

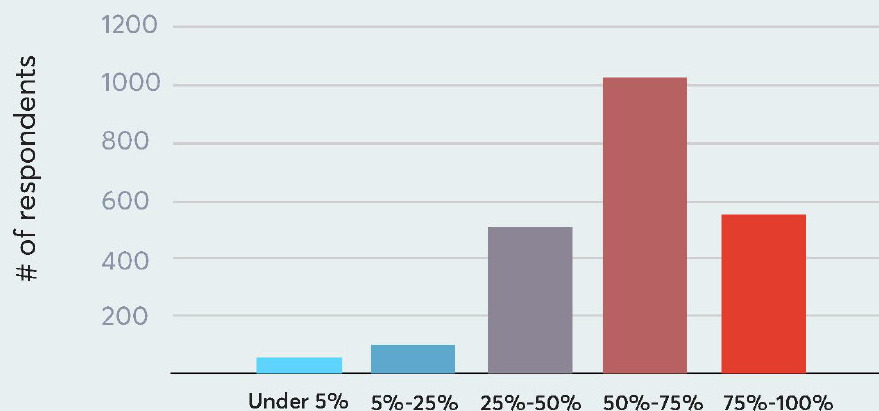


Native advertising —  
the future of performance marketing

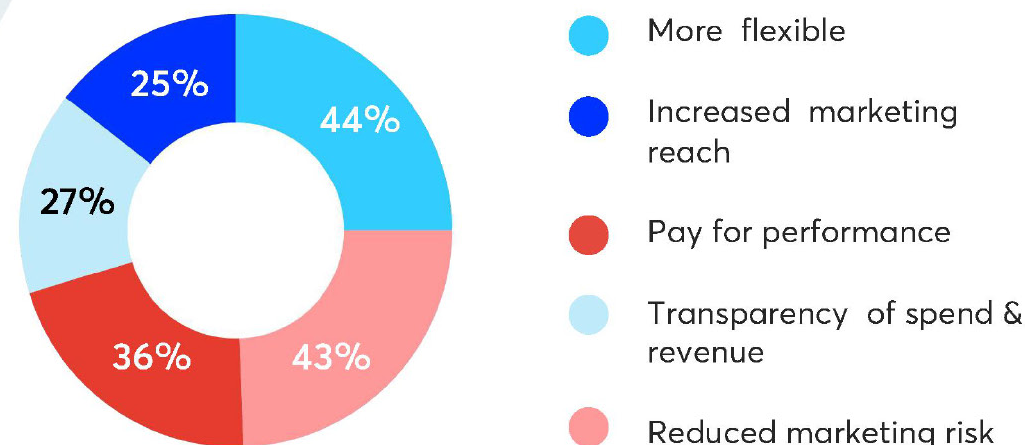


# 2019 is the year of performance brand marketing

62% of marketing budgets moving towards performance marketing



Why is performance marketing growing faster than traditional marketing?



Affiliate marketing is a part of performance approach. Performance has always been appreciated, yet its importance has started growing dramatically only in 2018-2019.

## Why?

Based on a survey of 2274 performance marketers in the UK and US in April 2018.



# Why brands choose performance?

- many brands are shifting to e-commerce
- online and offline points of sales creation — control over the budget
- possibility to transform brand metrics into performance KPIs
- crisis of classical ad tech chain — fraud increase, hard-to-measure results
- cost of targeting increases, as brands want to spend more on measurable campaigns



**\$237** bln —  
are spent on performance-  
based approaches





# Performance marketing mindset

- ▶ Chase high intent audience
- ▶ On low spill channels
- ▶ With customized messaging
- ▶ Measuring & optimizing metrics



- ▶ Chase high intent audience
- ▶ On low spill channels
- ▶ With customized messaging
- ▶ Measuring & optimizing metrics

All these and  
even more  
is covered by native  
advertising



Performance marketing is expected to deliver brand marketing KPIs, which is a tough task for classical ad formats



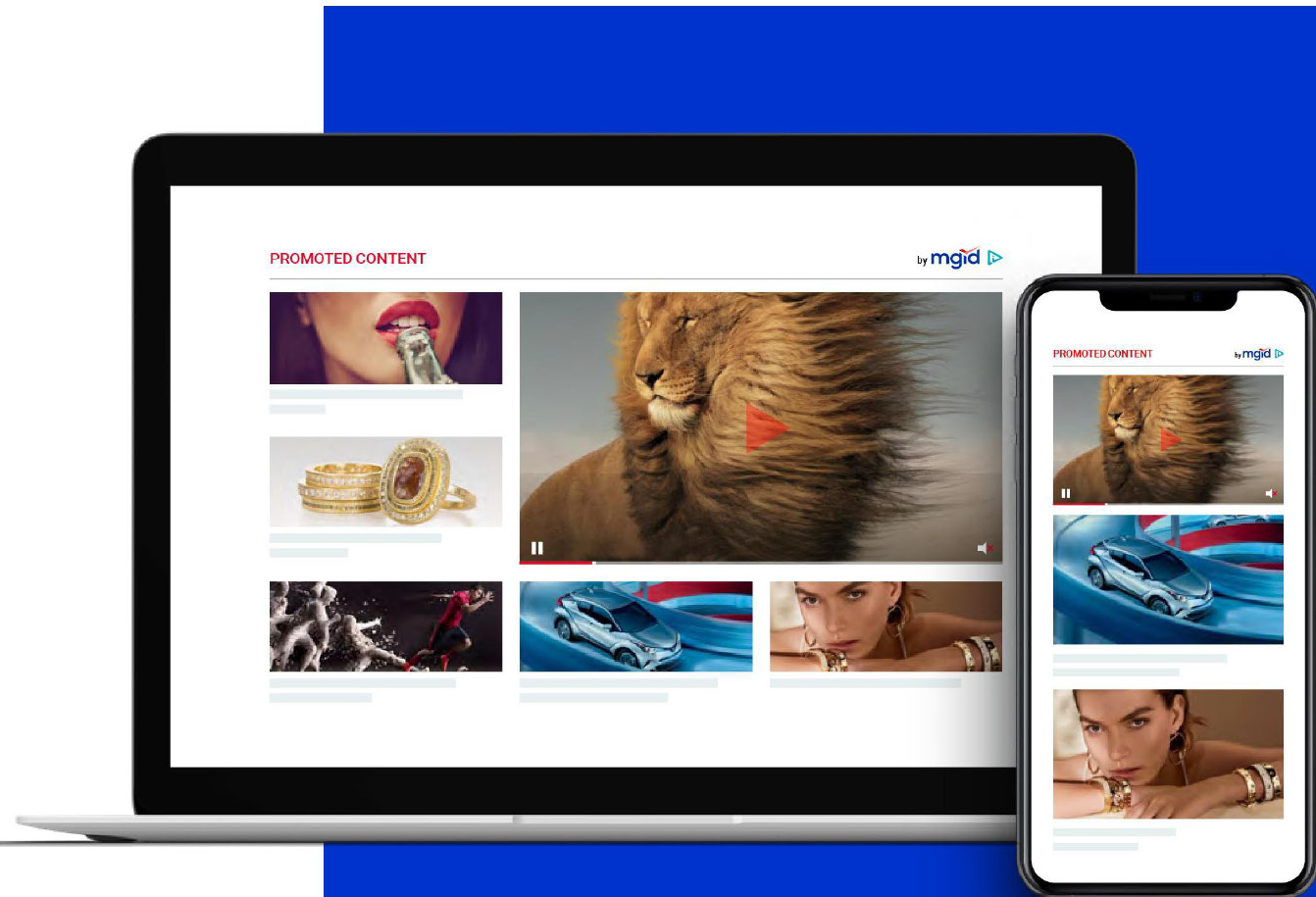
# What is Native?

