

GOING DEEPER

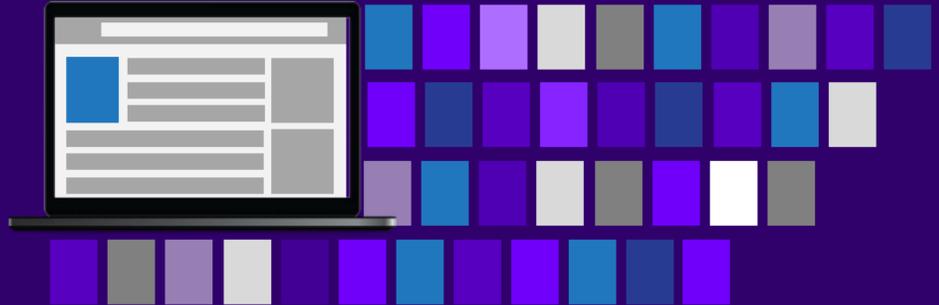
WHAT CONSUMERS *REALLY* WANT
FROM PERSONALIZED ADS

YAHOO! | IPG MEDIA LAB

Introduction

As the consumer experience with digital content, ads, and devices continues to get noisier and more fragmented, personalization helps marketers grab their attention and engage with them. To help advertisers more effectively leverage personalization, we studied how users react and feel about experiences tailored to them.

We surveyed more than 5,000 consumers and tested 81 variations of ads based on nine different elements of personalization. Spanning five categories and multiple devices, the test uncovered consumers' opinions and reactions to real ads on digital experiences.



In this study we'll explore how advertisers can go deeper with personalization by:

1

Doing mobile better: a platform that demands a greater need for personalization

2

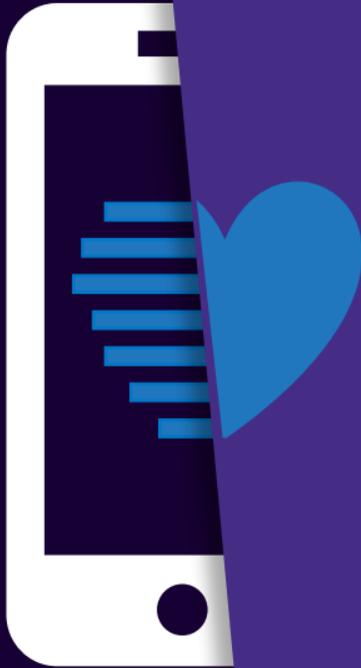
Understanding consumer expectations and responses to personalization

