

The Context Effect

A biometric study on contextual advertising

SEPTEMBER 2021



Introduction

Amid increased privacy regulations and cookie deprecation, the advertising industry is looking to contextual targeting methods to reach audiences. Sophisticated targeting technology gives advertisers the customization and scale needed to reach consumers in the right mindset, but that is only the beginning. Contextual alignment alongside relevant content has the potential to drive stronger recall, favorability, and ultimately a more powerful user experience.

IAS research has shown that when asked, consumers prefer contextually relevant ads. But what role does **contextual matching** play in the advertising experience... and how do consumer brains respond?

IAS teamed up with Neuro-Insight **once again** to evaluate how likely consumers are to remember contextually matched ads. Leveraging advanced neurotechnology, IAS measured activity in the memory centers of participants' brains to understand the impact of contextual matching and how to pair advertising messages with content for optimal response.

THE CONTEXT EFFECT

Understanding context

Our brains navigate the world through the lens of context

When it comes to understanding the world around us, our brains rely on context cues. The images, words, and other elements surrounding a visual or message tell our brains how to interpret what we're seeing.

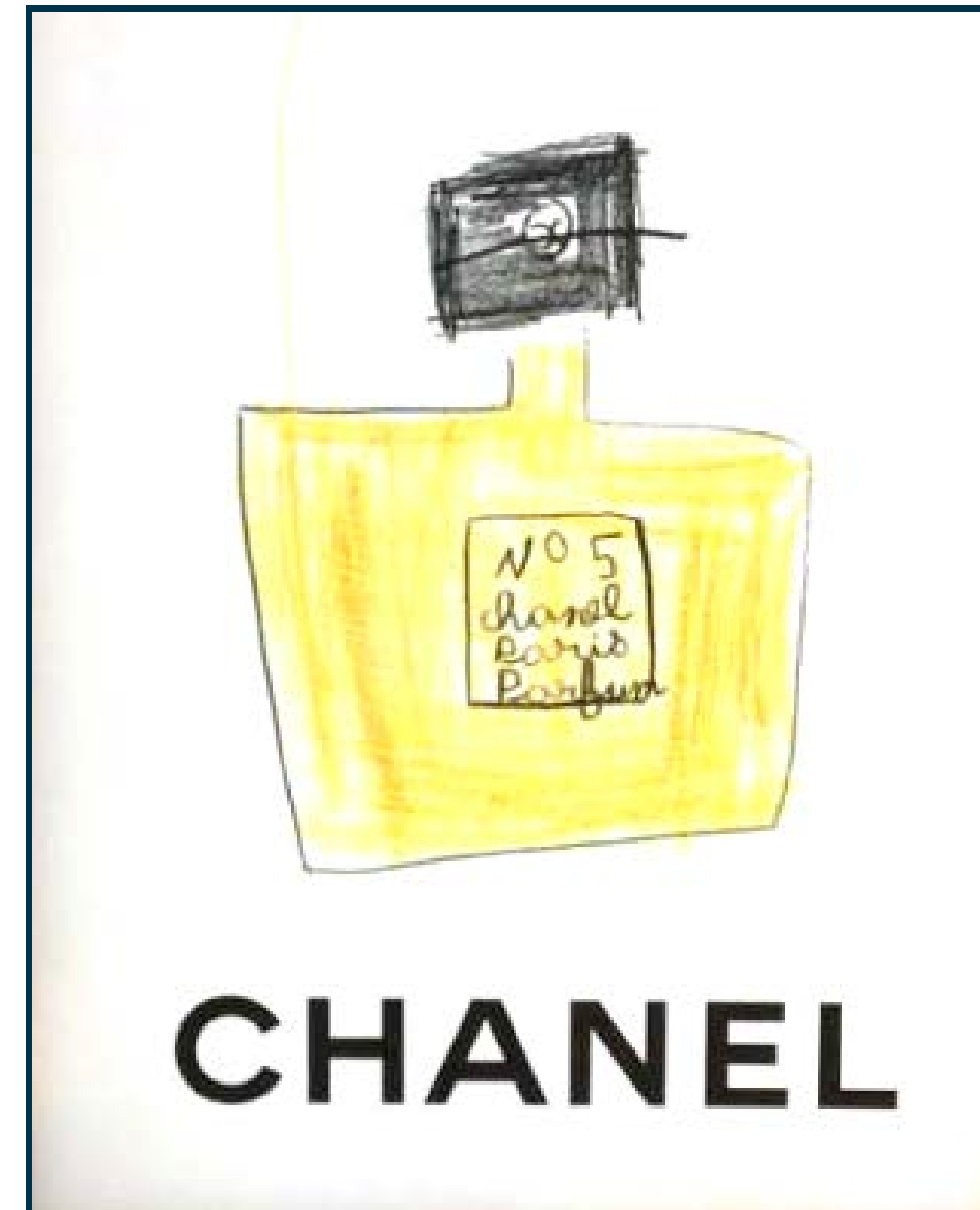
In the image to the right, additional context, such as furniture, people, or nature, would help you understand which direction the cat is traveling.

EXAMPLE Is this cat going **up** or **down** the stairs?



Context helps consumers understand brand messages

The artwork in this ad seems to contradict the traditional marketing for a luxury perfume brand...



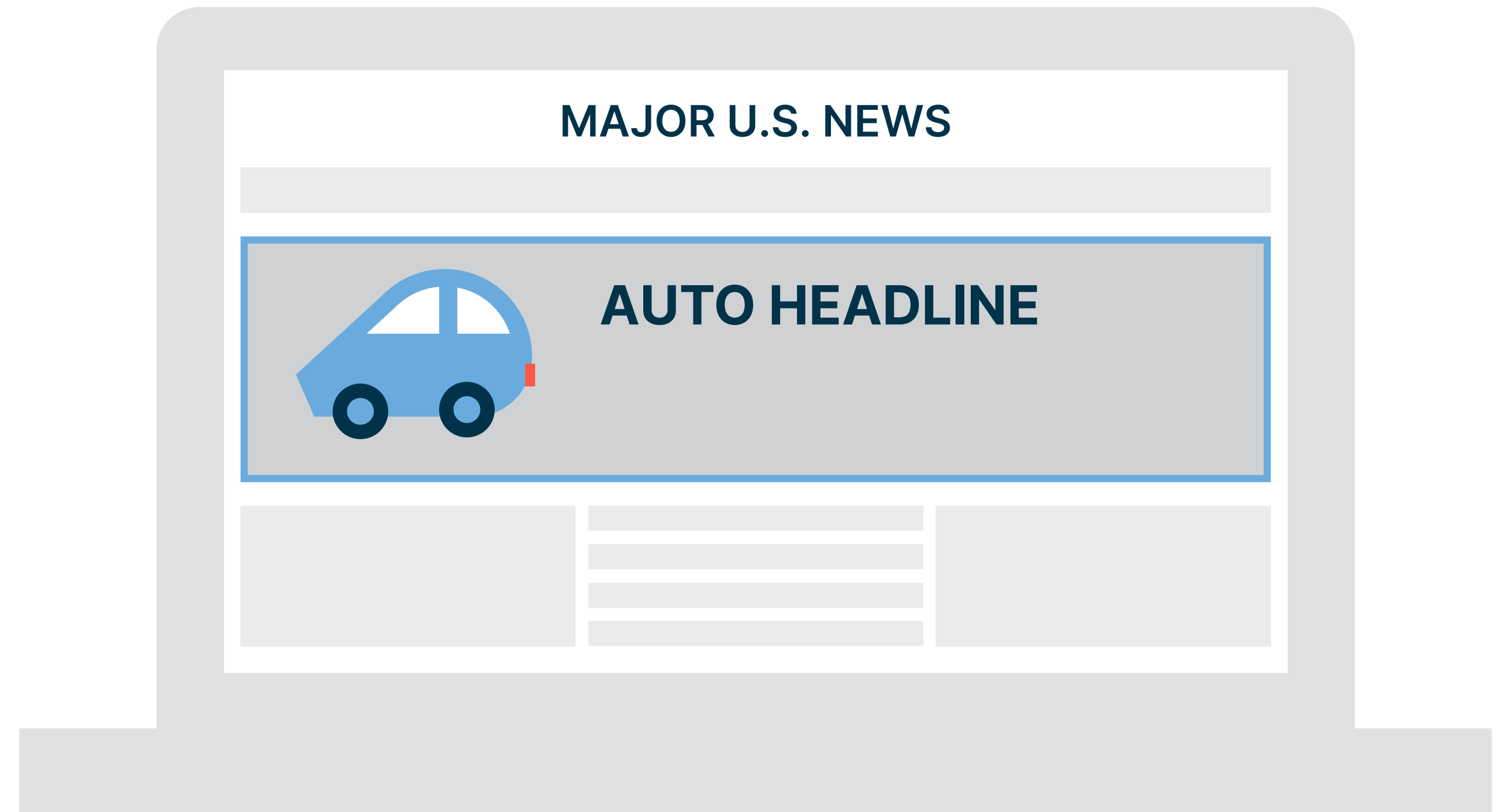
Context helps consumers understand brand messages

The artwork in this ad seems to contradict the traditional marketing for a luxury perfume brand... until you see the advertising headline, which provides context for the artwork.



