

gumgum

# The Mindset Matrix™: The Blueprint for the Future of Digital Advertising

Capturing a person's active frame of mind through a combination of creative, context and consumer attention.

## Matrix

noun

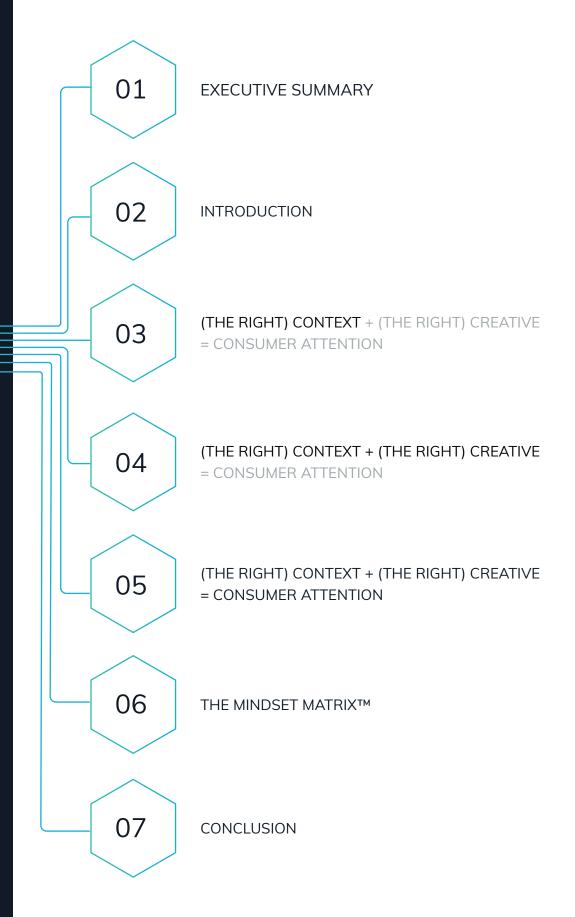
The cultural, social, or political environment in which something develops.

### Mindset Matrix™

noun

The environment in which ad effectiveness develops.

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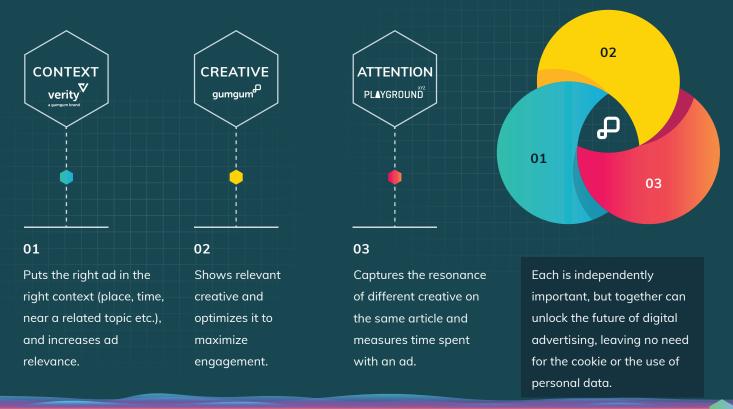


### The future of digital advertising lies in tapping into the mindset of consumers.

In a world where data privacy is essential, digital advertising is coming down to capturing a person's mindset — and that's a good thing. It's a better experience for consumers because ads can meet them in the moment they are ready to receive a brand's message rather than stalking them around the internet and delivering ads based on their past behavior.

Capturing a consumer's mindset means having the ability to understand the frame of mind or mood someone has in that very moment and then delivering the optimal ad experience.

The Mindset Matrix<sup>TM</sup> is a blueprint for the future of digital advertising and how advertisers will be able to tap into a consumer's frame of mind and deliver relevant, engaging and effective ads without the use of personal data. The Mindset Matrix™ is made up of three components:



#### INTRODUCTION

#### The Perfect Storm

It's not an overstatement to say that the free ad-supported internet is in the throes of an existential crisis.

Cookies, identifiers and mobile IDs are aging out. Long a mainstay of how targeted advertising works on the internet, the imminent disappearance of these tracking solutions is already profoundly affecting every corner of the digital media and marketing industry. Apple's new ad-privacy policy for iOS, for example, has already roiled Meta—and no

#### Trust in Big Tech is cratering.

platform, publisher or brand is immune.