3

Understanding the dimensions that impact personalization

4

Putting personalization to work: Impacting KPIs

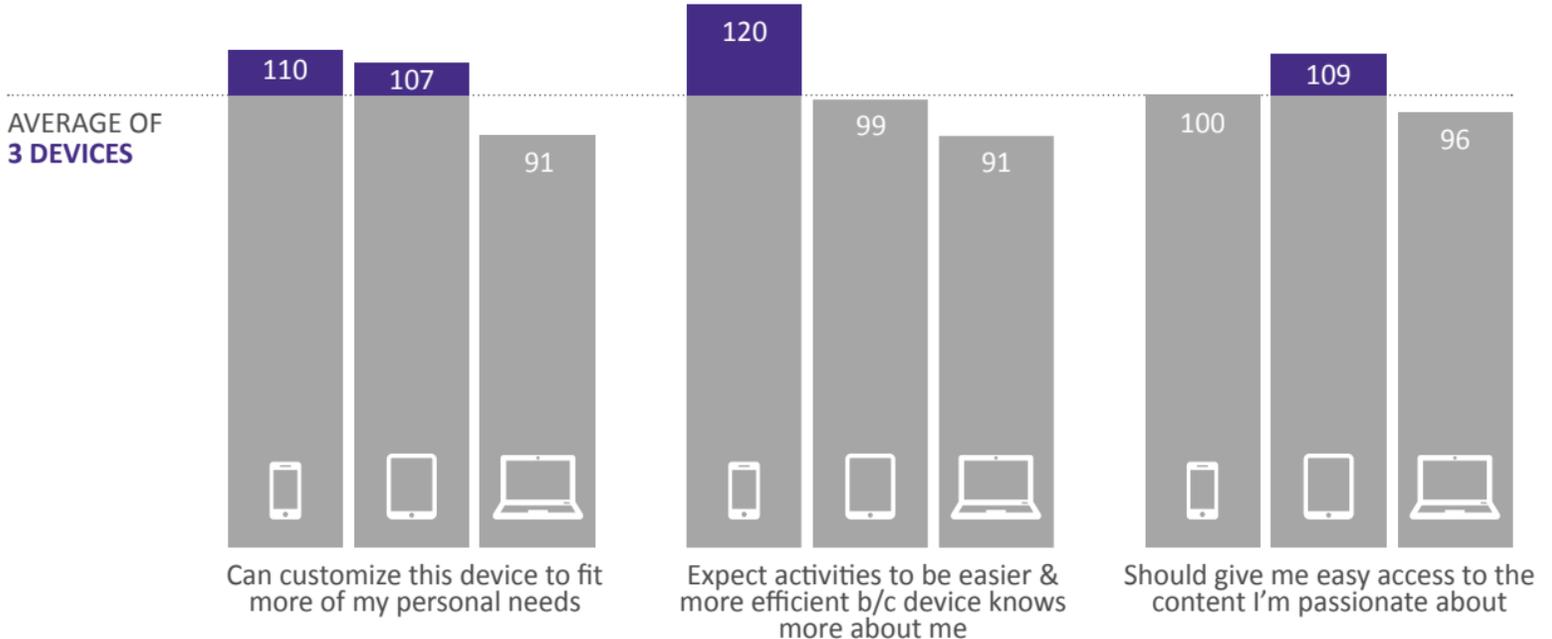


1. DOING MOBILE BETTER

The platform advertisers can benefit from with personalization