But how much does context matter beyond the ad environment...

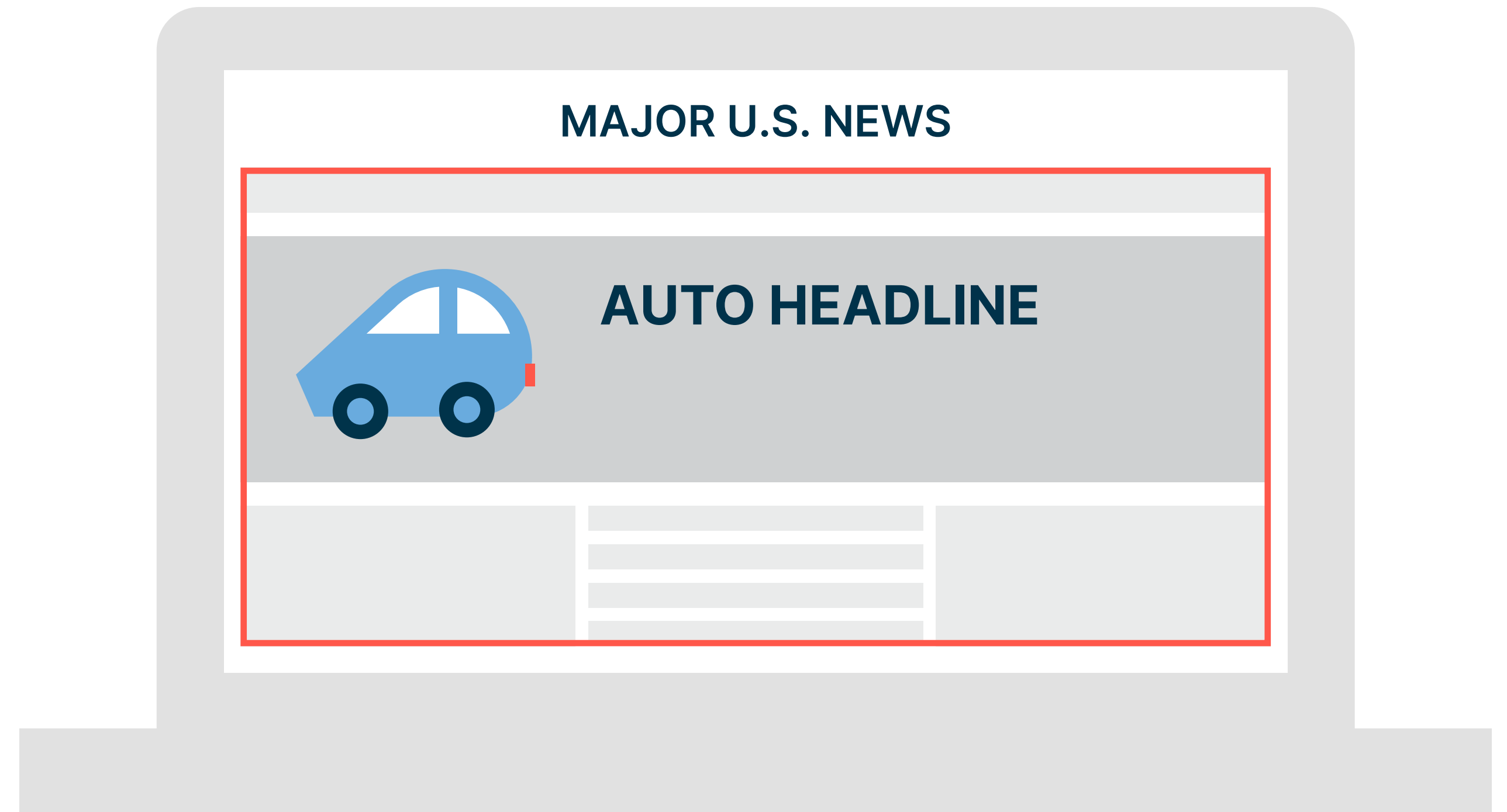
Is the impact of context only limited to the **advertising placement**?



But how much does context matter beyond the ad environment...

Is the impact of context only limited to the **advertising placement**?

Or is context influenced by the surrounding **content environment**?



In previous studies, IAS asked consumers about context

Recent IAS studies showed that when asked, consumers reported that they prefer to see contextually relevant ads.

72%

of consumers say that the content of the page can impact their perceptions of ads around it

60%

of consumers say they are likely to remember a contextually relevant ad

74%

of consumers say they like to see ads that match the content they are viewing

THE CONTEXT EFFECT

Study design

The Context Effect: The Impact of Contextual Matching

Study objectives and design

Field date

July 2021

Participation

42% females

58% males

Aged 18-60

IAS worked with Neuro-Insight to collect neurometric data from 60 participants who are regular readers of online news and magazine articles. Participants read articles on multiple devices covering local news and sports, automotive topics, finance, technology, food, and travel while wearing neuro-measurement devices in a lab environment.

The goal of this study was to understand how consumer brain activity responds to contextually matched advertisements, and whether this brain activity corresponds to self-reported consumer preferences.

Neuro-Insight uses Steady State Topography neuro-tech

Effective & Powerful



86%

Linkage to in-store sales

Second-by-second detail



Unmatched insight into engagement, emotional intensity, approach/withdraw, long-term memory encoding

Tested & trusted



Only neuromarketing technology that has been validated both scientifically and commercially by three independent bodies

Medical grade



Only neuromarketing company to identify Conceptual Closure, a physiological phenomenon recognized and used in the medical community

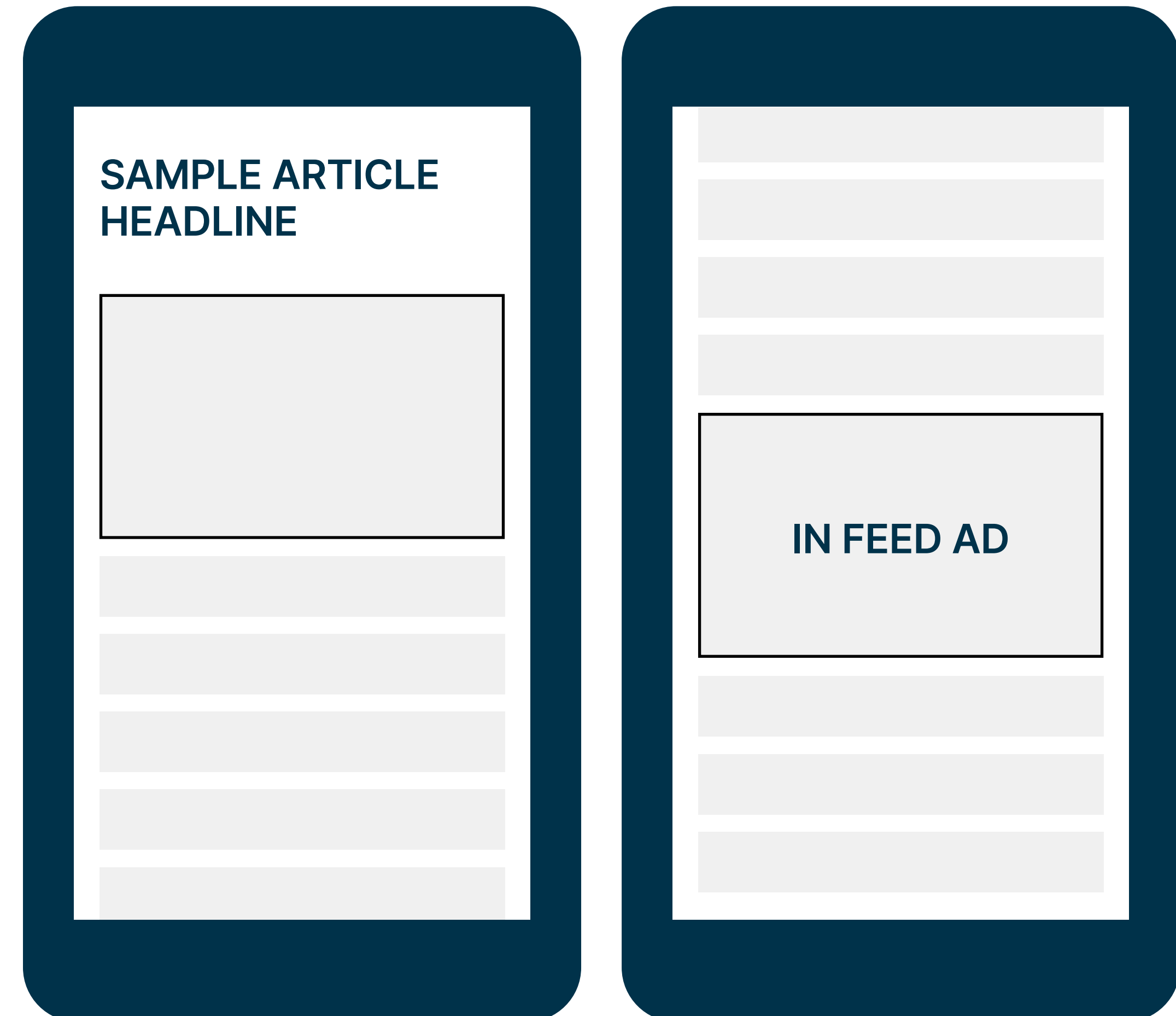
The Context Effect Methodology

Participants were asked to spend 30 minutes using an iPhone to browse pre-selected articles on eight different sites. They were shown one article and one ad per site.