Native ads match the content and design of the web page they are located on

## Native Ads:

- help avoid banner blindness, serving ads that recommend the content most suitable to the users' interests;
- do not irritate and are organically intertwined into the users' interaction with the website;
- suggest a more subtle and indirect selling approach, rather than standing out as hard-sell advertising;
- on average, have a 60% higher CTR\*.

\* Across all platforms and formats





# Native vs. Search/Display



## Native Ads

Has the look and feel of the page's editorial content

Soft Sell

High CTR (average 0.5%)

Ideal for driving traffic to your website

Cheaper cost per click

More effective on cross platform traffic

Cost per click

**\$0,25**



## Display Ads

Stand out as a paid ad

Hard sell

Low CTR (average 0.05%)

Ideal for retargeting campaigns

Higher cost per click

More effective on desktop

**\$0,4**



## Search

Stand out as a paid ad

Hard sell

Big bounce rate

Ideal for big CTR

Higher cost per click

More effective on desktop

**\$1,5**



# Banner Blindness



## Viewability

Banners that are never actually viewed by anyone



## Click fraud

Websites that fake clicks on banners



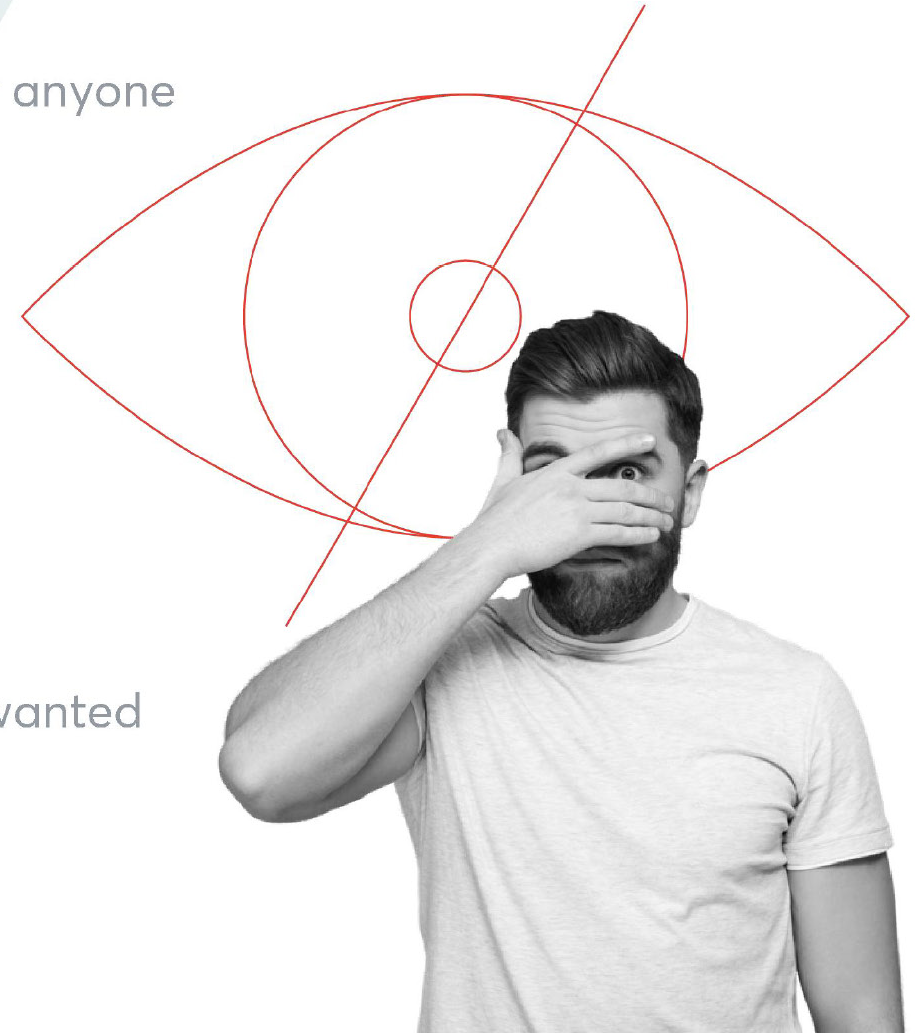
## Viewer fatigue

We have learned to ignore banners



## Ad Blockers

How more and more of us try to avoid unwanted banners







Consumers looked at native ads **52%** more frequently than banner ads.

Average number of times the ad was viewed in a session

Source: IPG & Sharethrough

**25%** more consumers were measured to look at in-feed native ad placements rather than standard banners



Percentage of users who saw native ads vs. banner ads

Source: IPG & Sharethrough



Native advertisements registered **9%** higher lift for brand affinity and **18%** higher lift for purchase intent responses than traditional banner ads.

Percentage of lift in brand favorability

Native ads

**32%**

Banner ads

**23%**



Percentage of lift in purchase intent

Native ads

**52%**

Banner ads

**34%**



Source: IPG & Sharethrough



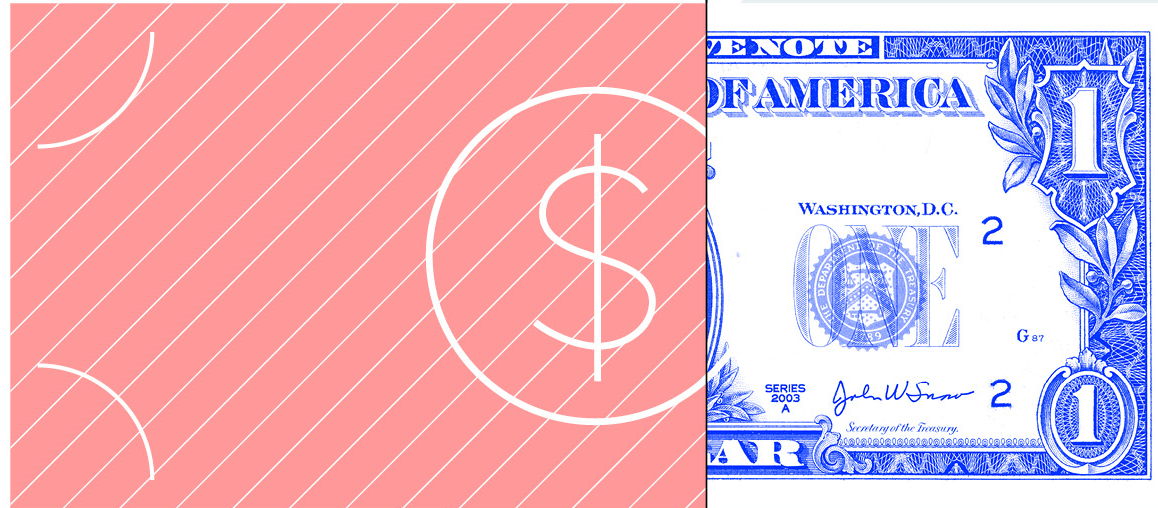
Publishers invest money into growing loyal audiences, but lose 60% of their revenue on the middlemen fee

**\$0.40**

Publisher  
(media)

**\$0.25**

Value-added  
services



**\$0.15** Agency Trading Desk  
**\$0.10** Demand-side platform (DSP)  
**\$0.05** Exchange  
**\$0.05** Agency of record



# Who we are

MGID is a global award-winning innovative pioneer in native advertising that drives revenue growth for all participants of the ecosystem.

Our platform helps publishers retain audiences and monetize traffic, and drives performance and awareness for brands by connecting them to unique audiences, at the right time, with the right content.

MGID offers clients a 360° solution, from planning and strategy to delivery and reporting, and works across more than 60 different languages.

Founded in 2008, the company has offices in the U.S., Ukraine, Vietnam, Indonesia, Italy, Russia and India.