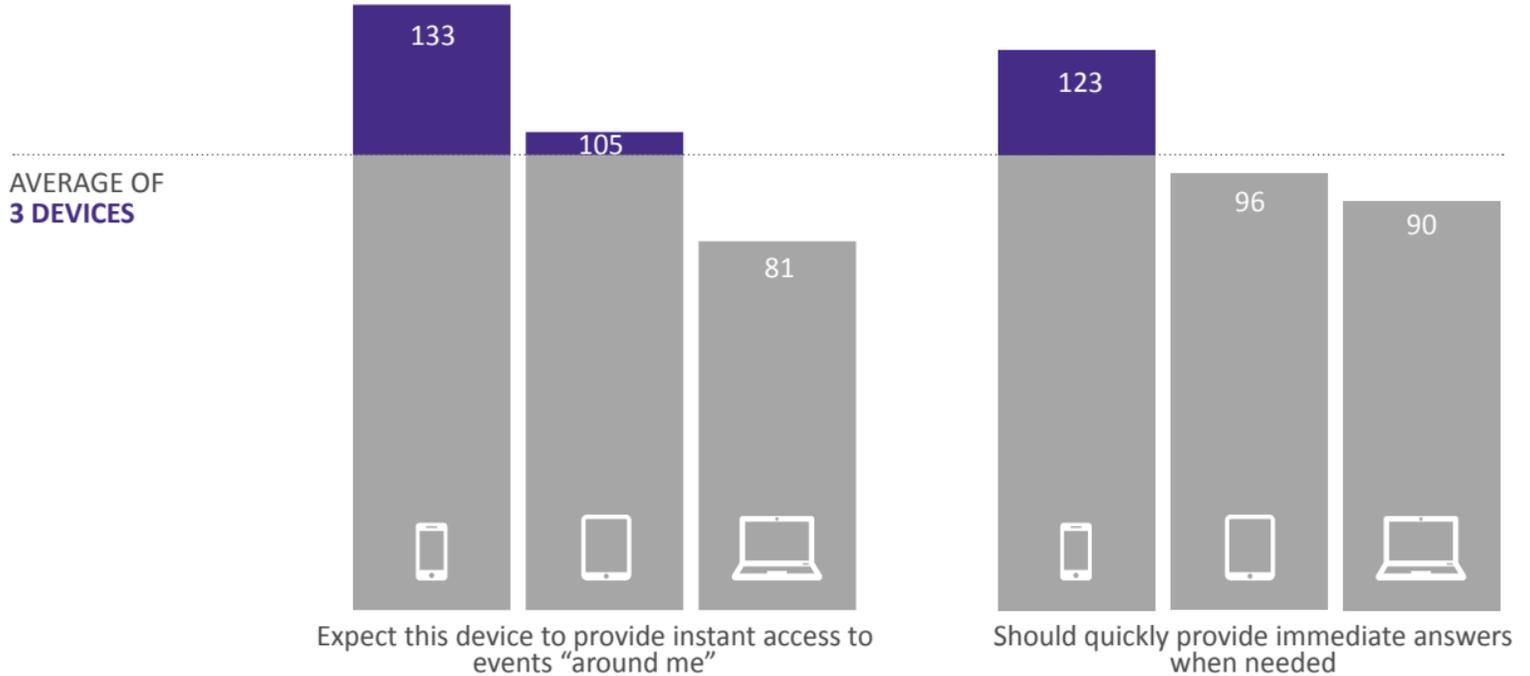
As users continue to see their mobile devices as an extension of themselves, the demand for personalization grows and they expect more personalized experiences to be delivered to them on mobile