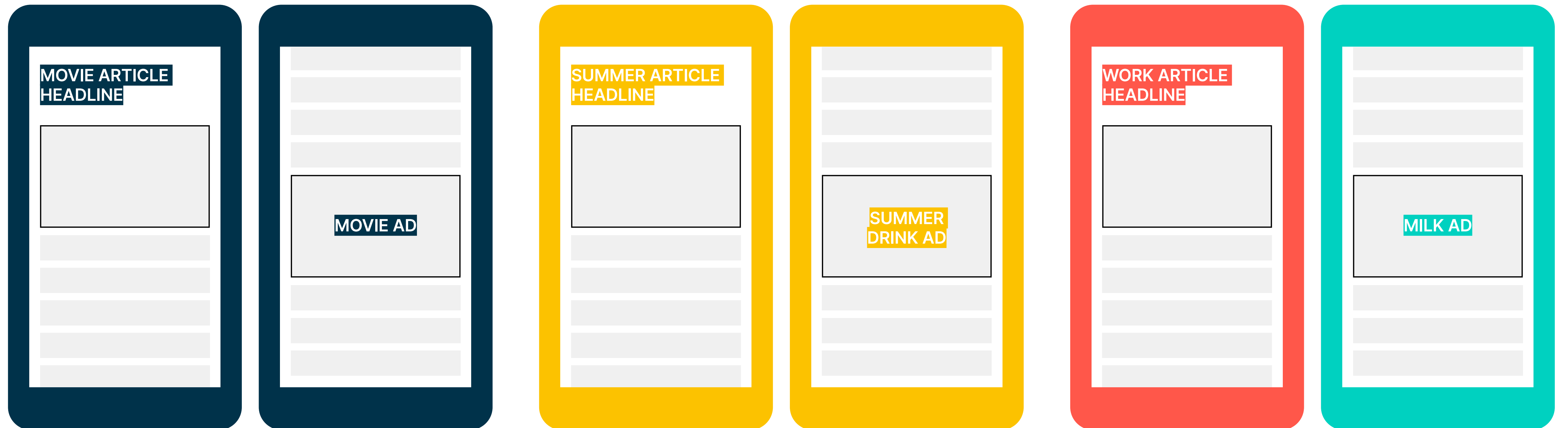
The digital advertisements were embedded naturally into the feed of each article, and multiple advertising industries were represented.

Within the eight sites,

- **Four ads** were shown alongside unmatched content
- **Four ads** were shown alongside content matched by either the article theme or message



Consumers evaluated content across three types of contextual matching



ENDEMIC MATCH

Ad solves the problem article presents

THEMATIC MATCH

Ad and article have similar theme

NO MATCH

Ad and article are in no way related

THE CONTEXT EFFECT

Results



As much as

90%

of our decision making occurs in our subconscious and it is extremely difficult for humans to articulate the **true impact** of any stimulus on their future decision making

5 key measures used to determine ad effectiveness

Ad and Brand Breakthrough



Detail Memory

Memory for key message, call to action, and branding elements



Global Memory

Memory for broad themes, overarching narratives, audio/visual elements, and equities

Ad Diagnostics



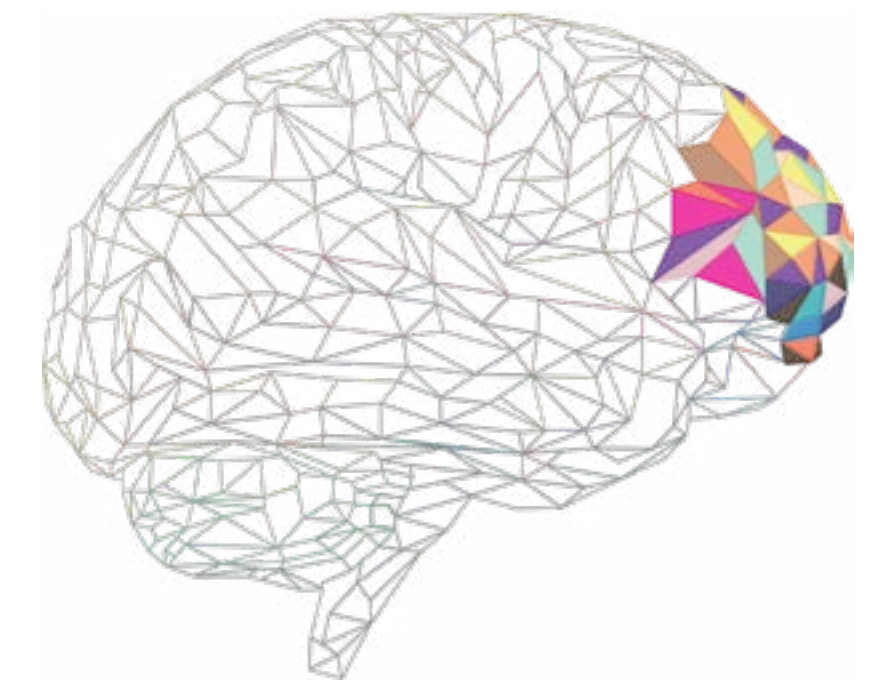
Engagement

Measures personal relevance that consumers feel towards content



Emotional Intensity

Measures strength of emotion felt as consumers are exposed to content

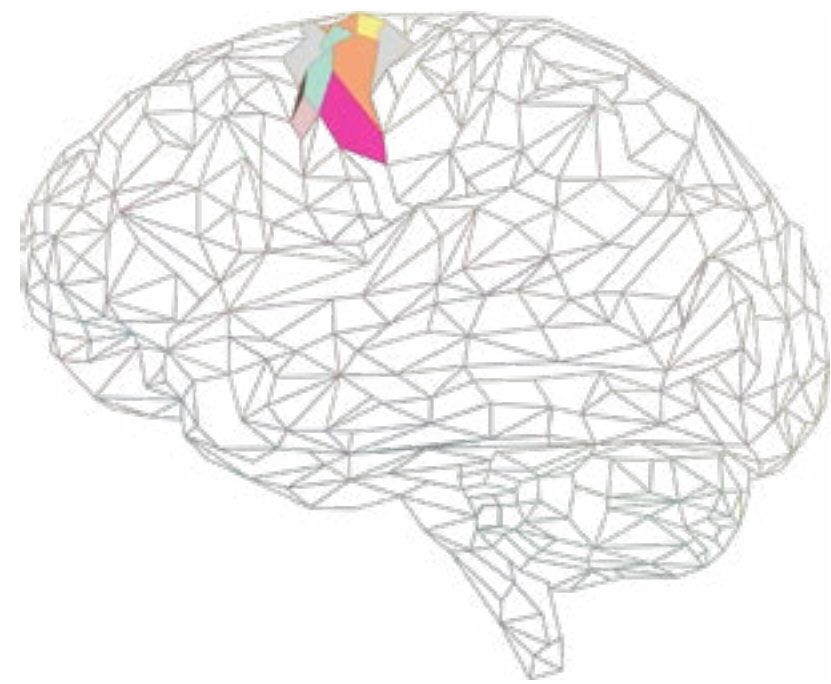


Approach/Withdraw

Measures consumer “lean in” in response to ad content — it is typically prompted during taste apparel, product shots, and/or characters having fun