Sharing our expertise:

**PUBLISHING** **EXECUTIVE**

**ADWEEK** 

**WARC**<sup>^</sup>  
BY ASCENTIAL

**MARTECHSERIES**  
Marketing Technology Insights

**PerformanceIN**

**exchange**  **media**

**branding in**  **asia**

**The Drum**<sup>™</sup>

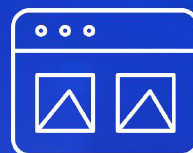
**campaign**



# Our platform



Being Open RTB compliant and supported by 350+ in house tech team members, MGID is ready to support any type of integration.



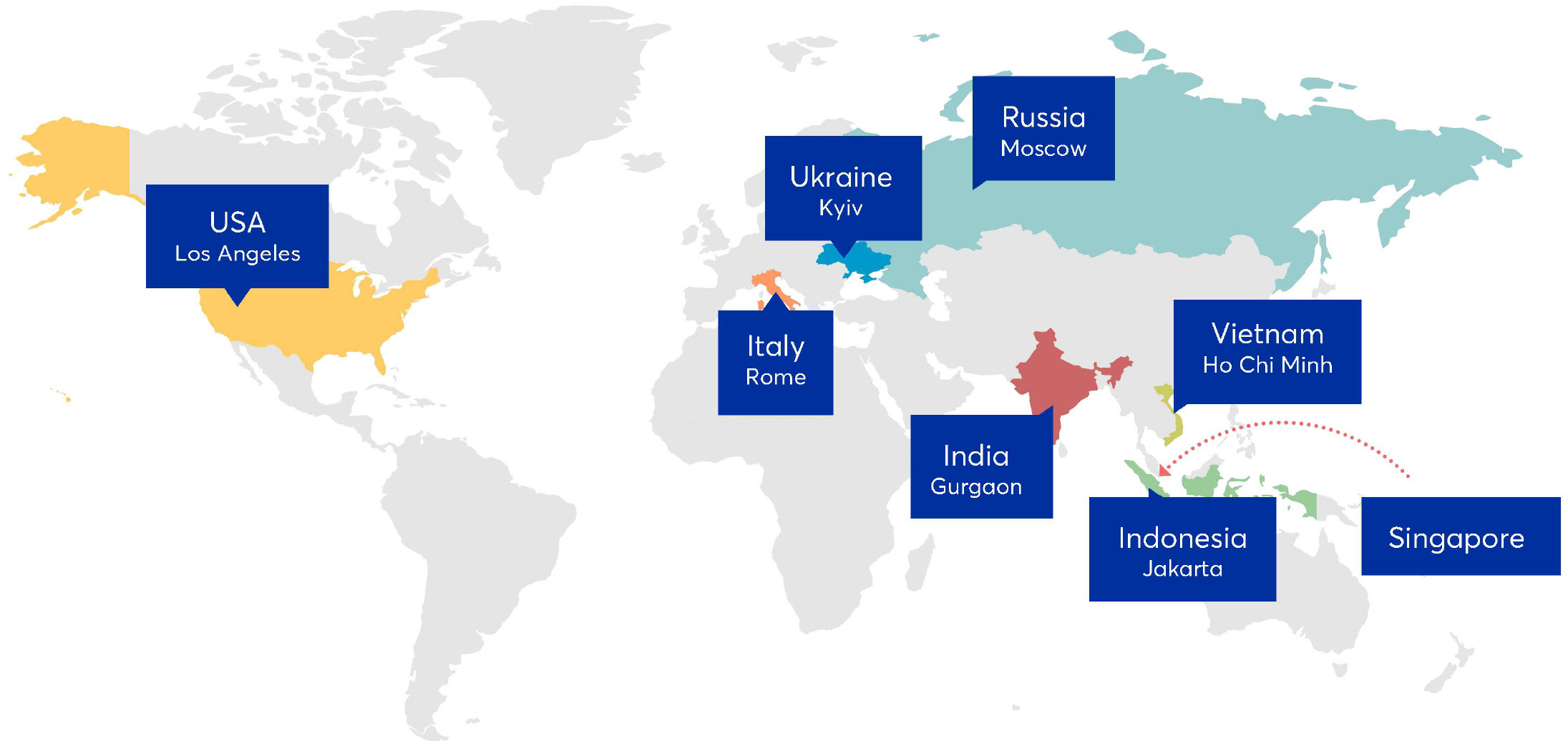
We can guarantee all demand being filled with local propositions from Brands and Agencies in vernacular languages, unlike any of our competitors.



MGID will provide 100% transparency with full control over all placements and advertisements.