Comparisons of expectations by device:



In particular, consumers desire more instant and geo located answers on their smartphones

Comparisons of expectations by device:

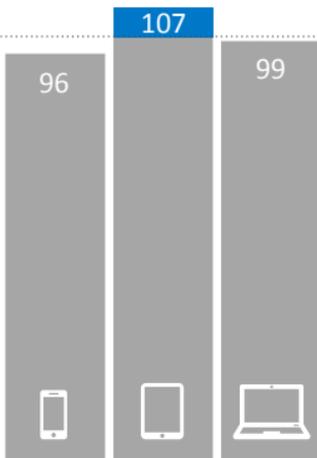


The mobile ad experience should follow suit and be more meaningful and personal

Currently, consumers are not experiencing the level of personalization that they want in their ad experiences, leaving room for improvement by advertisers

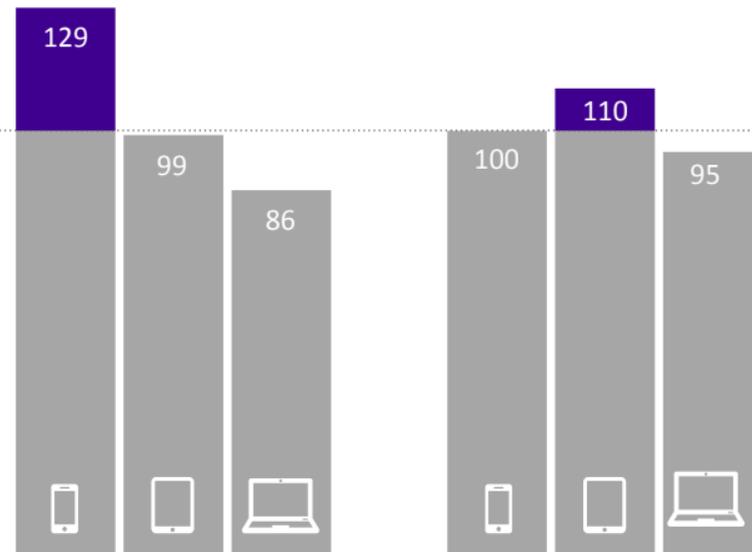
CURRENT AD EXPERIENCE

AVERAGE OF
3 DEVICES



Ads enhance my online experience

AD EXPECTATIONS BY DEVICE



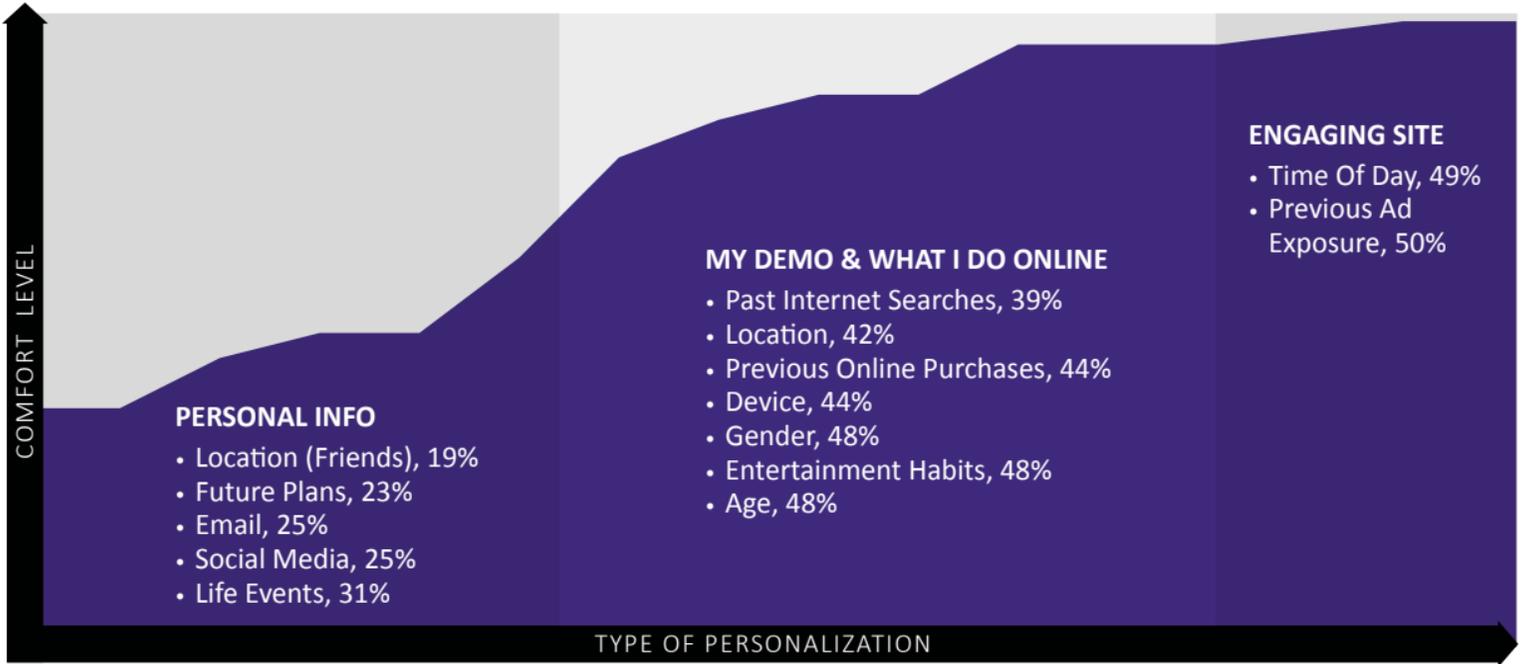
Ads should provide geographically relevant info

