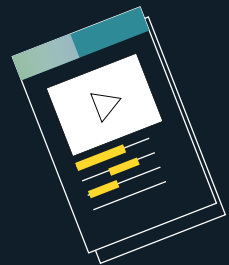
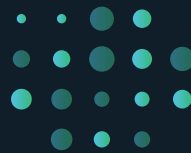
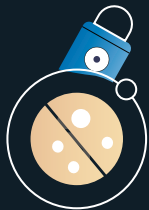
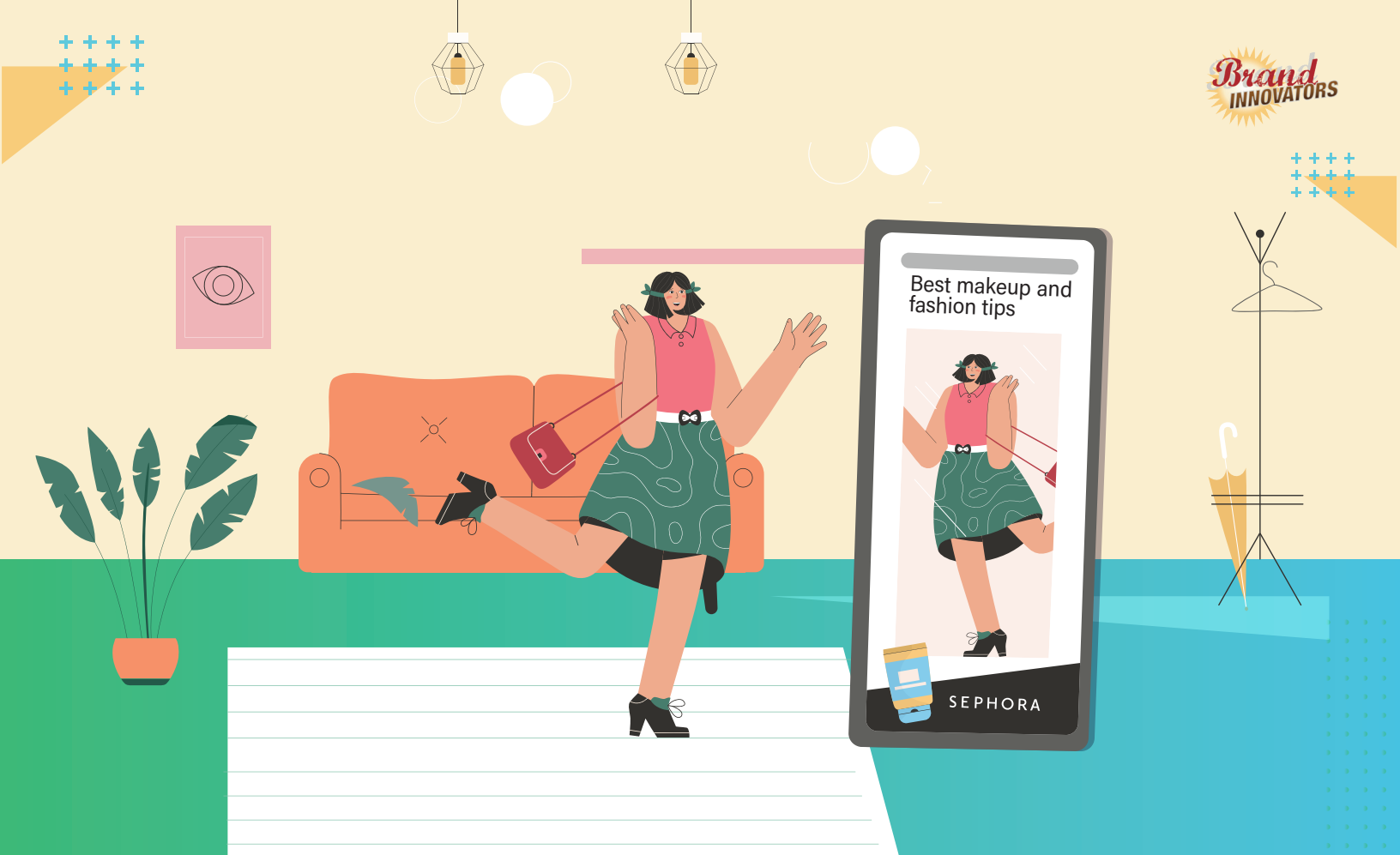


Contextual Advertising Awareness Still Has a Long Way to Go

New research highlights that majority of marketers are still unfamiliar with contextual advertising





With third-party cookies phasing out, new privacy regulations firmly in place, and brand safety concerns on the rise, the ad tech industry is undergoing a colossal transformation; cutting ties with behavioral targeting and pivoting toward more sustainable alternatives such as collecting first-party data, exploring Google's FLoC and prospecting walled garden platforms.