# Our offices

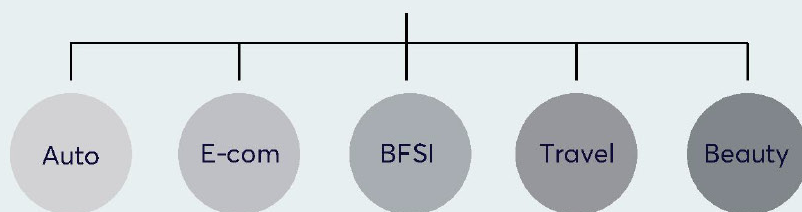




# Advertiser's side — MGID's approach

## MGID platform

More than 10 years of performance campaign



## Direct sales generation through native ads



Innovative  
Ad Network

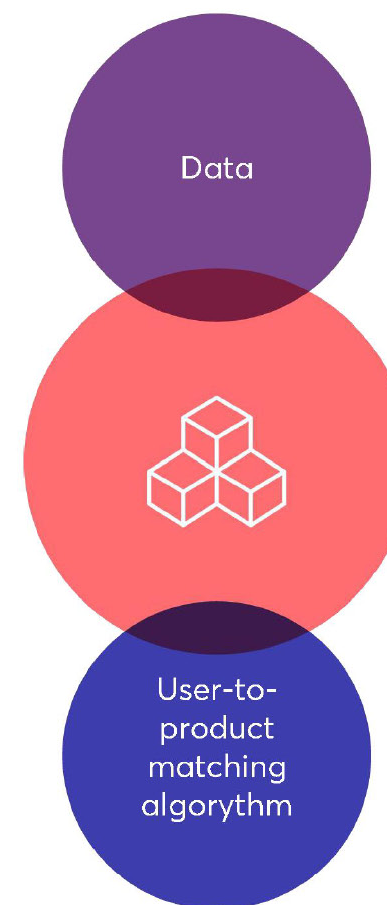


Best Digital  
Ad Network



We know what  
is making sales

We know what  
affects the user





# MGID worldwide statistics

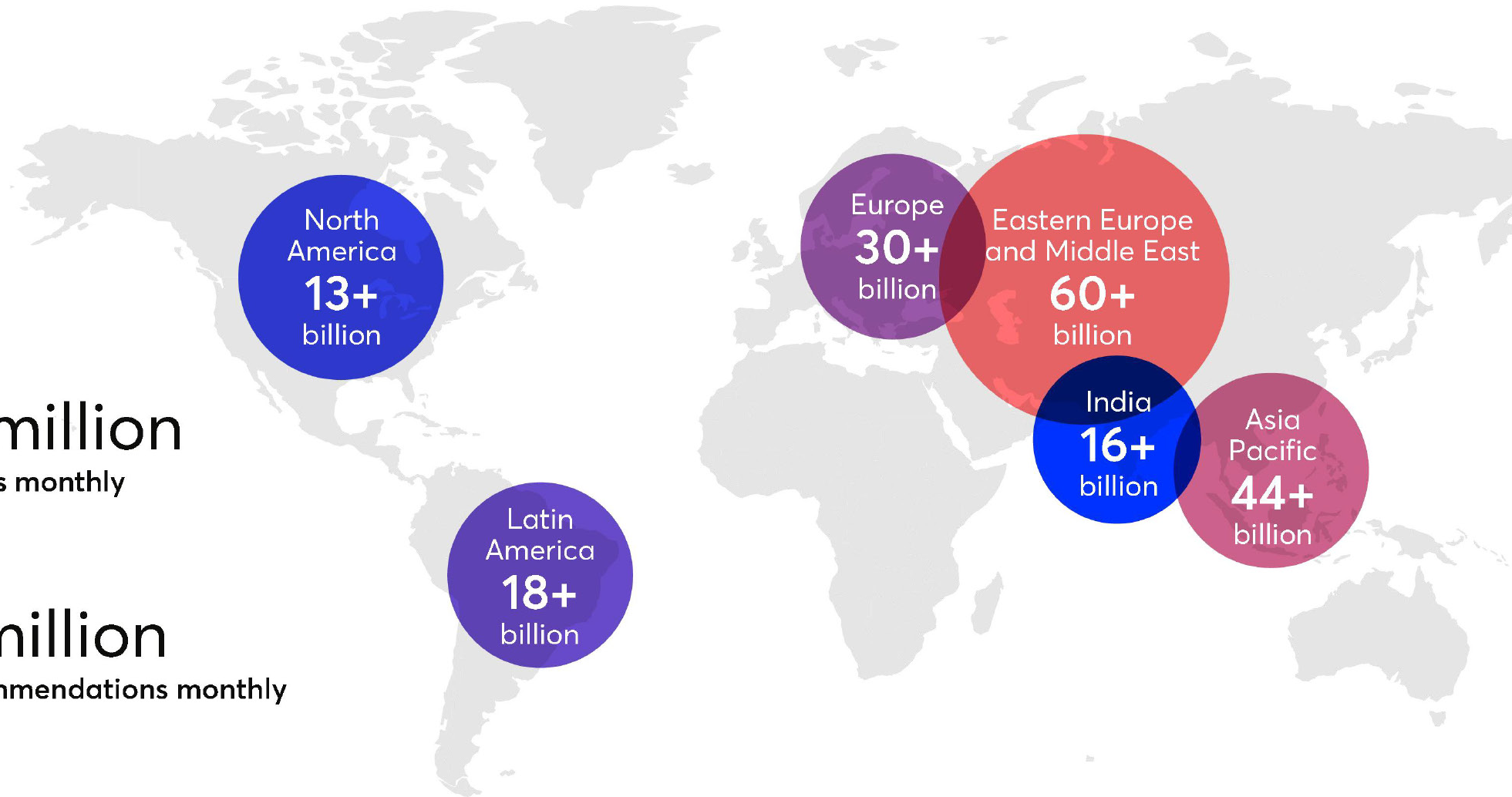
\*Impressions monthly



**850+ million**  
unique visitors monthly

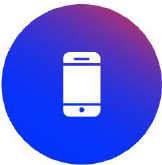


**185+ million**  
content recommendations monthly





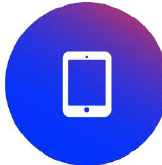
# MGID network statistics



70%  
Smartphones

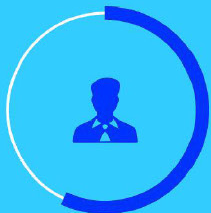


23%  
Desktops

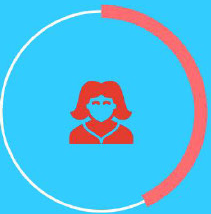


7%  
Tablets

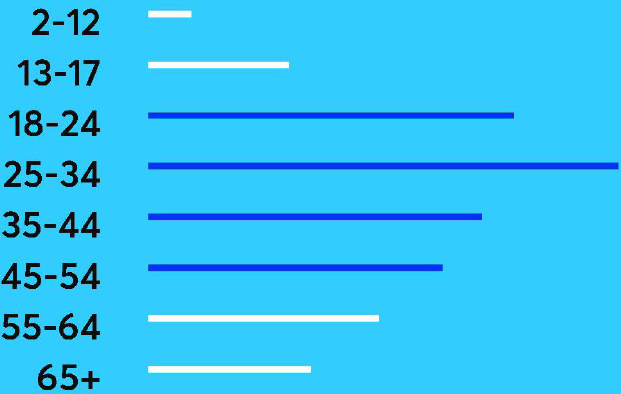
## AGE



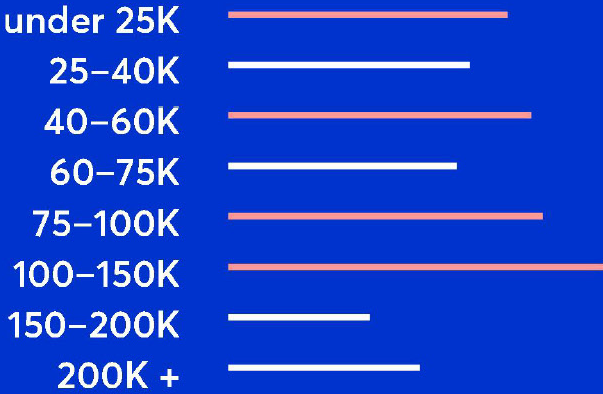
57%



43%



## HOUSEHOLD INCOME (US)





# MGID advertisers worldwide

Coverfox

Bloomberg



Coca-Cola

 MEDLIFE

ZAFUL

Indiabulls



 milaap



QATAR  
AIRWAYS القطرية



 ICICI Bank

:practo

tokopedia



policybazaar   
Compare. Buy. Save.





## MGID publishers worldwide





# MGID Content Recommendation Units: Formats

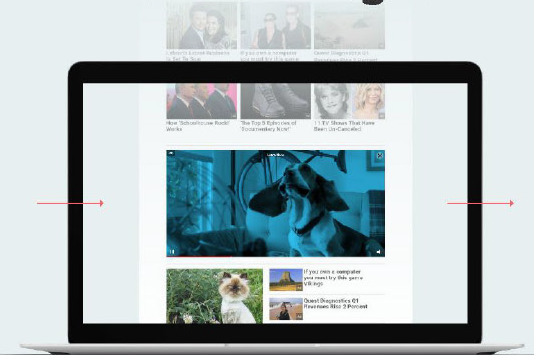
## Header Widget



## Sidebar Widget



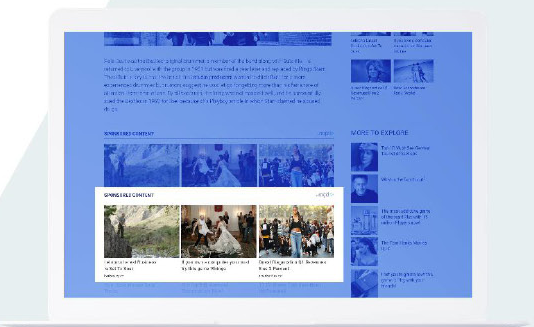
## Smart Widget



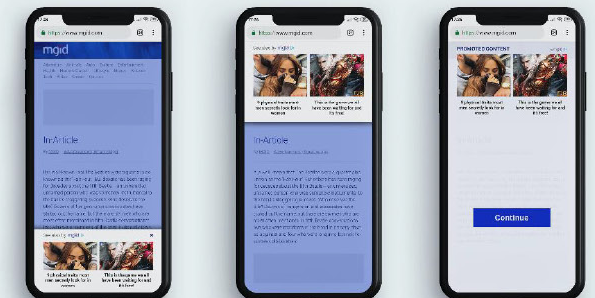
## In-article Widget



## Under article Widget



## Mobile Site Widget





# Performance metrics for brand campaigns

- CTR
- Conversion rate
- desired CPA in \$
- effective CPA in \$
- ROAS (Return on Ad Spend)
- CUSTOMER LIFETIME VALUE (CLV)
- Revenue
- EPC (earning per click)
- Profit