More personalized ad experience



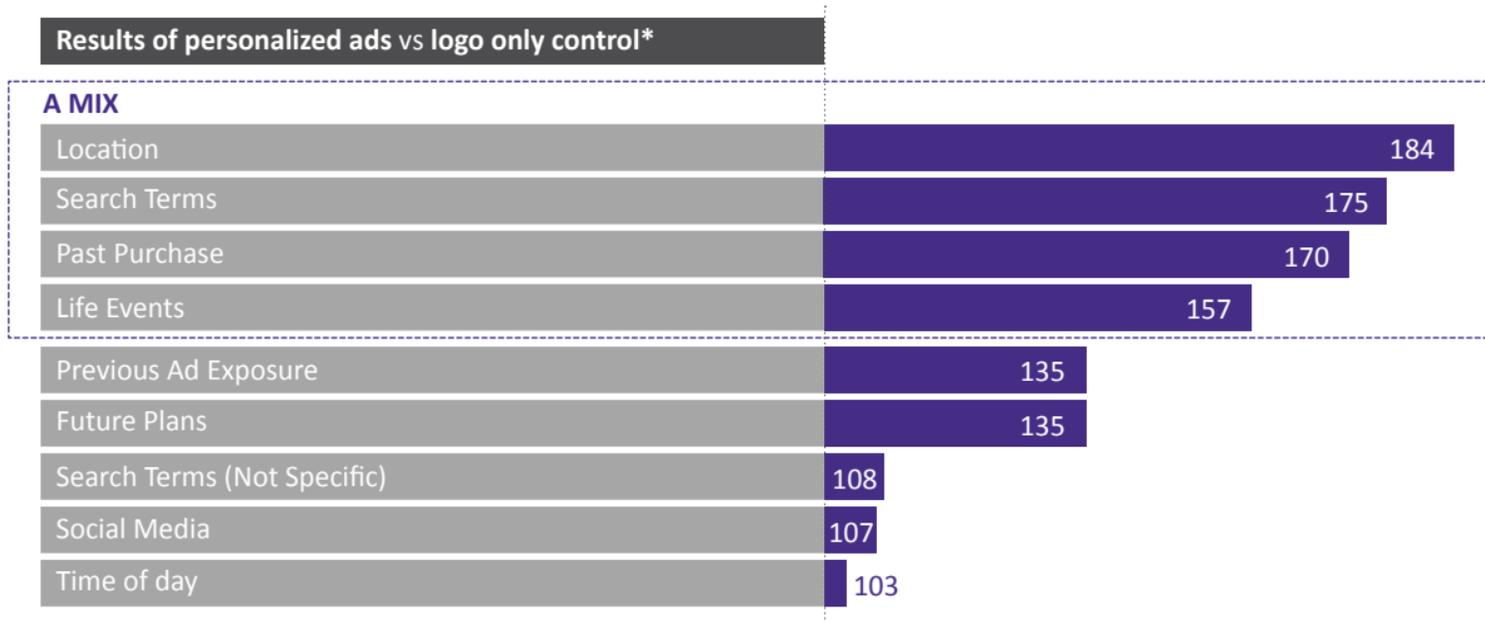
2. UNDERSTANDING CONSUMER EXPECTATIONS AND RESPONSES TO PERSONALIZATION

When asked about the personalization elements they were most comfortable with marketers using in ads, consumers told us it should be based on their **DEMOGRAPHICS** and **ENGAGEMENT** with the site



But when engaging with test ads, consumers responded best to ads that were tailored to WHERE they are and what they DO online.

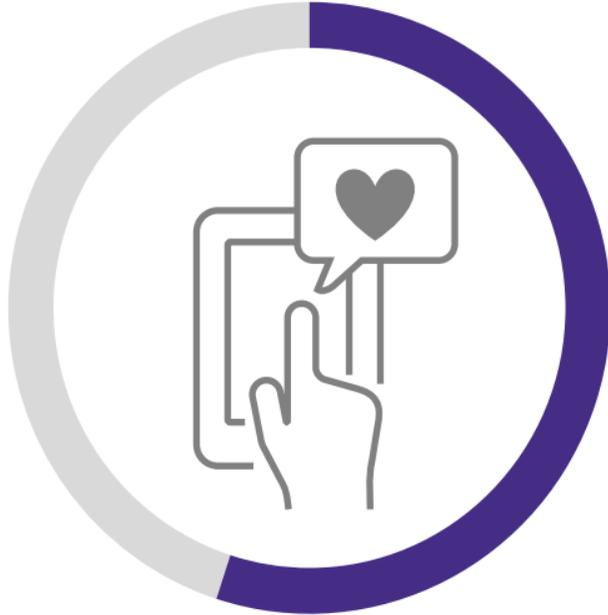
The most relevant and beneficial ads are ones that mix previous ad exposure, past behavior and life stages of the consumer