In 2021, trust in the technology sector dropped precipitously to an all-time low of 57 out of 100, according to the Edelman Trust Barometer. The main reason for this drop is the increasingly fraught relationship between consumers and technology, especially when it comes to data privacy.

#### The 'attention economy' is here.

Content and advertisements are proliferating at a pace that outstrips the amount of consumer attention available. There is simply not enough time for people to look at all these ads which in turn makes consumers' attention a scarce and precious resource.

Regulation is rising. A patchwork of new laws from GDPR to CCPA and imminent new state and EU legislation are forcing much needed change, and each of which raises a new set of compliance challenges for the entire digital ecosystem.

Ad fatigue is real. People are tuning out digital ads that lack personalization — and are creeped out by ads that follow them online.

Taken together, you have a perfect storm of challenges for advertisers that have come to rely on the ad-supported internet to reach customers.

"With Apple's iOS changes and new regulation in Europe, there's a clear trend where less data is available to deliver personalized ads."

- Mark Zuckerberg, Feb 2, 2022

We've spent years collecting data on consumers to advertise to them. While it's a practice that has been lucrative for platforms, people have found it annoying and sometimes downright intolerable. While audience targeting gave us insights into consumers like never before, it's not effective anymore and won't stand the test of time when it comes to emerging environments and platforms or future privacy regulations.

As an industry, we can do better.



#### **SECTION 01**

## (The Right) Context + (The Right) Creative

### = Consumer Attention

Context matters. The basic premise of contextual advertising is putting the right ad in the right context (place, time, near a related topic etc.) based on the contextual signals within an environment (text, images, video, and audio). With contextually targeted ads, there is no need to follow consumers all across the internet and rely on their past behavior. No personal data needs to be stored. You're instead giving people the power to tell you what they are interested in at that very moment and delivering an ad that aligns with their specific interest or need.

Contextual has always been one of the strategies available to marketers and with the latest advancements in technology, the next generation of contextual is proving that it can be even more accurate and effective as audience-targeting. And doesn't require personal data at all. There are two huge innovations in contextual advertising that are driving this paradigm shift:



#### BETTER PROFILING AND CATEGORIZATION OF CONTENT.

Truly understanding the context of an environment requires going beyond

keywords or the url—it requires deep analysis of the signals within an environment: words, images, video, audio and other available metadata. New AI models for natural language processing and image recognition that can understand all these signals allow adtech solutions to better identify content that will resonate with the ad. If there's video, image, and text in an environment, it can understand each signal separately and then all the signals together to understand the environment as a whole. This gives advertisers a more nuanced understanding of the content in an environment to better align their ads with.

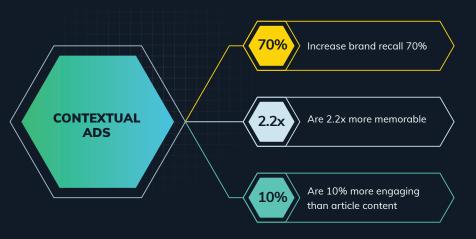


### (The Right) Context + (The Right) Creative = Consumer Attention

#### PROOF OF THE RIGHT CONTEXT FOR THE AD.

This is where real-time attention signals and metrics shift the paradigm. Because attention signals capture consumer interest in an ad, they're able to kickstart a powerful feedback loop on ad relevance and resonance. Unlike click-through rate (which, at an article level, is too sparse to learn from) or viewability (which is not a great signal for relevance), attention metrics are now available on every impression and highly correlated with ad effectiveness. More on that in a bit.

And while context has always mattered, it matters now more than ever.



Contextual doesn't just support the environments of today (desktop, tablets, and mobile) but has the capabilities to understand the environments of the future. We're no longer just on our desktops and tablets or just watching TV. We're on Pelotons. We're in multiple apps, playing virtual games and using smart devices like Apple watches and Alexas all at the same time. Not to mention experimenting with new environments like VR, which is just the start of new and merging digital environments that we have yet to imagine (we're looking at you, metaverse).

Context is so powerful, 49% of brand marketers are looking to contextual advertising to replace cookies.

Marketers need to stop trying to figure out who people are and instead lean into meeting them where they are at. The next generation of contextual technology gives advertisers the ability to understand a full digital environment based on all the signals available to deliver engaging and relevant ads in real time.

Done right, it's a win for consumers and the industry as whole.



### (The Right) Context + (The Right) Creative

### = Consumer Attention

Context is great but it's also just one piece of the puzzle. Creative is the second part of the equation that is essential to garnering attention and captivating a consumer's frame of mind.

