

# CMO Brief

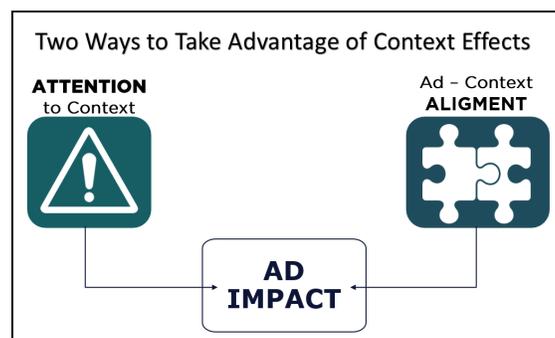
August 2018

## | Can Context make Advertising More Effective?

Whenever a consumer sees an ad, it is not in isolation, but in a context – such as a TV show during which a commercial is shown or a social media feed in which a “native” video appears. In addition to the content next to an ad, the media platform, the device, and even the time at which an ad is seen provide a “context”.

- A large body of research has shown that context often impacts consumers’ response to advertising, both positively and negatively. Renewed interest in context effects results from both advertisers’ concern about seeing their ads placed in contexts that could harm their brands, and from looking for new ways to combat ad avoidance by making advertising less disruptive.

The ARF has concluded that marketers should not ignore context and that they can enhance the effectiveness of advertising messages through context:



- An advertisement seen or heard in a context that a consumer pays more **Attention** to, more likely will be seen or heard. Therefore, marketers should explore which content and media platforms their target consumers like and pay attention to and consider placing advertisements in those environments.
- An additional step to improve advertisement performance, is “**Alignment**” between the context and the ad.

Advertisers have successfully employed two alignment strategies: (1) Placing ads into contexts that align with the ad creative, the brand, and the campaign objectives; and (2), create advertisements - for important campaigns, special events, and for digital environments - that provide a particularly good fit with a specific content/context.

In summary, strengthening the connections between your advertising and the context in which it is placed can result in greater ad receptivity and more effective advertising.

For more information, see the [ARF Knowledge at Hand - Context Effects](#)

# CMO Brief August 2018

## | What makes Short Ads on Television Effective?



Short ads, ubiquitous in digital media, are now appearing on television: A study commissioned by the ARF found that short ads (mostly 6 second length) were shown on network and cable TV in the US during all dayparts and seen thousands of times during the Nov 2017 – April 2018 period. Major advertisers, including Duracell, Pepsi, and Toyota, have employed short ads.

Are short ads on TV effective, and if so, what are the best strategies for using short ads on TV? As they are a new phenomenon, the available research does not provide all the answers. Still, the ARF has reviewed about a dozen studies and reports and found that they come to a number of similar conclusions that point to these best practices:

- Short ads receive more attention from viewers and have better recall when they are “primed for success”, that means placed in premium positions – for example as a stand-alone – rather than in cluttered environments, such as during a pod with many other ads.
- As with all advertising, creative is very important. For short ads, it seems that simple, clear storylines and messages are preferable. Still, emotional connections with the message and brand are more difficult to achieve with a short ad.
- Coordinating the use of both short and longer ad formats during a campaign, where the short ad reminds of and builds on the message in the longer ad, shows promise.
- Large, well-known brands seem more likely to benefit from short ads.

While available data suggest strategies to optimize the use of short ads, evidence on ROI and the sales and branding impact of 6-sec ads when compared to 15’s and 30’s is still missing. Still, the evidence thus far does indicate that short ads can play a useful role in a television campaign.

*For more information, see ARF study [6 Second Ads: Who, How & When to Use](#)*

# CMO Brief

September 2018

## | Native Advertising

As new advertising platforms are entering the marketing landscape, the tools of marketing and advertising are evolving. A large number of new strategies and formats have been developed, primarily for the digital and mobile media. Among the fastest growing are “native” ads formats.

Given the many new strategies and formats, there is some disagreement on the definitions of these new marketing tools. Still, a consensus seems to be emerging and “native” formats are usually defined as paid ads that are customized to match the style and content of a platform in order to appear seamless to the user.

- While the research evidence regarding the effectiveness of these ad and marketing tools is not yet conclusive, there is good evidence that “native” ads can diminish ad avoidance and growing evidence for branding and purchase intent effects.

The new formats are based on principles of advertising and consumer behavior that have been employed successfully for decades. “Native” ads, product placements on TV, and print “advertorials” share the principle that commercial messages which align with the format and content of the medium are less disruptive and more likely to be noticed.

- The ARF encourages the development of new formats that customize advertising to the new platforms. Its “How Advertising Works” project has established that such customization – the hallmark of “native” – is likely to be more effective than ads from another platform that have simply been repurposed.
- As advertising platforms and consumer behaviors continue to evolve, the ARF recommends that marketers continue to innovate and conduct research that enables them to make evidence-based decisions on how to optimize “native” advertising as well as other formats.

*For more information on “Native Ads” as well as related concepts (“Branded Content” and “Content Marketing”), see the ARF’s “Knowledge at Hand” on “Native Advertising”.*

# CMO Brief

August 2018

## | The Intel on Artificial Intelligence in Advertising

Some say AI is a broad field that includes everything from simple if-then rules for playing Checkers to complex ensembles of deep neural networks for piloting autonomous vehicles. However, in marketing, AI is a term applied to several techniques and functions.

Implementing AI solutions in-house may not be an option for every organization, but commercially available solutions and APIs may meet the needs of many businesses. For starters, businesses of any size should have a considered AI strategy to determine the role and roadmap for AI in your organization, due to its potential impact on the global economy.

### Best practices

Given that AI is quickly becoming an essential technology in advertising, best practices depend on need and level of possible investment. This includes everything from understanding AI, purchasing AI solutions, and implementing AI techniques in-house.

- First, be aware of the risks associated with AI. AI techniques find an optimal solution to the problem posed. For example, machine learning techniques may have hidden biases due to the data or algorithm used for training.
- Make use of freely available resources to learn about the technologies that underlie the most common AI techniques. This includes resources like [AlphaGo \(documentary\)](#), [Machine Learning for Humans](#), [The Best Machine Learning Resources](#), & [Twitter](#).
- Choose AI solution providers carefully. Ask about the techniques used and insist on an offline demonstration. Bring an expert with you to ensure clear communication.
- Read blogs from AI solution providers describing the underlying technologies of the solutions they offer in detail, as well as use cases that may not have been considered.
- Use AI in situations where the technology is up to the task. Reality does not always live up to the hype. Knowing where to deploy AI is essential.
- Discover experts with proven expertise in AI via online talent platforms like [Kaggle](#) competitions and [GitHub](#) repositories.
- Ensure your code of ethics governs the acceptable use of AI. Explaining this clearly to users can engender trust in your organization.

*To see the full four-page report, including an in-depth analysis of what AI can do for your company and a list of some AI providers for marketing, go to the [ARF Knowledge at Hand – Introduction to Artificial Intelligence](#).*