5 key measures used to determine ad effectiveness

Ad and Brand Breakthrough



Detail Memory

Memory for key message, call to action, and branding elements



Global Memory

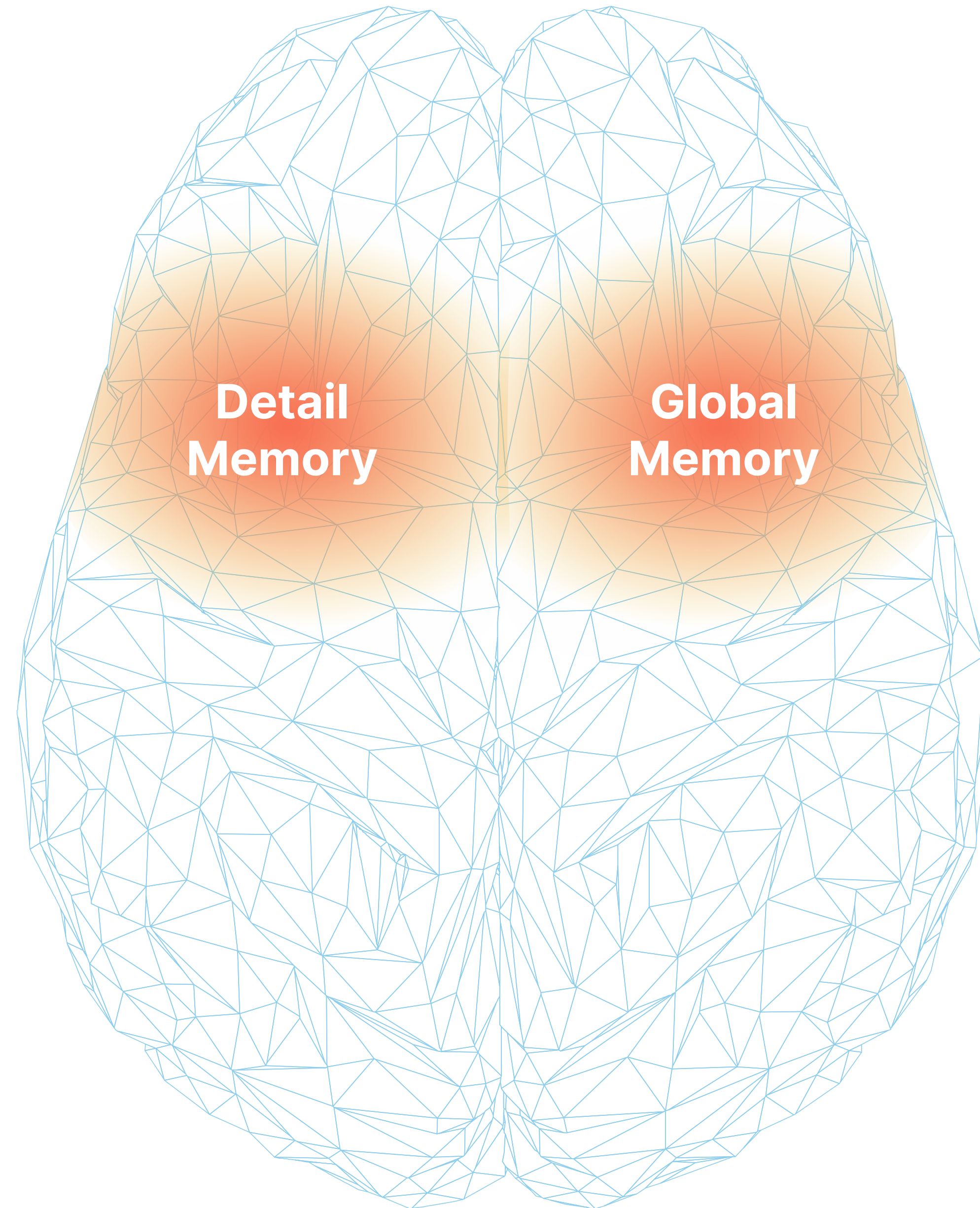
Memory for broad themes, overarching narratives, audio/visual elements, and equities

In order to be successful, ads need to be effective in creating **detail** and **global memory** in consumers' brains

Mapping the brain

Memory encoding

Transference from short term to long term memory indicates brand breakthrough. Long term memory encoding correlates with decision-making and purchase intent.



Matched ads generate higher memorability compared to unmatched

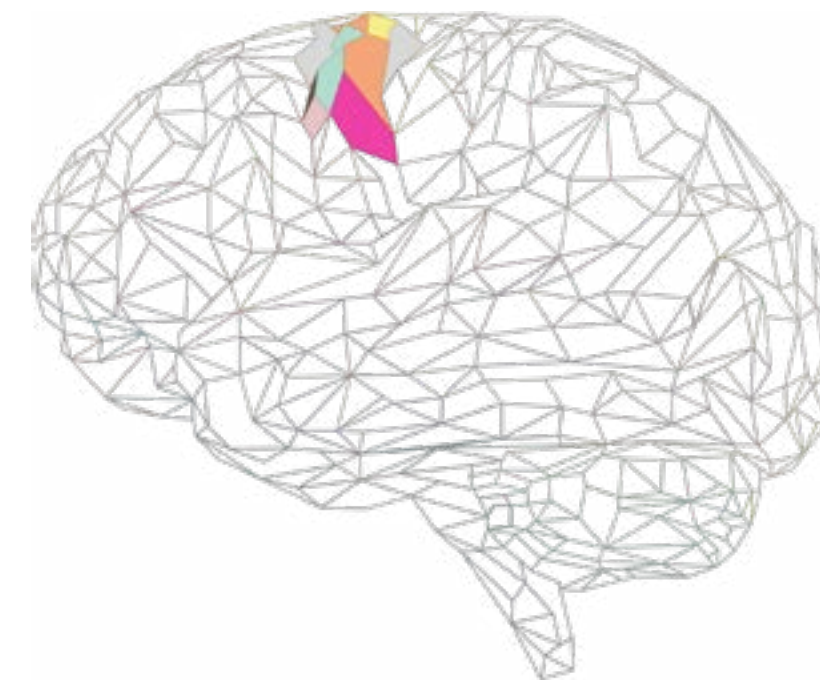
Matched ads refer to the ads that aligned with, or “matched,” the surrounding content.

On average, the four advertisements that matched the surrounding articles performed better across both detail and global memory than unmatched ads.

This means consumers were more likely to remember both the calls to action as well as the general themes of matched ads.

Matched vs Unmatched ad performance across neuro metrics

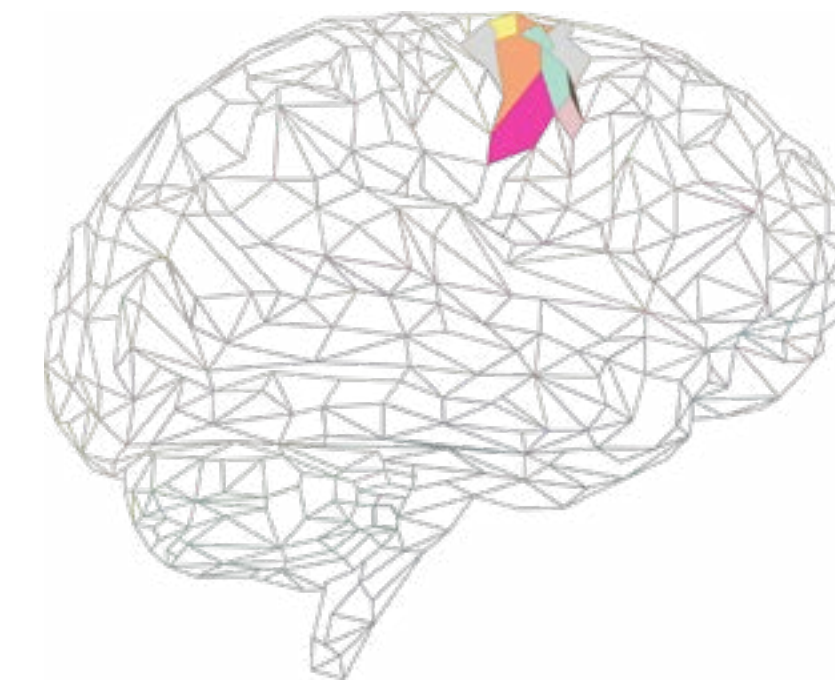
Vs Unmatched ad placement



Detail Memory

Memory for key message, call to action, and branding elements

+23%



Global Memory

Memory for broad themes, overarching narratives, audio/visual elements, and equities

+27%

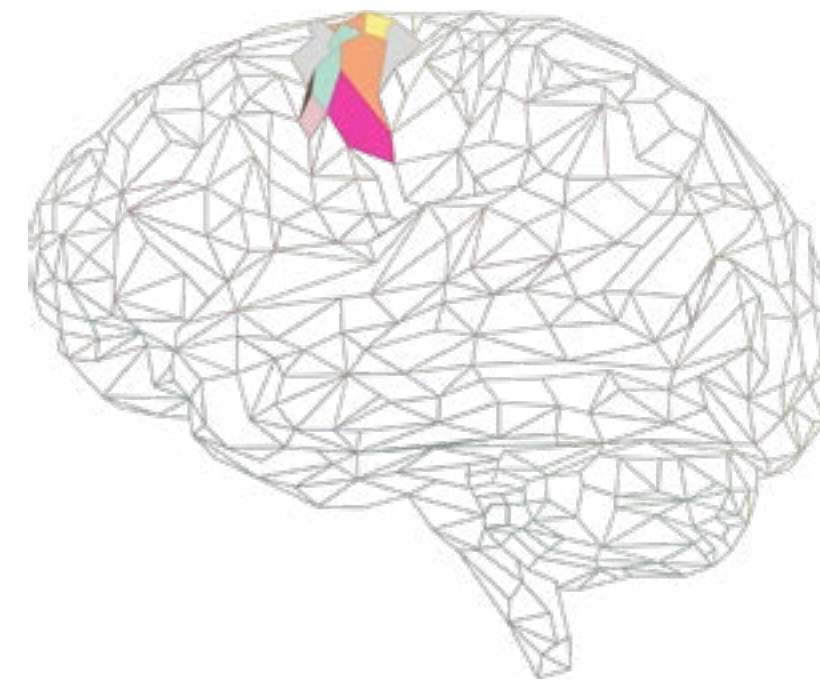
Endemic matched ads were the most effective in driving detail memory and emotional intensity

Endemic matched ads solve the problem presented by the article, like providing movie tickets in an article about movies.