Average bounce rate – 55%

Average time on site– 1:43:00



# Case Studies



mgid 



**BANK OF AMERICA**





**BANK OF AMERICA**

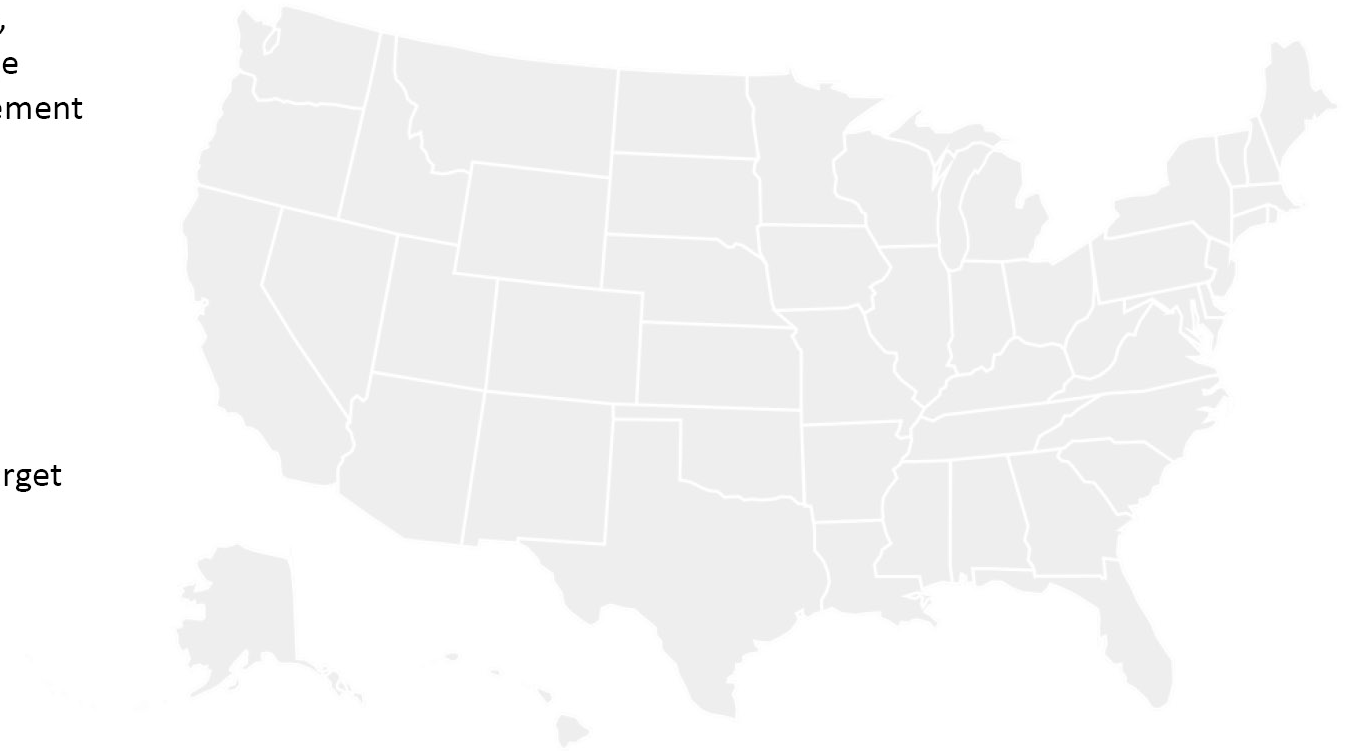
## **BUSINESS MODEL OVERVIEW:**

Bank of America is one of the world's largest financial institutions, serving individuals, small- and middle-market businesses and large corporations with a full range of banking, investing, asset management and other financial and risk management products and services.

## **CHALLENGE:**

Bank of America was looking for an effective way to pursue the target audience to apply for a Cash Rewards credit card


## **GEO: USA**





# Solution

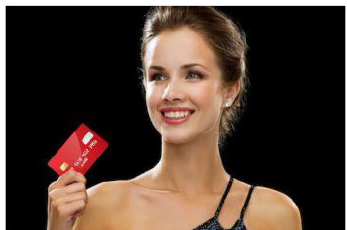
A set of ads with a similar call to action was created (The Highest Paying Cash Back Card Has Hit The Market). The ad directed a user to a pre-lander, where a credit card expert described the benefits of Cash Rewards credit card. The button APPLY NOW led to Bank of America landing page, where the user left contact details to get the card.



**The Highest Paying Cash Back Card Has Hit The Market**

[MORE](#)

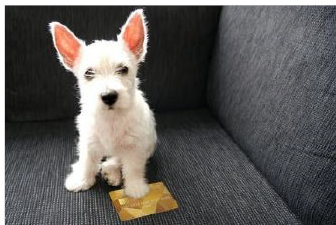
mgid.com



**The Highest Paying Cash Back Card Has Hit The Market**

[MORE](#)


mgid.com



**The Highest Paying Cash Back Card Has Hit The Market**

[MORE](#)

mgid.com



## Best Cash Back Bonus Card of 2019

by Greg Go - September 5, 2015 [Like](#) [Share](#)

Greg Go is a credit card expert whose financial advice has been featured on US News & World Report, Business.com, and Yahoo! Finance.

Advertiser Disclosure

**Bottom Line:**

- \$200 online sign-up bonus offer.
- **NEW 3% cash back** on online shopping, drug stores, travel, dining, home improvement and furniture, or gas. Up to 5.25% for Preferred Rewards clients.
- Best Intro APR - Stop thinking about interest for over a year.
- No annual fee.

The Bank of America® Cash Rewards credit card's **\$200 bonus** offer and **3% cash back** is the best deal I've seen in my ten years of reviewing credit cards for Yahoo, US News, and Wise Bread. ([See comparison chart](#))

If you **sign up online** today you can receive a \$200 online cash bonus after spending only \$1,000 in the first 90 days of opening the account — that's like earning **20% back** on the first \$1,000!

Looking to make a big purchase or balance transfer? This card's long intro period will save you a bundle. It's like taking a 15 month vacation from paying interest.

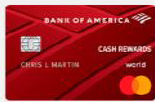
The card offers an **insane 3% cash back** on your choice of six categories and 2% at grocery stores and wholesale clubs (up to \$2,500 in combined choice category/grocery store/wholesale club quarterly purchases), and unlimited 1% on all other purchases. These are the categories that you can choose to earn 3%:

Online Shopping	Drug Stores	Dining
Travel	Gas	Home Improvement

**You choose** the category you want to get 3% cash back for, and it stays on that category until you change it. Unlike other high cash back cards, there is **no monthly activation** required, and the categories **don't rotate**. You can change the category once per calendar month.

The **3% for online shopping** is the best in the industry. It applies to **all online retailers**. I already have this credit card and I love getting 3% back each time I shop online.

### Cash Rewards credit card



**\$200 cash rewards bonus** after making at least \$1,000 in purchases in the first 90 days of your account opening — **plus now choose how you earn rewards.**

No annual fee!

Earn 3% cash back in the category of your choice: gas, online shopping, dining, travel, drug stores, or home improvement/furnishings and 2% cash back at grocery stores and wholesale clubs on the first \$2,500 in combined choice category/grocery store/wholesale club purchases each quarter, then earn 1%.

Earn unlimited 1% cash back on all other purchases.

Preferred Rewards members get a 25%-75% rewards bonus on every purchase.

Go to the Mobile Banking app or to Online Banking to change your choice category for future purchases once each calendar month, or make no change and it stays the same.

Introductory 0%<sup>1</sup> APR for your first 15 billing cycles for purchases, and for any balance transfers made within 60 days of opening your account. After the intro APR offer ends, a Variable APR that's currently 15.99% to 25.99% will apply. A 3% fee (min \$10) applies to all balance transfers.

<sup>1</sup>Please see [Terms and Conditions](#) for rate, fee and other cost information, as well as an explanation of payment allocation. All terms may be subject to change.

**Let's get started**

Complete your app card and get a response in as little as 60 seconds.