3. UNDERSTANDING THE DIMENSIONS THAT IMPACT PERSONALIZATION



Consumers want personalized content because they believe it brings relevance & efficiency to their digital experiences

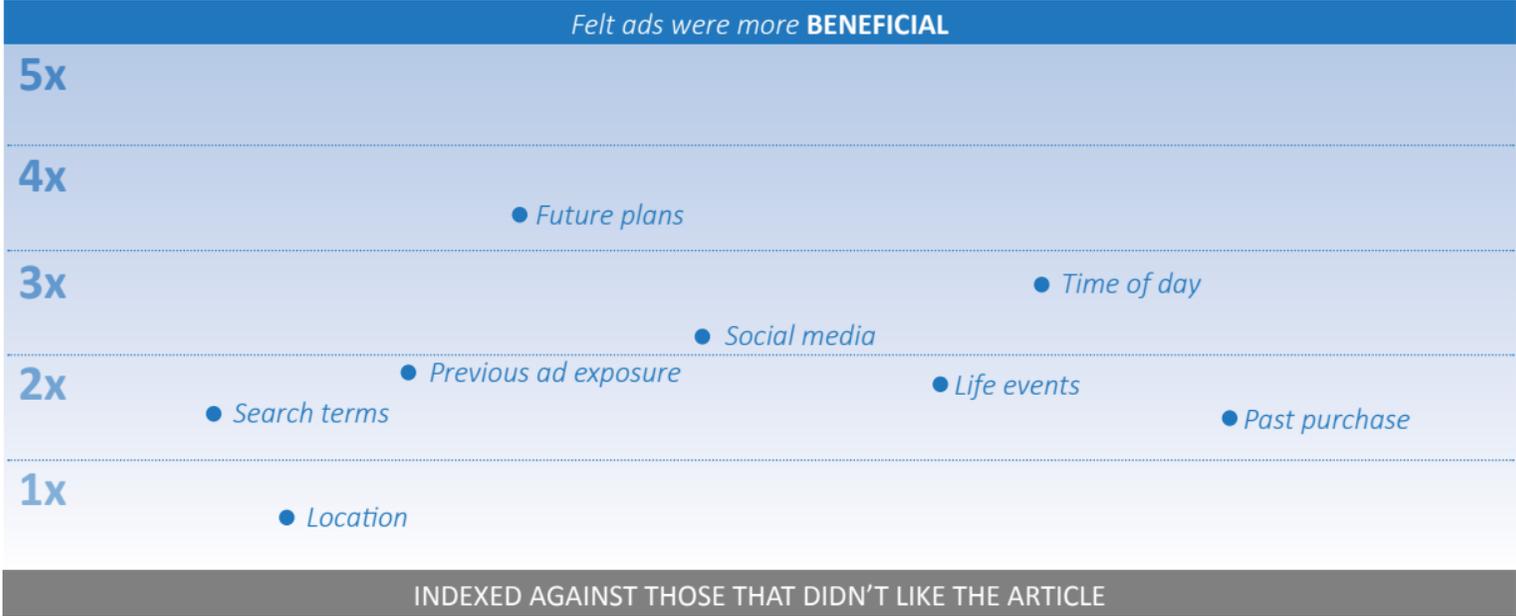


55%

Strongly felt that personalized content saved them time & attention from browsing irrelevant content

When consumers see ads within content they love, the advertisers benefit even more