Consumers were most likely to remember ad details when they matched the message of the surrounding article. Additionally, endemic matched ads created the highest emotional connection, with a 43% lift in emotional intensity.

Endemic matched ad performance across neuro metrics

Vs Unmatched ad placement



Detail Memory

Memory for key message, call to action, and branding elements

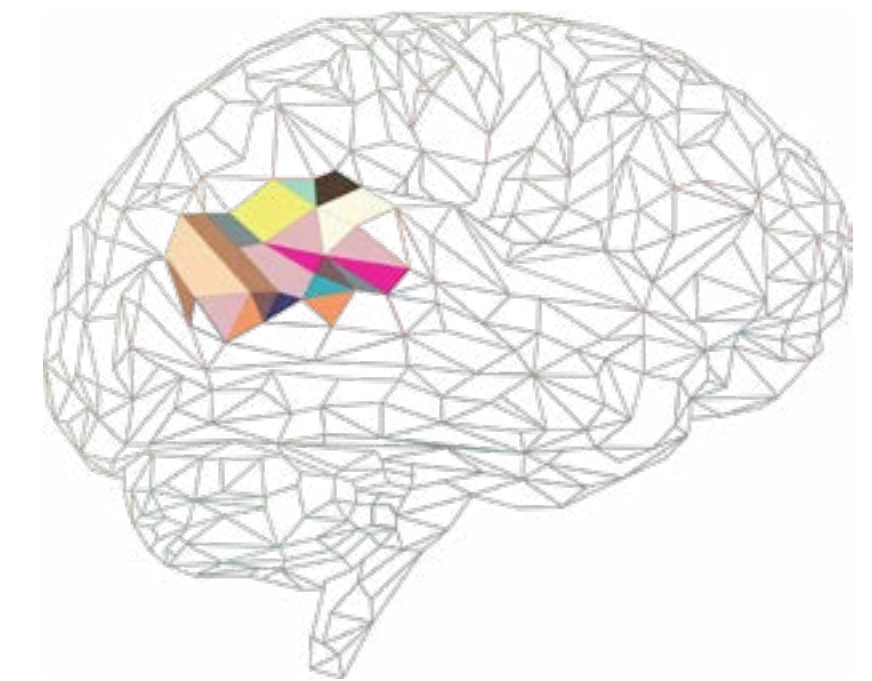
+36%



Global Memory

Memory for broad themes, overarching narratives, audio/visual elements, and equities

+14%



Emotional Intensity

Measures strength of emotion felt as consumers are exposed to content

+43%

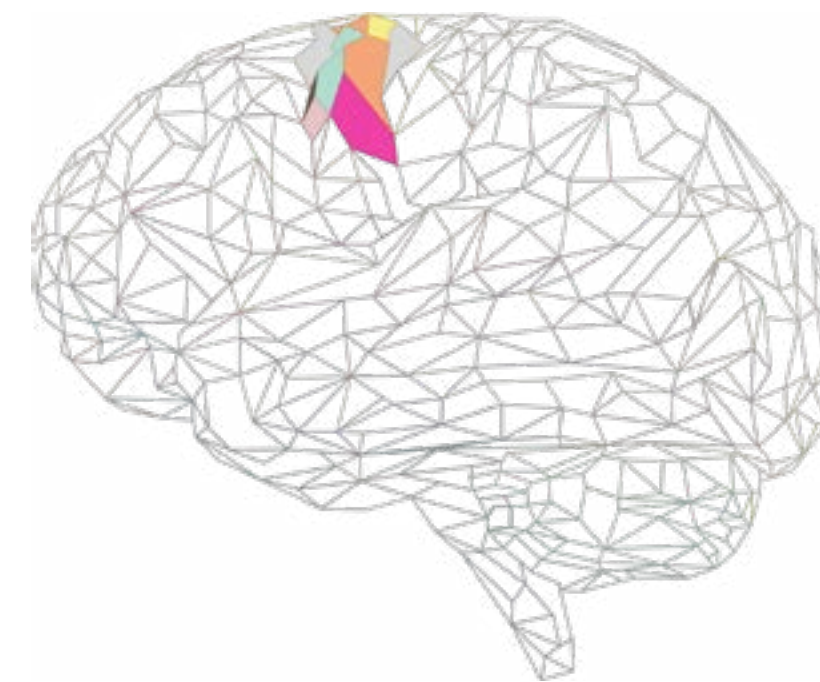
Thematic matched ads perform best in global memory generation

Thematic matched ads have a similar theme to the surrounding content, like a summer drink ad within an article about summer.

Ads with themes that matched those in the article had the highest lift in global memory. For example, consumers were most likely to remember summer-themed ads alongside similarly seasonal articles.

Thematic matched ad performance across neuro metrics

Vs Unmatched ad placement



Detail Memory

Memory for key message, call to action, and branding elements

+10%



Global Memory

Memory for broad themes, overarching narratives, audio/visual elements, and equities

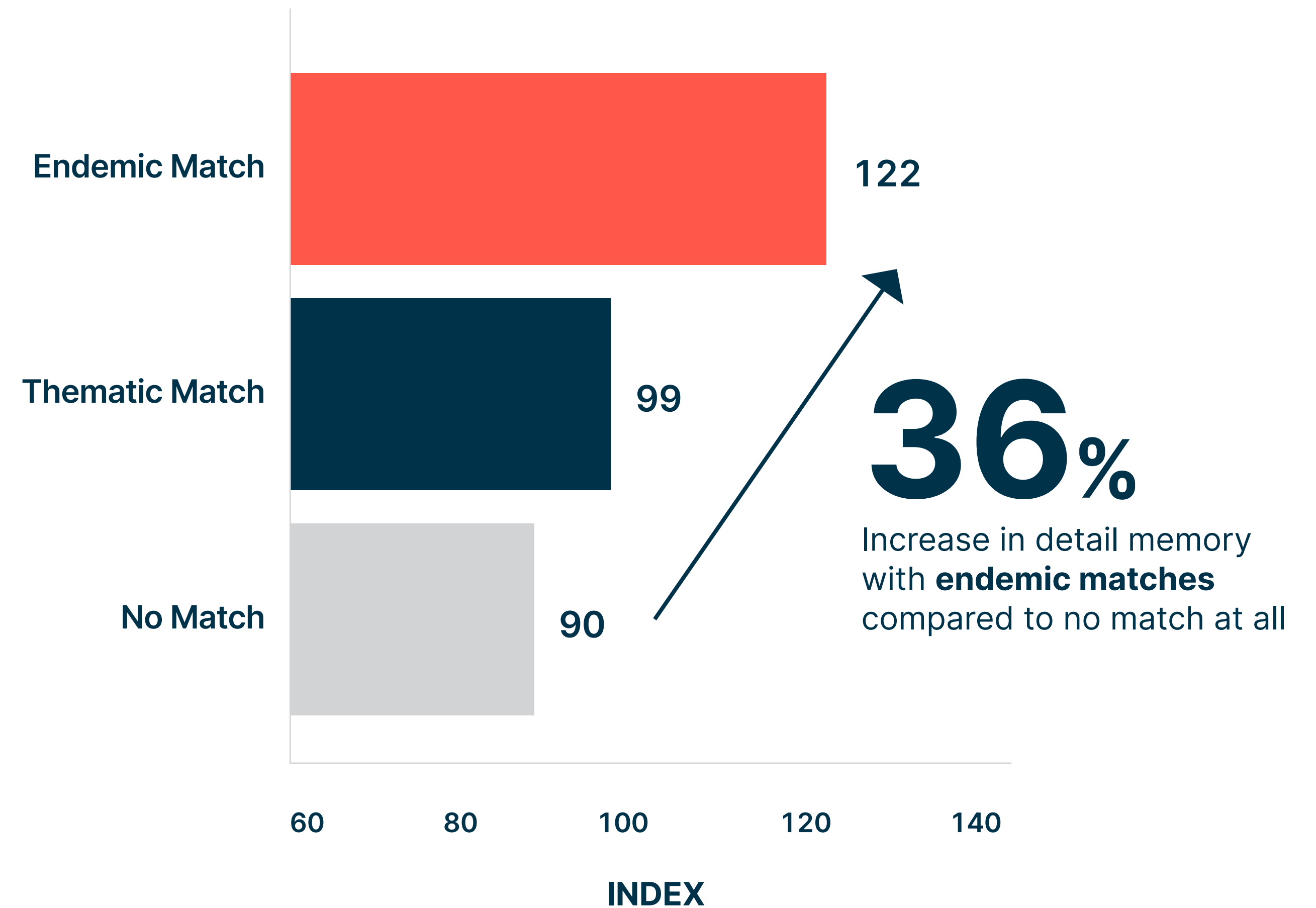
+40%

Matching informational ads to the article message has the highest impact

An **informational ad** is one which features details that readers have to process, such as product offerings or specific calls to action.