First name

Middle name (optional)

Last name

Suffix (optional)

Residential address line 1

Residential address line 2 (optional)



# Results

Total spent

\$13 909

Total clicks

22 146

Av. CPC

\$0.63



mgid 







## **BUSINESS MODEL OVERVIEW:**

Marketed in more than 70 countries and territories worldwide, Lexus is a luxury automotive brand and a part of the Toyota organization. In June 2019 MGID established a partnership with the Ukrainian Lexus division to promote their brand using a content marketing approach.

## **CHALLENGE:**

Lexus was looking for an additional way to promote its new Lexus UX car model and increase the number of test-drive bookings.

## **TARGET AUDIENCE:**

40+ year old men in upper management, who value comfort, style, and most importantly status.

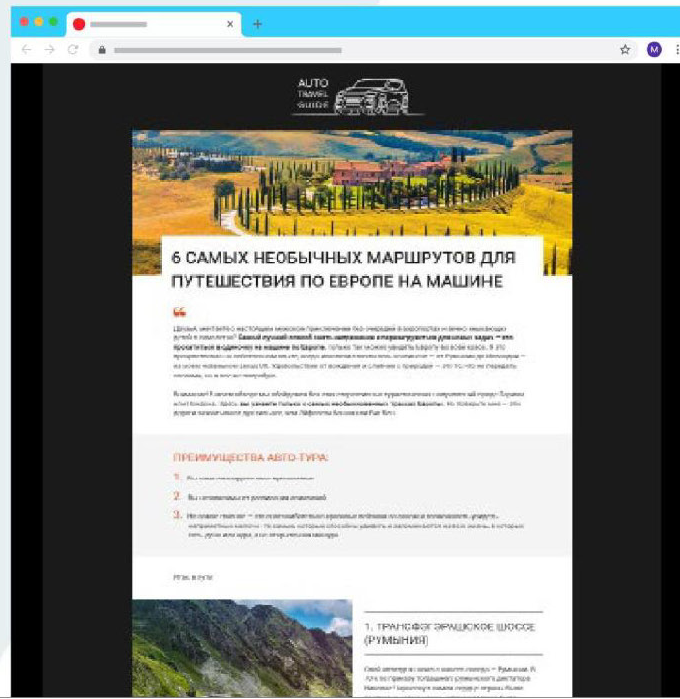
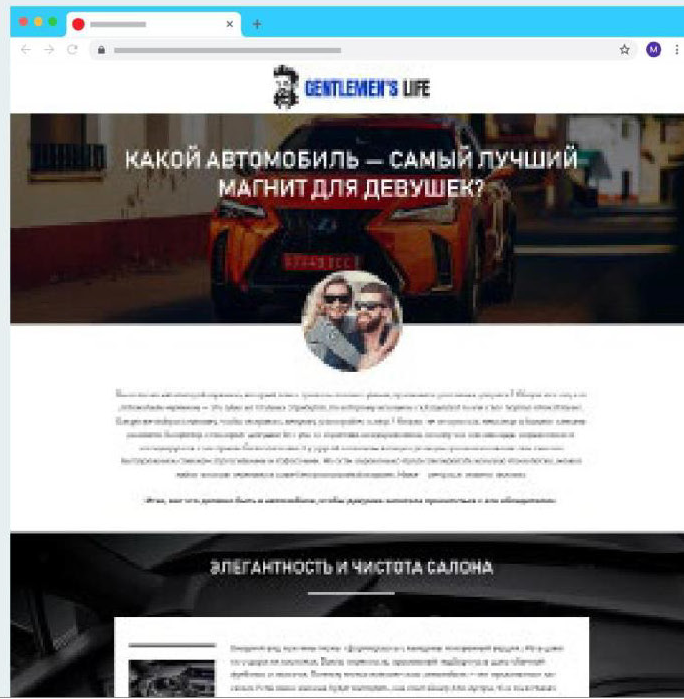


**GEO:** Ukraine



# Campaign strategy

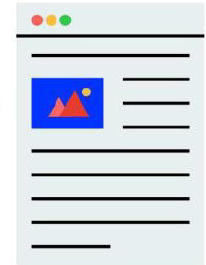
After analyzing Lexus' client base, we determined the company's target audience, which is 40+ year old men in senior management. Their priorities when choosing a car are comfort, style, and status, of course. Taking this into account, our creative team wrote several content articles covering such topics as "6 Unusual Routes for a Car Trip in Europe", "5 Main Reasons, Why I've Chosen Lexus UX", etc. The articles emphasized car advantages according to the target audience needs. Call to action was to book a test drive and "experience amazing."



1st approach



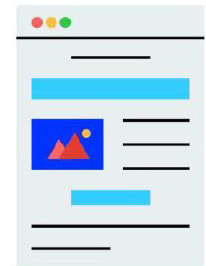
Ad



Editorial



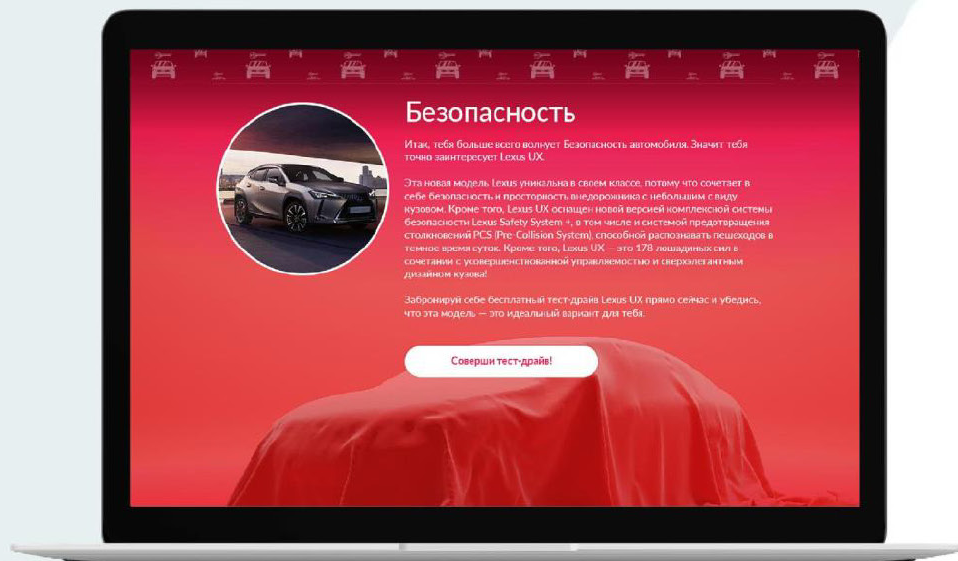
Test  
drive  
booking  
page



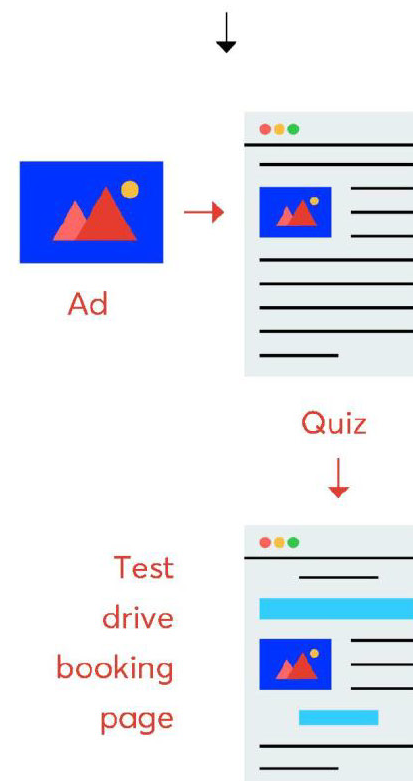


# Campaign strategy

Buying a car is not a routine for most families. Such important decisions are usually made during a family meeting or as a family unit. Thus, wives are an integral part of the decision making process. That's why, in our second approach, we targeted women. We created an interactive prelander with a quiz, so they could discover what's most important to them when choosing their next vehicle. The result showed one criterion, which is common for Lexus UX model. Call to action was to book a test drive and "experience amazing."



