The power of native advertising
Introduction

Outbrain, in partnership with research agency Lumen, surveyed 900 consumers, across 3 markets (UK, France and Germany) to reveal how online shoppers behaviours is impacted by online environments and ad formats.

The study takes a in-depth look at how Native vs Social formats impacts E-commerce brands.
Overview

The study looks at the differences between Social vs Native ad formats in relation to:

- The overall impact on trust, clicks and purchases
- The impact of ad formats
- The impact of premium publisher environment compared to social environments
- Variations by e-commerce verticals
- Variations by markets
- The impact of online advertising on purchasing behaviour during sales periods
## Key learnings

### Environment

Ads shown on premium news sites are much more likely to be trusted (+44%), clicked on (+21%) and lead to future purchases (+24%) than ads shown on social media platforms.

This is true across all markets and across key e-commerce verticals.

### Seasonal Impact

Purchasing behaviours during online sales periods such as Black Friday

### Perceptions

When comparing perceptions about sponsored recommendations with social media ads and banner ads we find that sponsored recommendations came out strongest across nearly all the metrics including being easy to understand, trustworthy and not being annoying or intrusive.
Key learnings

Environment
How does the same ad perform on premium news site vs social media platforms?

Seasonal Impact
What are the purchasing behaviours during online sales periods such as Black Friday?

Perceptions
What are the differences in perception between sponsored recommendations, social media ads and banner ads?
KEY LEARNING

#1 Environnement
Compared to ads shown on social media platforms, ads shown on premium news sites are:

+ 44% more likely to be trusted
+ 21% more likely to be clicked
+ 24% more likely to lead to future purchases

This is true across all markets and key e-commerce verticals.
Ad environment influences trust, clicks and future purchases

Impact of environment on ad trust, clicks and future purchases

- Around half of respondents agreed that they would trust, click and purchase from a brand after seeing an ad shown on a premium publisher site.

- A far smaller percentage agreed that they would do the same when an ad is shown on a social media platform.

<table>
<thead>
<tr>
<th>Environment</th>
<th>Trust</th>
<th>Click</th>
<th>Purchase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Premium news sites</td>
<td>46%</td>
<td>46%</td>
<td>47%</td>
</tr>
<tr>
<td>Social media platforms</td>
<td>32%</td>
<td>38%</td>
<td>38%</td>
</tr>
</tbody>
</table>
Premium vs social across all markets

By Market: Impact of environment on ad trust, clicks and future purchases

Across all markets people are significantly more likely to trust ads shown on premium news sites.
Trust during online sales event

Impact of site environment on trust for different verticals during online sales events

- Premium news sites
- Social media platforms

During online sales events, people are consistently more trusting of ads shown on premium news sites across a number of key e-commerce categories.
## Trust across verticals (UK)

<table>
<thead>
<tr>
<th>Vertical</th>
<th>Premium news sites</th>
<th>Social media platforms</th>
</tr>
</thead>
<tbody>
<tr>
<td>Finance</td>
<td>*42%</td>
<td>30%</td>
</tr>
<tr>
<td>Travel</td>
<td>*47%</td>
<td>34%</td>
</tr>
<tr>
<td>Sporting goods</td>
<td>*45%</td>
<td>37%</td>
</tr>
<tr>
<td>Toys and Kidswear</td>
<td>*45%</td>
<td>36%</td>
</tr>
<tr>
<td>Home &amp; Lifestyle</td>
<td>*49%</td>
<td>38%</td>
</tr>
<tr>
<td>Fashion &amp; Beauty</td>
<td>*48%</td>
<td>38%</td>
</tr>
<tr>
<td>Electronics</td>
<td>*51%</td>
<td>36%</td>
</tr>
</tbody>
</table>

* Significant difference at 95% against social media platforms

The UK are much more trusting of premium sites across all verticals. Trust for online sales ads was higher for all verticals when shown on a premium news site.
## Trust across verticals (Germany)

<table>
<thead>
<tr>
<th>Vertical</th>
<th>Premium news sites</th>
<th>Social media platforms</th>
</tr>
</thead>
<tbody>
<tr>
<td>Finance</td>
<td>*30%</td>
<td>18%</td>
</tr>
<tr>
<td>Travel</td>
<td>36%</td>
<td>30%</td>
</tr>
<tr>
<td>Sporting goods</td>
<td>39%</td>
<td>34%</td>
</tr>
<tr>
<td>Toys and Kidswear</td>
<td>35%</td>
<td>31%</td>
</tr>
<tr>
<td>Home &amp; Lifestyle</td>
<td>40%</td>
<td>35%</td>
</tr>
<tr>
<td>Fashion &amp; Beauty</td>
<td>42%</td>
<td>36%</td>
</tr>
<tr>
<td>Electronics</td>
<td>*45%</td>
<td>33%</td>
</tr>
</tbody>
</table>

* Significant difference at 95% against social media platforms

In Germany they are much more trusting of premium sites across all verticals.