These types of ads should elicit a detail memory response because they require readers to recall specific elements in order to activate.

Informational ads saw the highest lift in detail memory when the ad message matched that of the surrounding article.



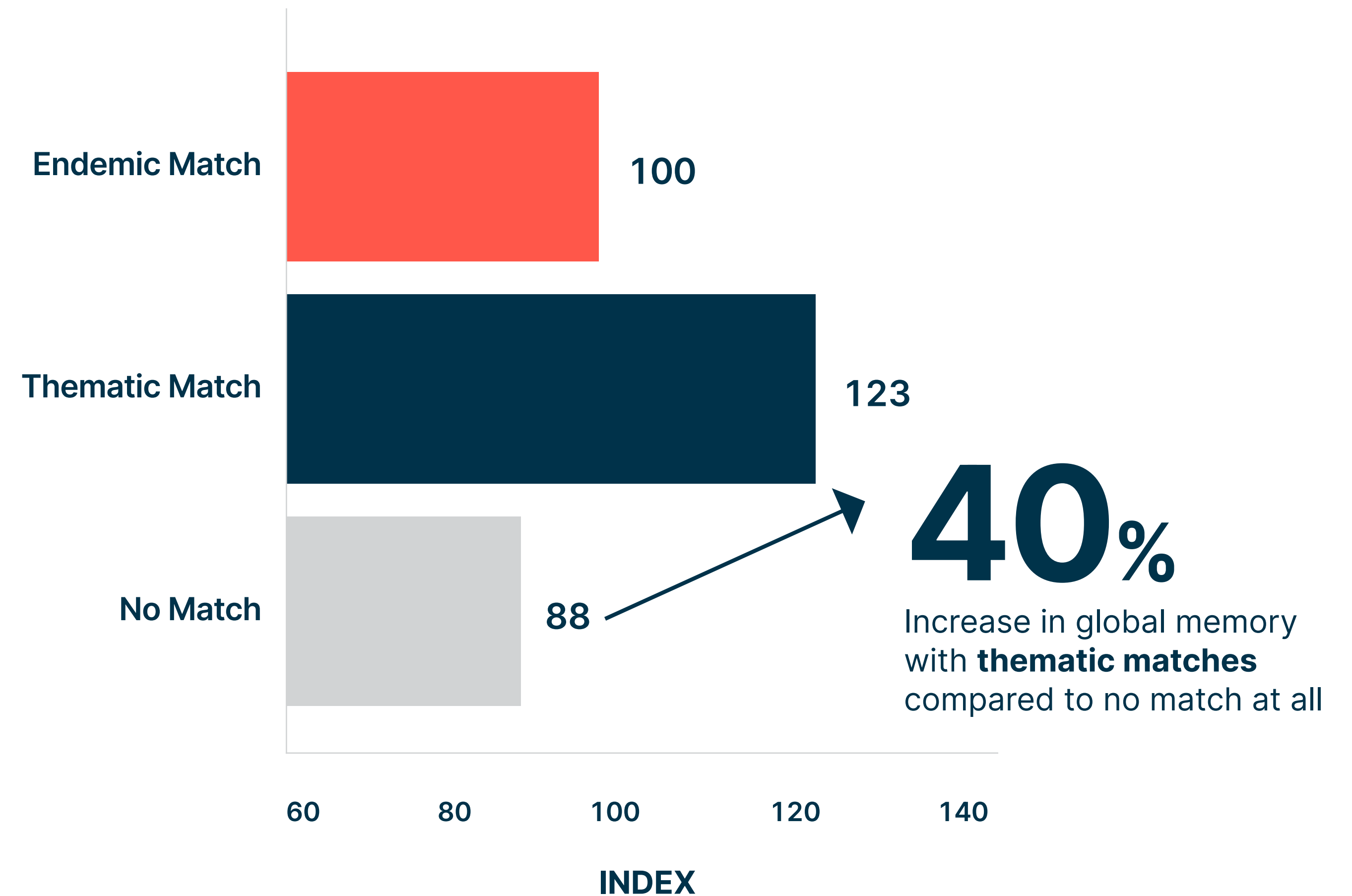
Index based on 8 ads tested in study. Score of 100 represents average memorability of all ads tested. 111 indicates 11% more effective than average. 89 indicates 11% less effective than average.

Emotive ads are most impactful when matched to articles by theme

An emotive **ad** aims to elicit an emotional response or particular feeling with the reader.

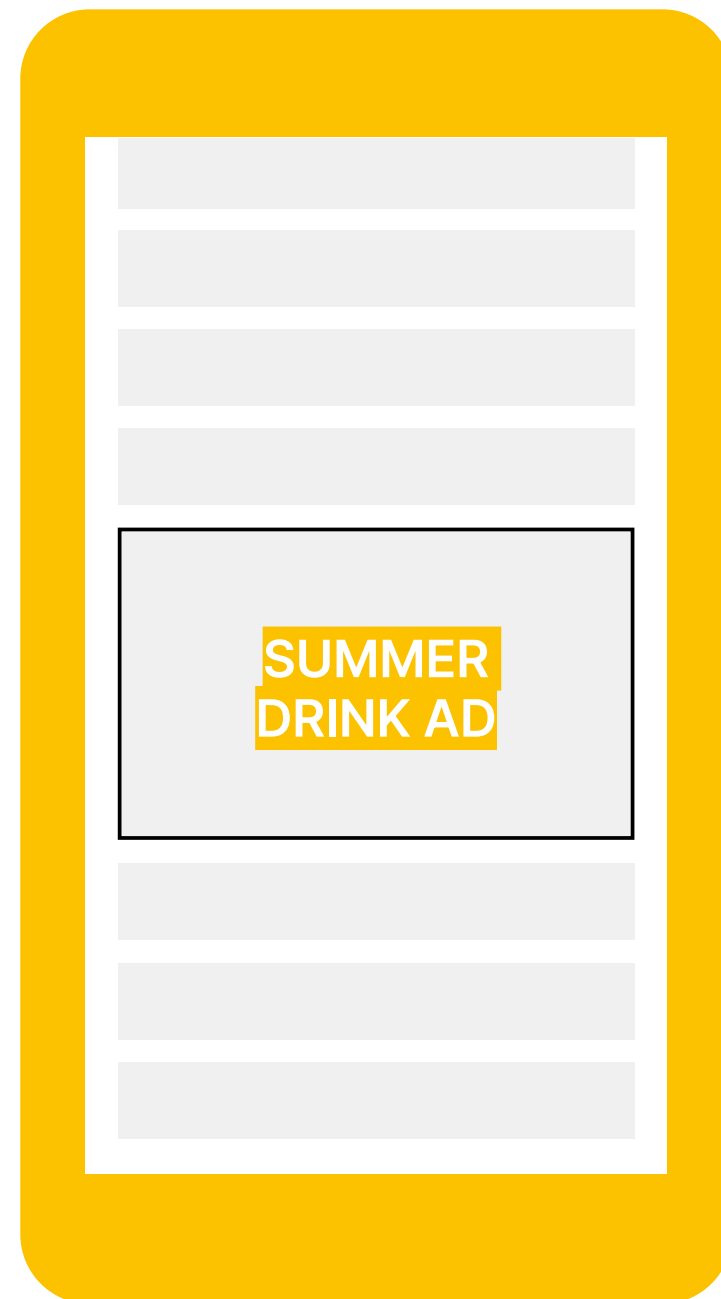
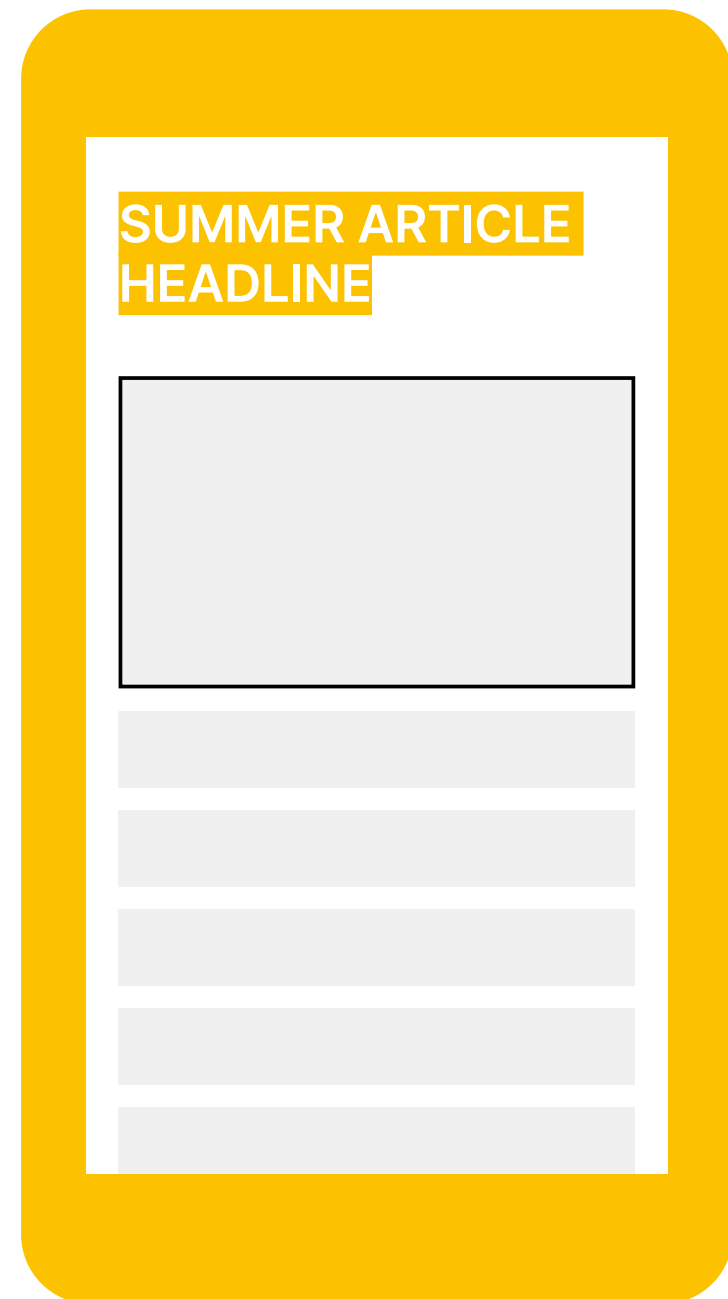
For these types of ads, global memory shows how much a reader is remembering the overall idea or how it made them feel.