Data from Nielsen confirms that creative makes up 47% of ad's success. That's huge. You need relevant creative for your ads to work.

The Chicago School of Psychology found that people are exposed to over 6,000 ads a day meaning that getting an ad in front of a person is only half the battle. The other half is creating an ad experience that is unique, unforgettable, and stands out. This comes down to the messaging, visual, and overall how the ad is displayed on the page. Does it match the site aesthetic? Can you shop directly in the ad on the page? Does it have a chat bot to find out more information? The opportunities to be creative in a digital environment are endless.

Creative can be smarter now with the support of contextual and attention. These smart ads create a cohesive experience between content and advertisement that enhance the audience's experience rather than detract from it. These high-impact ads can do just about anything align with the color scheme of the page, allow users to shop directly within the content they are enjoying, display videos and create one-of-a-kind interactive experiences. Through these high-impact ad designs, brands have the opportunity to connect with audiences on a deeper level by using creative to add someone's overall experience. This in turn builds strong brand recognition and favorability.

Engaging creative in the wrong environment might miss the moment.

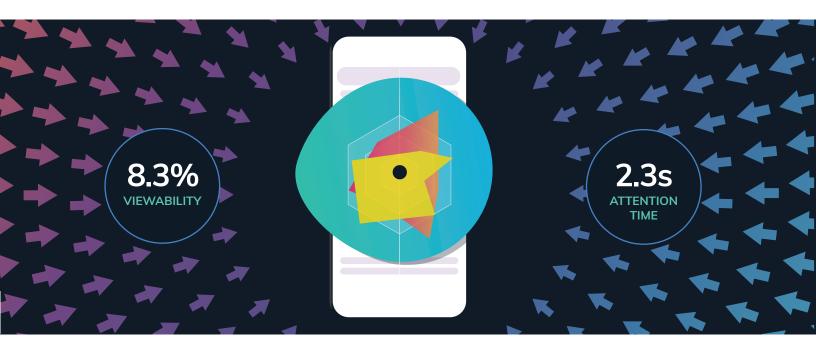
Bland creative in the perfect environment may miss the mark in captivating someone's attention.



When both of these elements can influence the other, that is when we see the true magic happen. We've seen that when we find the optimal environment to place a high-impact creative, attention metrics skyrocket.

#### **SECTION 03**

### (The Right) Context + (The Right) Creative = Consumer Attention



As marketers we intuitively understand that if we put the right ad in front of the right person, in the right place, at the right time we increase our chances of driving ad effectiveness. The problem has always been getting this insight back at scale, and that's where the exciting new world of attention metrics comes in.

Attention Time is defined as the length of time, in seconds, a person actually looks at an ad. It's a human centric, quality metric that captures a person's relative interest (or not) in that ad at that moment. As such, it's a remarkable feedback loop on ad relevance and proof that we've found the match between the right creative and the right context.



#### IS ATTENTION TIME THE SAME AS VIEWABILITY?

No. Viewability is whether the ad made it onto the screen for a prescribed length of time and is therefore only the opportunity to be seen. Attention Time is how long the person actually looked at the ad. Viewability is largely driven by where the publisher chooses to place the ad. Attention Time by contrast, is driven by factors like the context and the creative and this makes it a better signal of ad relevance.

Place an array of ad creatives on the same spot on a webpage and viewability will be relatively the same but Attention Time will differ more because each creative has different levels of relevance for that context.



### (The Right) Context + (The Right) Creative = Consumer Attention

#### Attention time is highly predictive of brand outcomes.

When it comes to attention on ads, more is more. Each extra second someone looks at an ad brand awareness can go up 11% as well as brand recall up to 7%. And, with such fierce competition for this scarce consumer attention, earning these extra seconds is more critical than ever.

The good news is that if we move past Viewability and focus on increasing Attention Time we can see big gains:Compared to viewability, Attention Time is 7.5 times more important in driving awareness and 5.9 times more important in driving recall.

More is more. Greater attention time drives results.