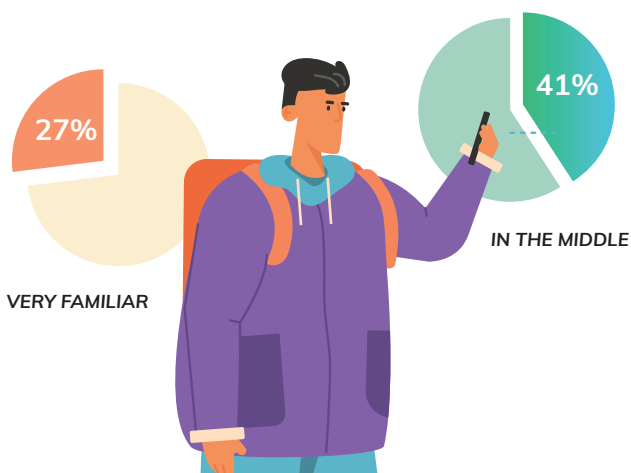
One promising alternative to cookie targeting is contextual advertising. In the simplest terms, contextual advertising is advertising on a web page based on the page's content. For example, an ad for Sephora in an article about the best facial foundations, or an ad for Starbucks next to a cappuccino recipe. Contextual advertising uses the information already present on the page to match a brand's ad to the content the user is consuming.

Contextual advertising is future-proof, privacy-forward and does not use any behavioral data to reach consumers, making it an especially exciting solution for marketers. The fact of the matter is that context is everywhere. Now, it is just a matter of harnessing the power of context through high-impact creative to reap meaningful results for brands. But, how can this be possible when marketers, brands and agencies lack education about what contextual advertising actually is. Where are the basics?

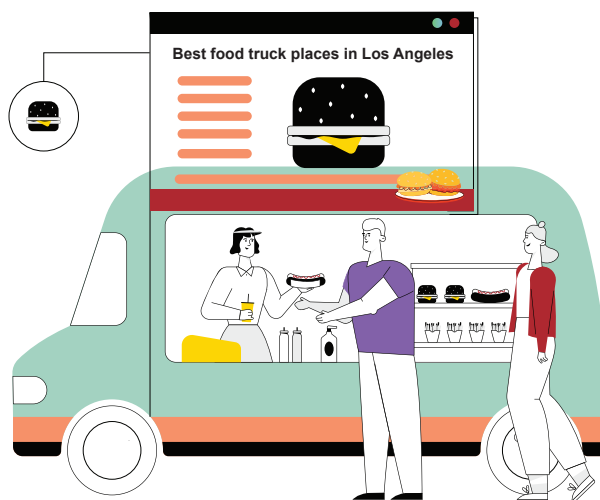
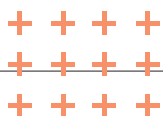


Contextual Advertising Education is Lacking

Brand Innovators conducted a new study to understand how marketers were responding to the death of the cookie and which alternative tactics were being explored to reach consumers. **The research found that only 27% of respondents were “very familiar” with contextual advertising, with a whopping 41% admitting that they were somewhere in the middle, neither familiar or overly unfamiliar.** This proves that there is a big gap when it comes to the availability of contextual advertising education in the ad tech industry.



The research also proved that only slightly more than half (56%) of the key marketing executives surveyed responded that they were aware that “contextual advertising is often cited as a key solution to the upcoming post-cookie environment.” 34% responded they were not aware and 10% were unsure.



However, marketers that were well-versed in contextual advertising were hopeful at its potential to replace traditional cookie targeting. When asked why, these were the key responses:



The ability to find a brand-suitable environment based on contextual targeting rather than keywords was the most attractive feature, with 38% ranking it first.



The ability to limit media placement to environments where consumers are open to hearing the brand’s message was the second most popular benefit of contextual advertising, with 23% of respondents.



The third most popular benefit of contextual advertising was the ability to run dynamic ad copy depending on the environment. (11%)



Experts' Take on the Future of Contextual

Brand Innovators sat down with Alan Magee of Church's Chicken, John Marshall of HP and James Clarke of Frito-Lay North America to discuss their take on a cookie-free future and the benefits of contextual marketing.