Emotive ads will see the highest lift in global memory when placed alongside an article that matched the theme of the advertisement.

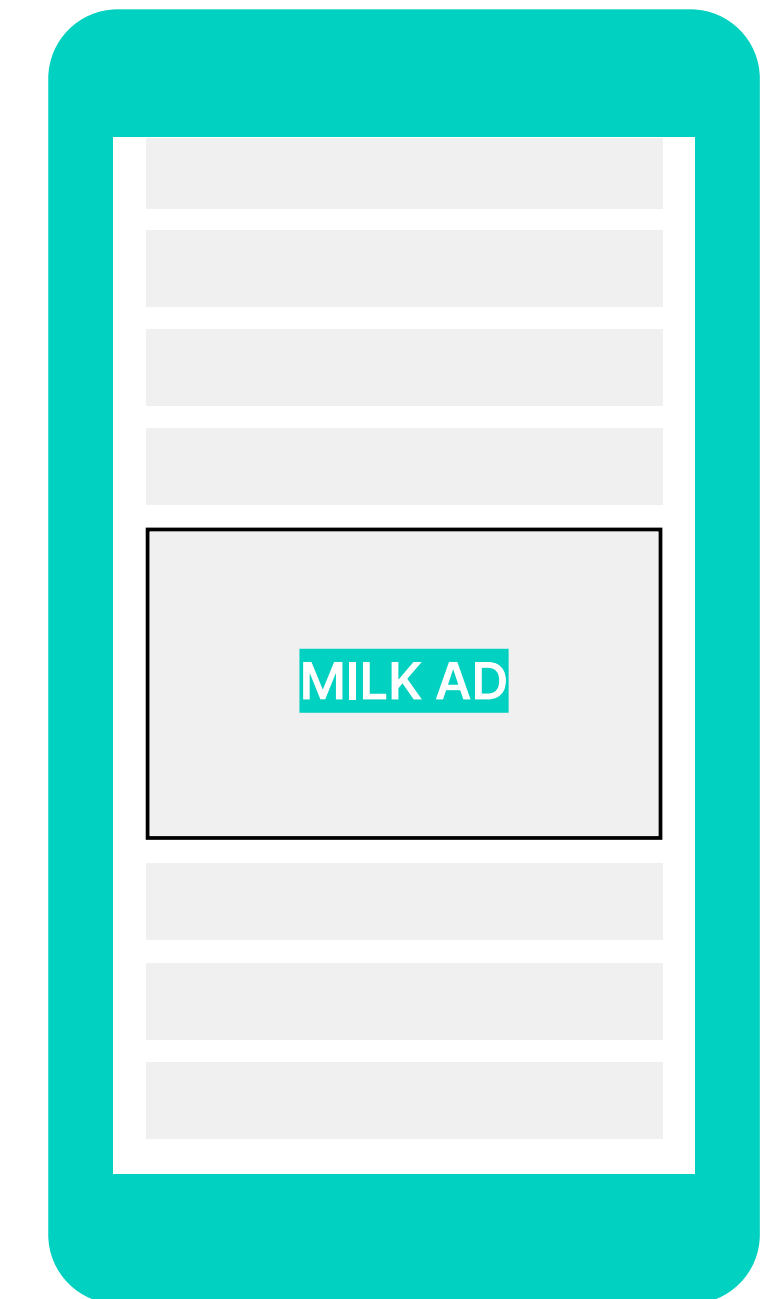


Index based on 8 ads tested in study. Score of 100 represents average memorability of all ads tested. 111 indicates 11% more effective than average. 89 indicates 11% less effective than average.

Consumers are more likely to remember an ad that matches the context of an article



+25%
Increase in memorability for thematically matched ads compared to unmatched ads



THE CONTEXT EFFECT

Ad Exposure Effects

Most consumers find ads to be **undisruptive** to their online reading experience

When asked about their experience, most consumers said they found the ads to be undisruptive to their ability to read the articles. Additionally, only **36% of consumers** said they scrolled past an advertisement without reading it.

63%

of consumers say they feel neutral toward ads or disagree that ads interrupt their online reading experience



Thinking about today's reading experience, could you now please indicate how strongly you agree or disagree with the following statements, on a scale of 1-5, where 1 is 'Strongly disagree' and 5 is 'Strongly agree.':
When you see an advertisement on a website, what are you most likely to do?

Nearly 3 in 4 consumers like to see ads that are **related to the content being consumed**

The resurgence of contextual targeting brings new and better technology, but also drives higher consumer expectations. Not only do the majority of consumers find it appealing when an ad is contextually relevant, but **72% of consumers** also say their perception of online ad is impacted by the surround content on the page.

Source: Power of Context (72% of consumers say their perception of online ad is impacted by the surround content on the page.)

73%

of consumers find it more appealing when an ad is related to the content of an article



Thinking about today's reading experience, could you now please indicate how strongly you agree or disagree with the following statements, on a scale of 1-5, where 1 is 'Strongly disagree' and 5 is 'Strongly agree.': "When online advertising is related to the article I am reading, I find it more appealing"

Over half of consumers say their experience is disrupted when ads **don't match** the surrounding content

With most consumers reading the ads they see, they're likely to notice when ads are misaligned to the environment. Not only do consumers prefer to see ads that contextually match the surrounding content, but more than half of them say their reading experience is disrupted when ads don't match.

51%

of consumers find it disruptive when an ad is not related to the content they're reading



Thinking about today's reading experience, could you now please indicate how strongly you agree or disagree with the following statements, on a scale of 1-5, where 1 is 'Strongly disagree' and 5 is 'Strongly agree.':

When online advertising (displays, still images and non-video banners) is not related to the article I am reading I find my reading experience is disrupted