Trust for online sales ads was higher for all verticals when shown on a premium news site.
## Trust across verticals (France)

<table>
<thead>
<tr>
<th>Vertical</th>
<th>Premium news sites</th>
<th>Social media platforms</th>
</tr>
</thead>
<tbody>
<tr>
<td>Finance</td>
<td>28%</td>
<td>27%</td>
</tr>
<tr>
<td>Travel</td>
<td>48%</td>
<td>41%</td>
</tr>
<tr>
<td>Sporting goods</td>
<td>47%</td>
<td>40%</td>
</tr>
<tr>
<td>Toys and Kidswear</td>
<td>52%</td>
<td>46%</td>
</tr>
<tr>
<td>Home &amp; Lifestyle</td>
<td>54%</td>
<td>47%</td>
</tr>
<tr>
<td>Fashion &amp; Beauty</td>
<td>57%</td>
<td>50%</td>
</tr>
<tr>
<td>Electronics</td>
<td>*54%</td>
<td>43%</td>
</tr>
</tbody>
</table>

* Significant difference at 95% against social media platforms

In France, they are much more trusting of premium sites across all verticals.

Trust for online sales ads was higher for all verticals when shown on a premium news site.
#2 Seasonal Impact
#2 Seasonal Impact

Purchasing behaviours during online sales periods such as Black Friday
Seasonal Impact

Clicks on online sales ads vary by vertical

Impact of vertical on ad clicks during online sales events, by market

During major sales seasons, people are more likely to click on **Fashion**, **Beauty** or **Electronics** ads, and less likely to click on **Finance** ads.
A similar trend is seen on purchases

Impact of vertical on future purchases during online sales events, by market

<table>
<thead>
<tr>
<th>Vertical</th>
<th>UK</th>
<th>DE</th>
<th>FR</th>
<th>Average</th>
</tr>
</thead>
<tbody>
<tr>
<td>Finance</td>
<td>26%</td>
<td>18%</td>
<td>24%</td>
<td></td>
</tr>
<tr>
<td>Sporting goods</td>
<td>34%</td>
<td>32%</td>
<td>38%</td>
<td></td>
</tr>
<tr>
<td>Toys and Kidswear</td>
<td>38%</td>
<td>33%</td>
<td>45%</td>
<td></td>
</tr>
<tr>
<td>Travel</td>
<td>37%</td>
<td>29%</td>
<td>39%</td>
<td></td>
</tr>
<tr>
<td>Home &amp; Lifestyle</td>
<td>44%</td>
<td>40%</td>
<td>47%</td>
<td></td>
</tr>
<tr>
<td>Fashion &amp; Beauty</td>
<td>41%</td>
<td>42%</td>
<td>50%</td>
<td></td>
</tr>
<tr>
<td>Electronics</td>
<td>48%</td>
<td>42%</td>
<td>47%</td>
<td></td>
</tr>
</tbody>
</table>

Across markets, the most and least likely vertical to be clicked on during an online sales event was also the most or least likely to drive purchases.
KEY LEARNING

#3 Perceptions
#3

**Key Learning**

Perceptions

Compared to social media ads and banner ads, sponsored recommendations came out strongest across nearly all the metrics including:

- Being easy to understand
- Being trustworthy
- Not being annoying or intrusive
### Influence of ad types on perception

<table>
<thead>
<tr>
<th>Sponsored recs</th>
<th>Social media ad</th>
<th>Banner ad</th>
</tr>
</thead>
<tbody>
<tr>
<td>Easy to understand</td>
<td>42% ▲</td>
<td>32% ▼</td>
</tr>
<tr>
<td>Informative</td>
<td>40% ▲</td>
<td>35% ▼</td>
</tr>
<tr>
<td>Trustworthy</td>
<td>37% ▲</td>
<td>29% ▼</td>
</tr>
<tr>
<td>Inspiring for future purchases</td>
<td>36%</td>
<td>34%</td>
</tr>
<tr>
<td>Respectful of my Internet surfing</td>
<td>27% ▼</td>
<td>23% ▼</td>
</tr>
</tbody>
</table>

The data shows a comparative analysis of sponsored recommendations, social media ads, and banner ads with respect to several attributes such as being easy to understand, informative, trustworthy, inspiring for future purchases, and respectful of Internet surfing. The results indicate varying perceptions across different ad types, with some features being more positively perceived than others.
Influence of ad types on future actions

**Sponsored recs**
- Likely to make me feel positively about a brand or product: 36%
- Likely to make me click: 36%
- Likely to make me purchase: 35%

**Social media ad**
- Likely to make me feel positively about a brand or product: 31%
- Likely to make me click: 33%
- Likely to make me purchase: 33%

**Banner ad**
- Likely to make me feel positively about a brand or product: 33%
- Likely to make me click: 31%
- Likely to make me purchase: 32%
Case Study
CBR Fashion Group, is one of the largest fashion retail and E-commerce groups in Germany and is also active in 19 countries across Europe.

Using Outbrain’s premium publisher network, CBR Fashion Group targeted users interested in fashion content to spark interest in their brands and direct traffic to their websites.

A month before the decisive weekend, CBR retargeted online visitors from Street One and Cecil’s websites with Outbrain’s Custom Audiences Retargeting.

During the Black Friday weekend, these users were targeted with specific sales campaigns to drive increased sales.

**Results**

- **66% More Sales** through Retargeting During Black Friday
- **37% lower eCPC** in comparison to social media ads (-23% in comparison to display ads)
- **Cost/revenue ratio improved by 65% and 43%**
  The higher conversion rate and the reduced eCPC ultimately improved both brands’ cost/revenue ratio by 65% (Street One) and 43% (CECIL) respectively.
The power of native advertising

European Research, October 2019, by Outbrain & LUMEN