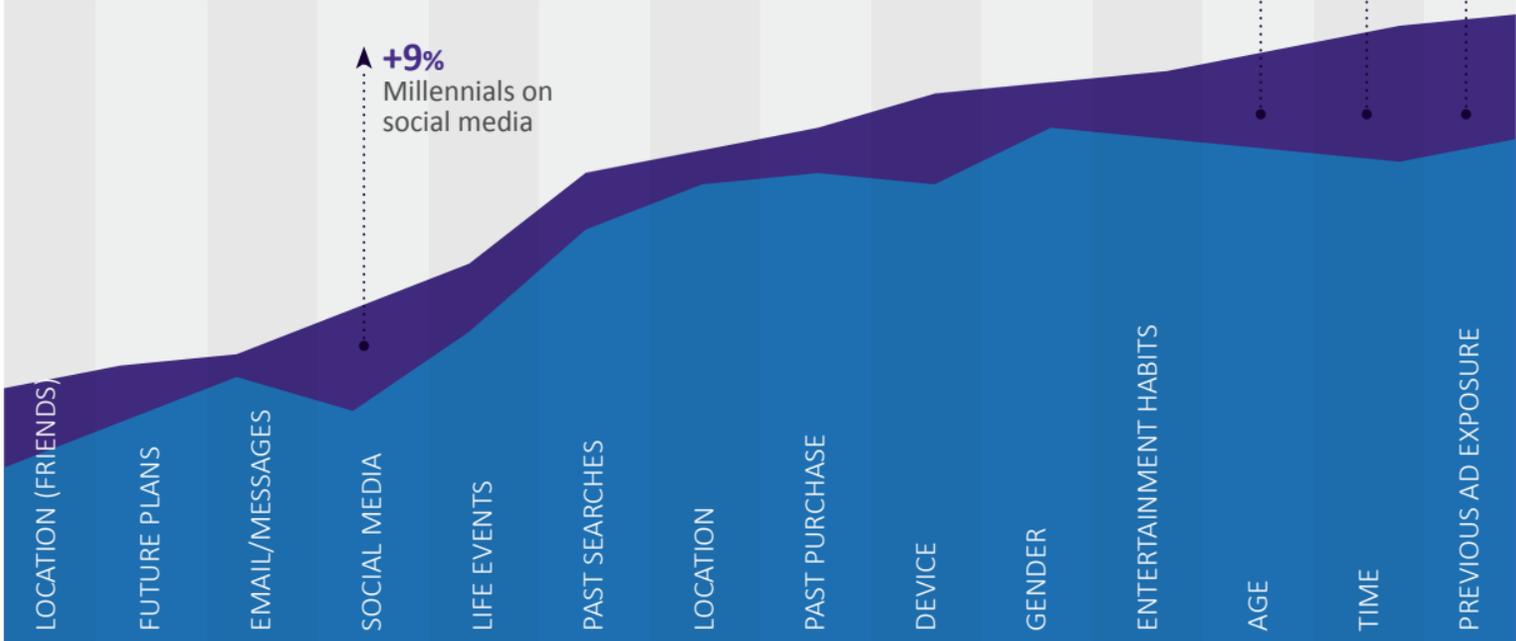
CONTENT ENJOYMENT INDEX: Loved the Article vs. Hated the Article