11%

7%

7.5x

Additional Awareness for every extra second of Attention Time achieved

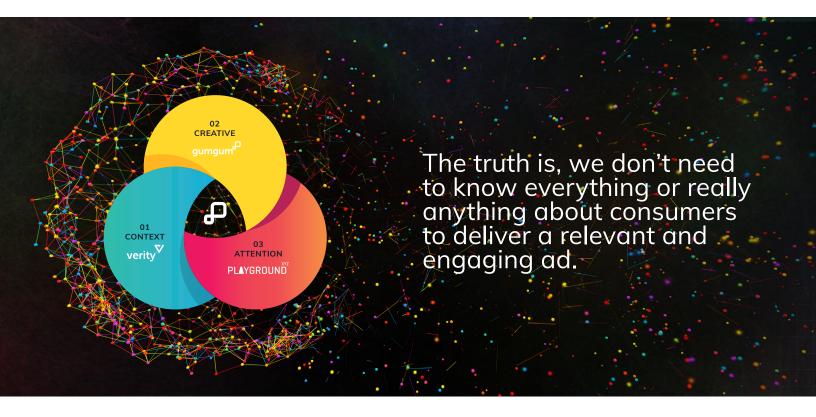
Additional Recall for every extra second of **Attention Time** achieved

More important at driving Awareness than Viewability

More important at driving Recall than Viewability



### The Mindset Matrix™



We've become so hooked on following people around the internet we've overlooked the seemingly simple but powerful insight that if we can just reach people at the right moment we can deliver amazing results without needing to know who they are.

To understand and foster these moments we need to truly understand the context of the environment they're in, have amazing, relevant creative, and finally, to measure the attention it receives.

We call this blueprint The Mindset Matrix™, which will deliver what advertisers want without having to constantly wonder if, where or when they've crossed the line on personal data.

The Mindset Matrix™ is made up of the three areas outlined in this paper: Context, Creative, and Attention. Each of these individually are important aspects of any ad campaign but when tied together have the opportunity to influence and inform the other, creating a powerful understanding of a person's frame of mind in each unique digital environment. The Mindset Matrix™ will give advertisers the blueprint they need to deliver engaging and effective ad campaigns, in current and emerging environments, without the need of the cookie or anybody's personal data.

### The Mindset Matrix™

#### Here is How it Will Work:







01

The right technology assesses all the signals within a digital environment (text, images, video and audio) and is able to understand the environment and the frame of mind a consumer might be in from these signals.

02

Based on the contextual signals a dynamic and engaging ad is selected that matches the environment and mindset a consumer will potentially be in while in that environment.

03

We then use Attention Time data to measure the effectiveness of that context and creative match. If a strong result (i.e. high Attention Time) we know a fit has been achieved and use this insight to deliver the ad to similar contexts. If there are poor results (low Attention Time) we use this to move delivery away from similar contexts.

This model allows advertisers to meet people when they are in an active frame of mind — and the right headspace to pay attention and take action -- and do so in a way that is cookieless, identity free and future proof.

As human beings we naturally move in micro-moments, floating from one topic to another. Digital advertising should be able to move with us. While delivering an ad based on something someone looked at three weeks ago might be a good reminder, it will mostly also be a waste of time and advertising dollars because that person is no longer in that mindset. Through the Mindset Matrix<sup>TM</sup>, the industry will better align their digital ads with how humans operate and think; driving superior attention and, ultimately, business outcomes.





# The Future is About Meeting People in the Moment



We are in an exciting and transformational era as an industry. With growing data privacy regulations and the depreciation of the cookie, we now have the opportunity to re-imagine how we connect with people and deliver ads across current and future digital environments, without the use of personal data.

At the end of the day, as advertisers our goal is simple - to deliver relevant and engaging ads that capture people's attention and inspire them to take action. In a world where people are constantly bombarded by content and ads, it will be essential for advertisers to shift how they deliver their ad campaigns to not only be "in view" but break through the noise and capture attention.

By using the Mindset Matrix<sup>TM</sup> as a blueprint for the future ahead, advertisers will be able to use understandings from contextual, creative, and attention technologies to meet people in the moment they are in and capitalize on that moment, reducing media spend on ads that are no longer relevant or needed.

This presents an opportunity for the industry to fully embrace the changes ahead and create a digital environment that makes digital advertising relevant, useful and privacy forward.



### **About GumGum**

GumGum is a contextual-first global advertising technology company that captures people's attention, without the use of personal data. We believe that a digital advertising ecosystem based on understanding a consumer's active frame of mind rather than behavior builds a more equitable and safer future for consumers, publishers and advertisers alike. Founded in 2008, GumGum is headquartered in Santa Monica, California and operates in 19 markets worldwide.

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

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