## 2nd approach





# Results

Monthly impressions

23 452 460

Clicks

41 730

CTR

0,5%

CPC (desktop)

\$0.1

dCPL

\$26

CPC (mobile)

\$0.08

eCPL

\$18



mgid 

**QATAR**   
AIRWAYS القطرية



# QATAR AIRWAYS

## BUSINESS MODEL OVERVIEW:

Qatar Airways is one of the youngest global airlines to serve six continents, and the world's fastest-growing one. It connects more than 160 destinations on the map every day, with a fleet of the latest-generation aircraft, and an unrivaled level of service.

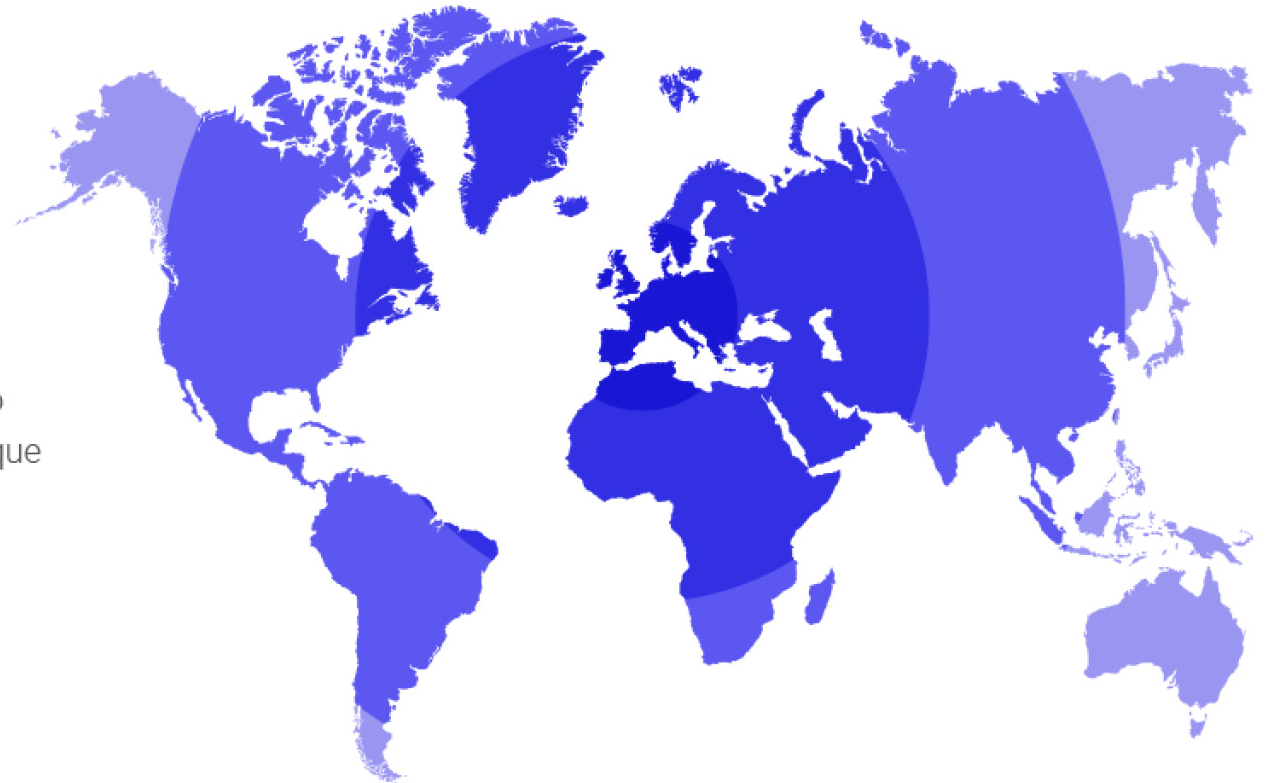
## CHALLENGE:

Qatar Airways was looking for a non-intrusive yet effective way to engage its target audience to reach new destinations and try unique services.

## TARGET AUDIENCE:

Men and women, who are interested in business and leisure travel

## GEO: Worldwide



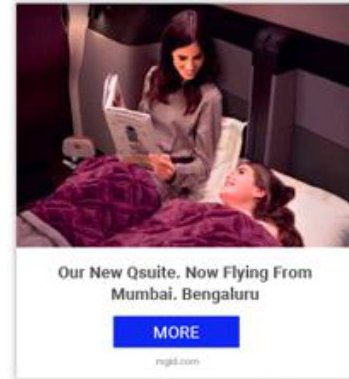


# Solution

## Product 1

### QSUITE – WORLD'S BEST BUSINESS CLASS

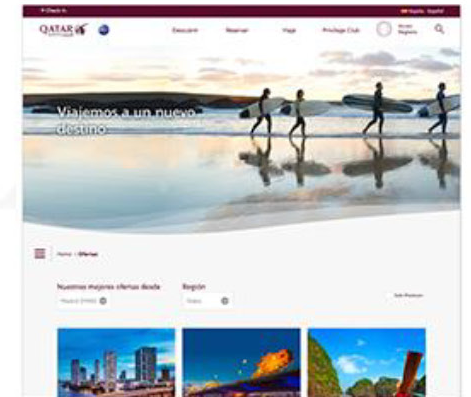
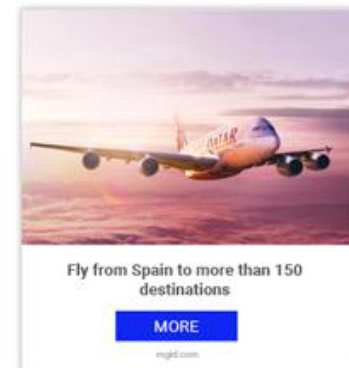
The campaign was aimed to inform the target audience about the new business class suite and convince them to upgrade their trip to a new level.



## Product 2

### VISIT NEW DESTINATIONS WITH QATAR AIRWAYS

The main campaign goal was to show the wide range of possible destinations and pursue the target audience to arrange a trip.





# Results

Total spent

\$3200

Total clicks

22 857

Av.CTR

0.05%

Av.CPC

\$0.14



mgid 

tokopedia 



## **BUSINESS MODEL OVERVIEW:**

Tokopedia is the largest online marketplace in Indonesia, allowing individuals and businesses to open and easily manage their own online stores. The first marketplace to enter the Digital Goods category.

