edition.

* venturebeat.com/2013/08/09/interstitial-mobile-ads-are-killing-it-25x-video-views-7x-conversions-9x-revenue/

EXPLOT

▲ The example above shows an interstitial advert displaying after several page swipes in our HTML5 reader.

Several of our clients have introduced animated adverts into their apps. For example, The Independent have recently included animated interstitial adverts within their PageSuite Live app. The 'Marks & Spencer' interstitial provides the user with a 'shop-able' experience – users are able to click on pieces of clothing worn by the model to find out further information, such as pricing and product details.

WATCH THE VIDEO



ANIMATED ADVERTS

With the increased focus on user engagement, digital publishers are continuously searching to implement innovative advertising solutions. The growing success of the interstitial ad has facilitated the development of animated interstitials in order to further increase interactivity with the user and ultimately, increase ROI.

WHY SO ENGAGING?

A recent scientific study conducted by Neuro-Insight demonstrated that there was increased interactivity, emotional response and dwell time amongst consumers when they encountered animated advertising formats, compared with when faced with standard display ads. The study examined the user engagement with the ad by measuring the following; how long audiences spent with each ad format, how well they remembered the ad and their emotional response to each of the two ad formats.*

The research showed that the activity of the left hemisphere of the brain peaked at 29% higher for the interactive ads ahead of the traditional MPU format. The left hemisphere is associated with language and analysing details – therefore responsible for engaging with advertisements. Consumers' positive responses were 25% higher for interactive ads and were maintained after exposure to the ad when they returned to the on-screen content. User dwell time was almost twice as long when viewing an interactive haircare ad compared with its static equivalent. Dwell time was also 41% higher when viewing an animated lottery ad compared with the traditional version.

The interactivity of animated adverts creates a positive and memorable experience for the user. Users want to click on the ad purely to engage with it and explore the various functions. This type of solution can easily be integrated into any of our app solutions.

◀ The Independent app recently featured an interactive ad for 'Volvo'. Users were able to re-position the sun in the sky to see how the interior of the new Volvo adapts to the different surroundings, this provided the reader with a fully immersive experience.

NATIVE ADVERTS

Currently, publishers are spending around \$7.9 billion on relevant branded / sponsored content known as 'native adverts'.* With a record of higher click-through rates,** the average spend on native advertising is estimated to reach \$20 billion by the year 2018 and is undoubtedly a popular solution amongst publishers who are looking to increase user engagement and drive revenue. This format emulates the app content allowing users to subconsciously engage with the advert without interruption to their viewing.

NATIVE vs DISPLAY

Results from a study conducted by 'eMarketer' highlight the growing success of native advertising**:



% OF USERS LIKELY TO SHARE NATIVE AND DISPLAY ADS

The very nature of native advertising permits the creation of a deeper level of engagement with consumers, placing the solution as one of the highest performers of digital advertising. Several of PageSuite's clients have opted for this format as a result of its effective impact upon consumers. We are able to integrate solutions tailored to your exact requirements.

****** amobee.com/how-why-native-ads-are-paving-a-path-to-greater-engagement/

12:58 PM 77° ••••• माधा क Newsday Top Stories Edward Burns draws on LI upbringing in 'Public Morals' NEW 19:54 NM Man trying to stop a suicide falls to his death NA PLET HOTTON Town changes way airport biz shares revenue BUSINESS | 859 MM New sales every dati up to TO% off. Save up to 70% OU MIGHT LIKE RISTALL HON ▲ More of our clients are integrating native adverts into their apps. In this example they are displayed amongst the article feeds and are almost camouflaged amongst the surrounding content which eliminates disruption to the user's experience. The display of relative content also promotes a higher click-through rate.

OTHER ADVERTISING EXAMPLES

PageSuite's flexible toolset also enables clients to implement alternative ad solutions into their apps. The section below will explore 'Cover Wraps' and 'Takeover ads'.

TAKEOVER ADS

Takeover ads wrap around an entire article within the app, creating a border effect. The ad is non-intrusive and does not obstruct the view of content, like a pop-up advert. This format enables the advertiser to 'skin' a series of high-traffic pages with a single booking. This type of advert was implemented using a third-party solution.

COVER WRAPS

Recently, The Independent launched a 'cover wrap' ad solution in the form of a 'Game of Thrones' advert which almost entirely covered the front page of their app. Despite covering the entire front page, the ad does not appear intrusive, as it essentially becomes the content. This style of ad emulates the traditional 'cover wrap' often used in the print industry.



Campaigners unite in bid to save 'exceptional' Victorian home from being turned into flats

Sponfield House in Loads was admired by the post John

This example shows a 'takeover' ad wrapping around an article. This solution was implemented using a third-party solution. The takeover advert effectively frames the article page without blocking or interfering with any of the content.



▼ This cover wrap ad was implemented by the client using the 'Design Tool' in PageSuite Live. PageSuite Live is a flexible solution that has the capability to enable publishers to to fully customise their apps and integrate engaging features for their readers.

> Swipe this way for your re Independent Digital Edit

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JAME OF HRONES THE COMPLETE FLETH SEASON IS AVAILABLE NOW

CUCK TO PLAY TRAILER

MENU

CONCLUSION

Through the exploration of the various advertising solutions, it is clear that publishers are not solely re-modelling their ads in order to drive revenue. Instead, they are now concentrating on the instrumental factor between the ads and the revenue the user.

The focus is now heavily centred upon enhancing the user experience, and concentrating on engagement and interactivity to craft a positive response, with the ultimate aim of driving ROI. This shift has even seen revenue and advert performance becoming increasingly measured against psychological and neuro-logical metrics. Publishers not only want to calculate how well their ad is being received by audiences, they want to measure the emotional impact of the advert.

Whilst traditional formats remain engaging and an effective source of revenue, PageSuite has also witnessed that a growing number of publishers are opting for more varied and sophisticated advertising solutions in an attempt to remain innovative. Animated interstitials and 'shop-able' ads are beginning to become a more popular option for those trying to enrich their users' experiences.

PageSuite's flexible tools and solutions are purposely designed to cater to your exact advertising requirements. PageSuite offers a range of standard and custom products as well as the option to tailor our software to ensure you receive a truly bespoke solution.

Another key thing to highlight is that mobile and tablet advertising <u>is</u> measurable against print. Our clients are able to monitor key statistics, such as how many unique visitors their ads receive, how strong engagement is and which content is the most popular.

Contact a member of our team today to explore ways to captivate your users and fundamentally, maximise revenue.

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