“

I became familiar with contextual advertising about seven years ago when I was working in the hotel industry. I hadn't given it much thought since then, but now with all the changes going on around cookies, it's suddenly become top of mind again. I believe it is going to have a serious resurgence right now, but that a lot of education is needed to help the market to understand how much it has evolved. That doesn't mean brands will go 100% contextual, but rather, that it will be part of the mix. Even if you have really strong first party data, I think there's going to be a role for contextual advertising. ”

- Alan Magee, Vice President Digital Marketing & Technology at Church's Chicken



“

I think contextual advertising has a lot of promise in this new environment. It's only a matter of time before we can turn around and make an at scale targeting mechanism that allows us to avoid the idea of always needing to have a behavioral target off of an ID. On a macro level, we as an industry will need to become more sophisticated in our analysis of contextual based advertising, especially as it relates to the outcome we want to drive. ”

- John Marshall, Head of North America Digital Activation, HP



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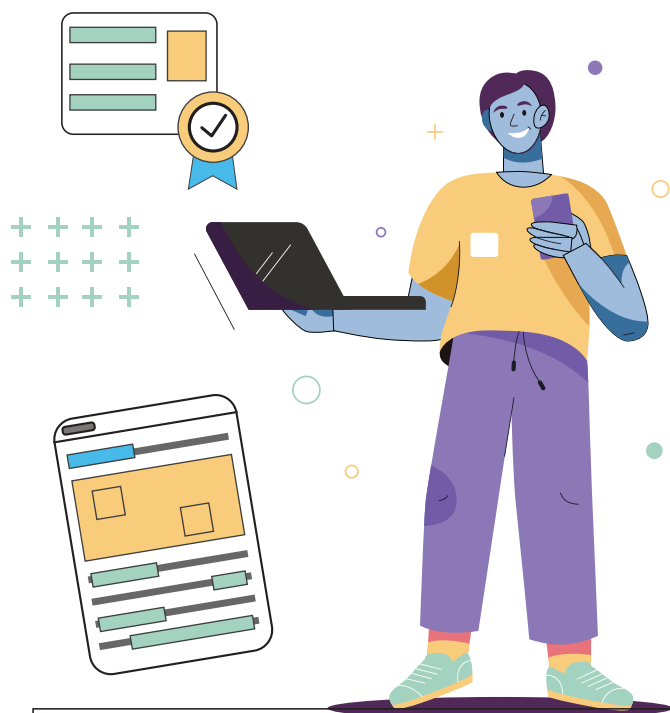
We've had decades of experience with contextual advertising and will continue to invest here where applicable. Our focus on media analytics and measurement supports an agile approach to investment whereby our mix and tactics are regularly optimized to deliver superior outcomes for Frito-Lay brands. Success in contextual advertising is less dependent on the brand being advertised and more so on the strength of alignment between messaging and creative with the surrounding environment in which the ad is placed. ”

- James Clark, Senior Director, Media Strategy & CRM at Frito-Lay North America, Inc.



Contextual Advertising is Privacy-Forward

Privacy is another key benefit of contextual advertising: because contextual engines do not collect user data or track data, brands do not face the myriad privacy concerns they encounter with other forms of digital advertising.



For many of the respondents, privacy is a huge concern and they are all quite aware of the pushback they've been getting around tracking, both from consumers and from regulatory agencies.

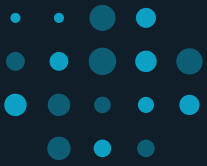
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Brand Innovator's research shows that for the majority of the marketers surveyed, contextual advertising's lack of privacy issues is important, an added plus for a tactic with many valuable benefits.

Undoubtedly, the data proves that the biggest challenge with contextual advertising is education. Many brand marketers do not have a clear picture of how to use it and how it can benefit them and thus companies offering contextual advertising services need to increase their outreach to the community and provide both demonstrations and case studies on how the tactics work to help it reach its full potential in tackling a cookie-less world.





About Brand Innovators

Brand Innovators is an exclusive community of brand marketers from the world's top brands, gathering regularly for thought leadership conferences, virtual livecasts, and social events. Formed in 2011, Brand Innovators focuses on sharing knowledge about marketing and technology among fellow industry leaders.



About GumGum

GumGum is a global technology and media company specializing in contextual intelligence. For over a decade, we have applied our proven machine learning expertise to extract value from digital content. GumGum is at the forefront of offering contextual advertising solutions worldwide. With the acquisition of Just Premium, the launch of new ad units and the entry into diverse international markets, GumGum is proud to be leading the contextual revolution.



To learn more about GumGum's Contextual Solutions, please email contextualadvertising@gumgum.com