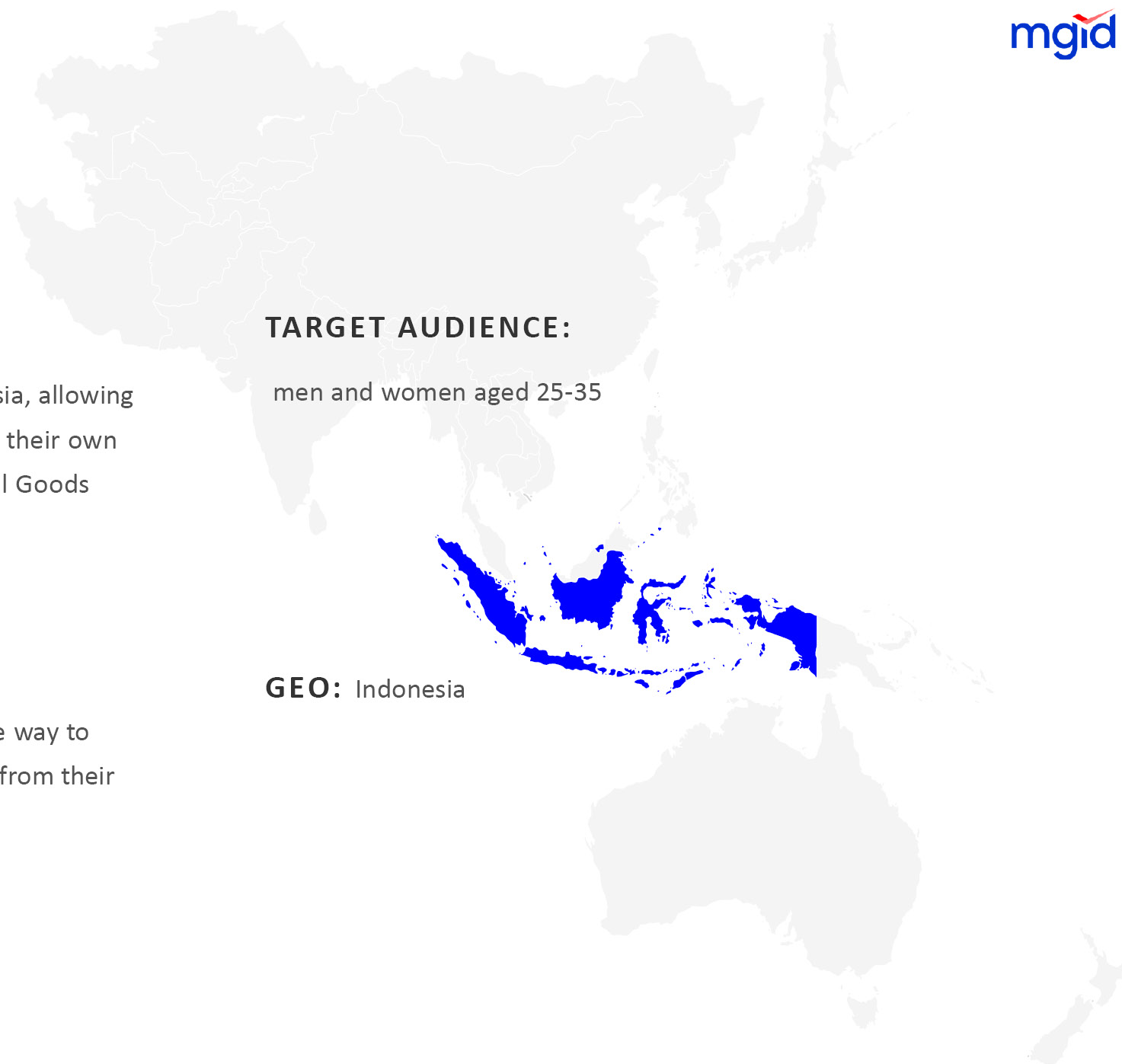
## **CHALLENGE:**

Tokopedia was looking for a non-intrusive yet effective way to reach and engage its target audience to buy products from their new category – Digital Goods.

## **TARGET AUDIENCE:**

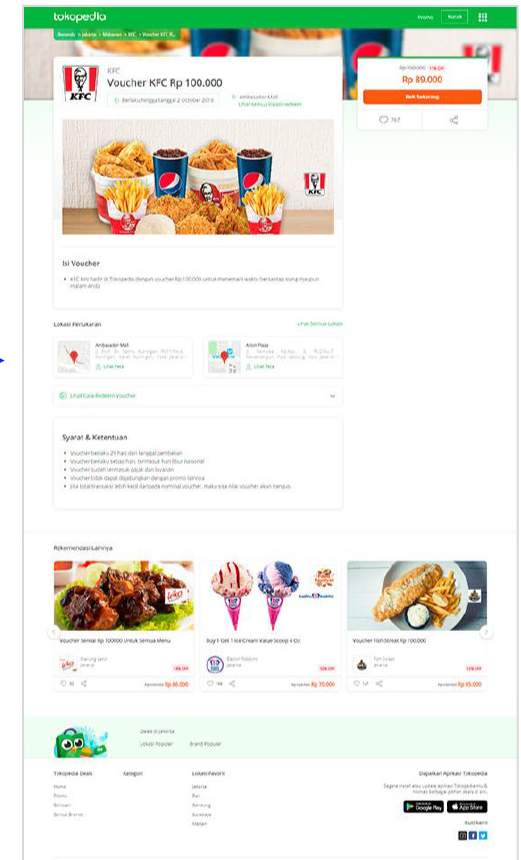
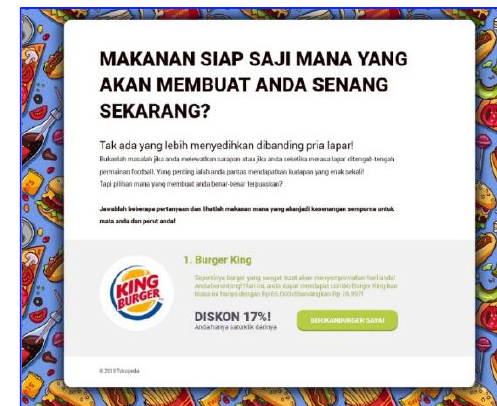
men and women aged 25-35

**GEO:** Indonesia





The image displays three separate advertisements stacked vertically. The top advertisement features a large, red-bun burger with a thick patty, melted cheese, and a sauce drizzle. Below the image is the text "Love at first sight for hungry men!" followed by a blue button labeled "MORE" and the URL "apple.com". The middle advertisement shows a man with glasses looking at a large, golden-brown fried food item on a tray in a kitchen setting. Below the image is the text "Be careful! Satisfy your hunger before it's too late" followed by a blue button labeled "MORE" and the URL "apple.com". The bottom advertisement shows a man holding a large, rectangular pizza topped with pepperoni. Below the image is the text "Feeling so hungry you could eat an elephant?" followed by a blue button labeled "MORE" and the URL "apple.com".





# Results

Av.CTR

0.22%

Av.CPC

\$0.17

ROI

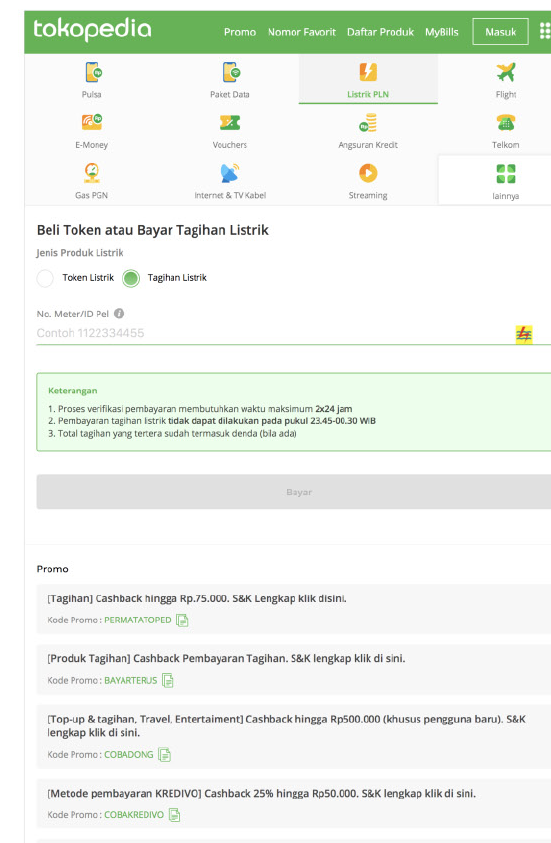
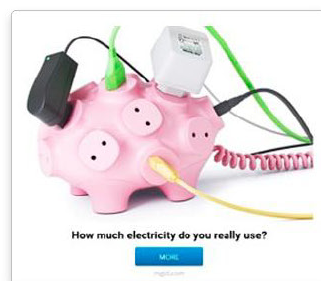
250%



# Straight Sale Approach

## Solution

Product 2      Online electricity bill payment service





# Results

Av.CTR

0.16%

Av.CPC

\$0.048

ROI

150%





Native performance through innovation



[mgid.com](https://mgid.com)