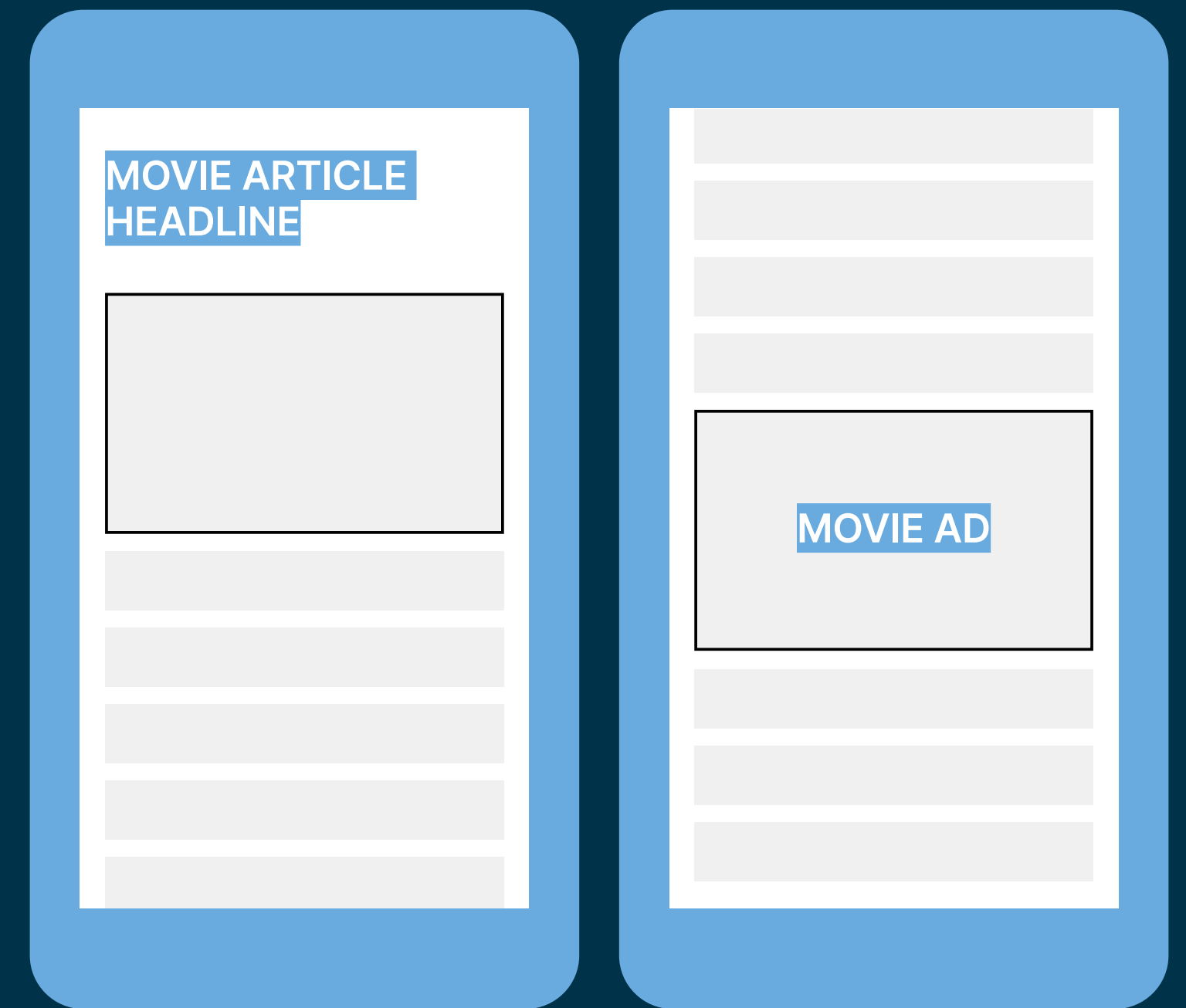
THE CONTEXT EFFECT

Key Takeaways

KEY TAKEAWAYS

1 Informational ads perform best when endemically matched

Matching informational ads with an article's endemic nature elicits a strong detail memory response—driving 36% more detail memory than when there is no match at all.



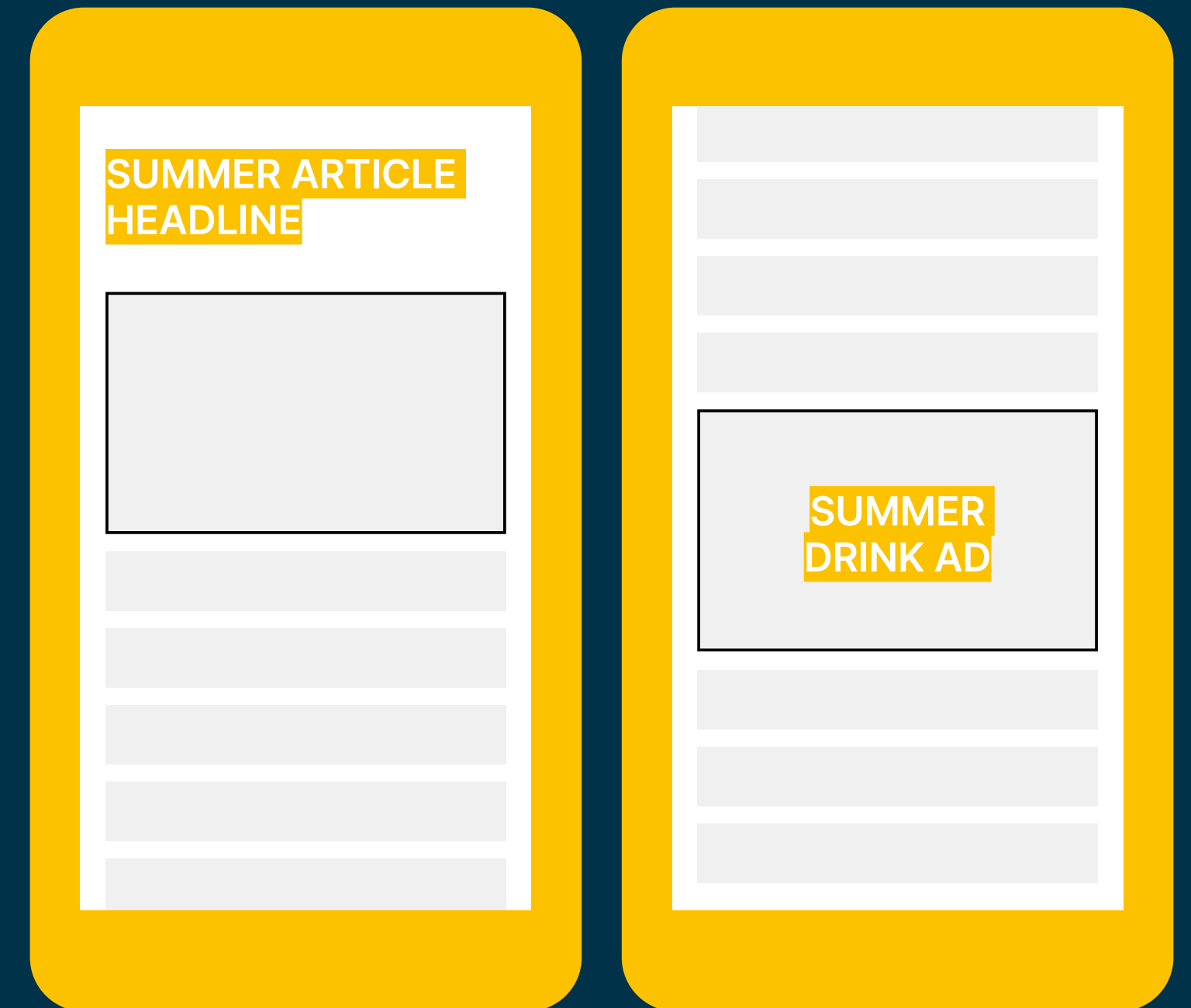
ENDEMIC MATCH

Ad solves the problem article presents

KEY TAKEAWAYS

2 Emotive ads perform best when thematically matched

Ads that aim to leave an emotional memory or particular feeling with consumers perform best when placed within a thematically-matched article. Emotive ads drive 40% more global memory in a thematically-matched article than no match at all.



THEMATIC MATCH

Ad and article have similar theme

KEY TAKEAWAYS

3 Consumers prefer to see ads that match the surrounding content

The resurgence of contextual targeting brings new and better technology, but also drives higher consumer expectations. Not only do 72% of consumers say their perception of an ad is impacted by the surrounding content, but nearly 3 in 4 consumers find contextually relevant ads more appealing.

73%

of consumers find it more appealing when an ad is related to the content of an article

Unlock contextual targeting to make an impact with IAS

CASE STUDY

Reduce Costs and Increase Conversions

IAS Context Control Targeting enabled Bench Media to target contextually relevant content, without the use of 3rd party cookies, to increase their advertiser's recognition and engagement. The advertisers saw improvements in CPM, CTR, CPC, and video completion rate.



21% increase
click through rate

10% increase
click through rate

36% decrease
cost per click

23% decrease
cost per thousand impressions

19% decrease
cost per acquisition rate

Start your contextual journey with IAS today

Availability:
Context Control
for Targeting

Available in the
following DSPs:



200+ segments available for
pre-bid targeting to reach your
ideal audience at scale

Desktop | Mobile Browser | Video* | Display

Seasonal

Vertical

Topical

Audience Proxy

GET STARTED

About IAS

Integral Ad Science (IAS) is a global leader in digital media quality. IAS makes every impression count, ensuring that ads are viewable by real people, in safe and suitable environments, activating contextual targeting, and driving supply path optimization. Our mission is to be the global benchmark for trust and transparency in digital media quality for the world's leading brands, publishers, and platforms. We do this through data-driven technologies with actionable real-time signals and insight. Founded in 2009 and headquartered in New York, IAS works with thousands of top advertisers and premium publishers worldwide. For more information, visit integralads.com.

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info@integralads.com
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