The younger the consumer, the more they want personalized ads

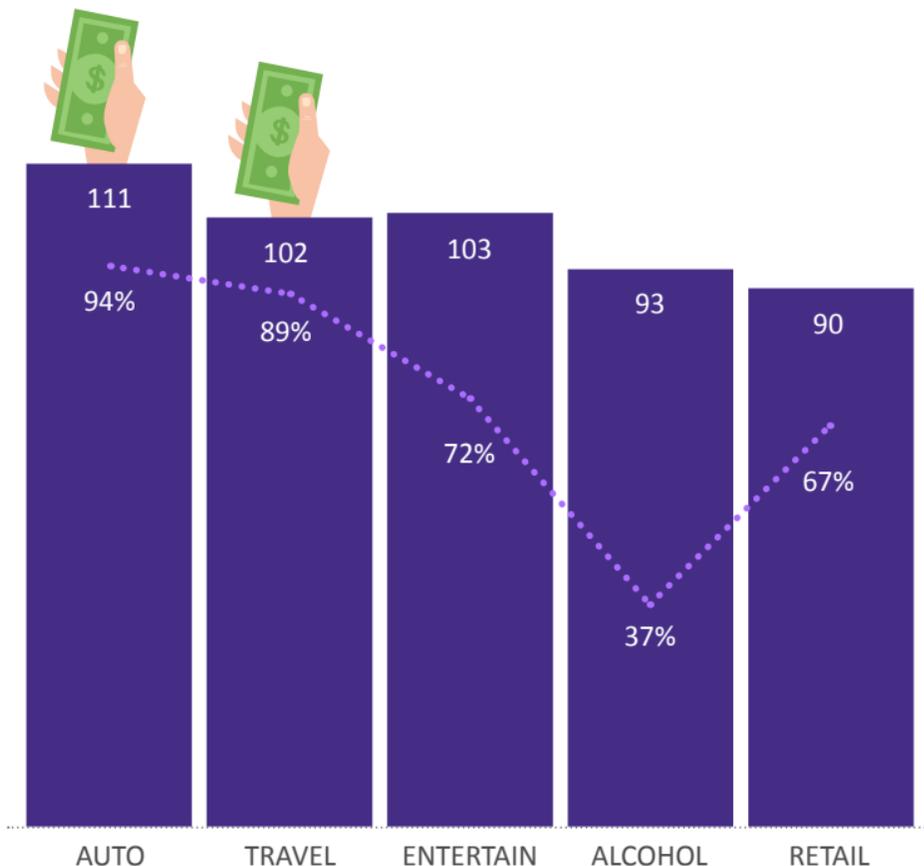
Based on personalization scenarios

■ Non-Millennials (35+) ■ Millennials (16-34)



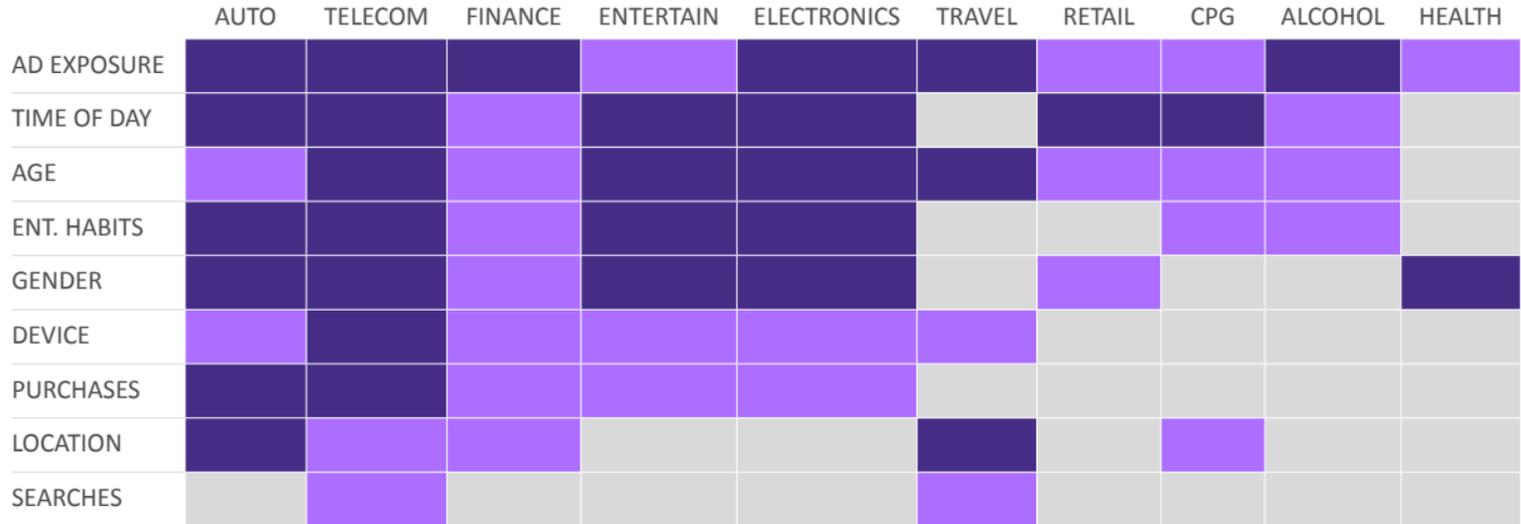
Personalization is even more appreciated when consumers are feeling anxious over a purchase, especially expensive ones like cars and travel

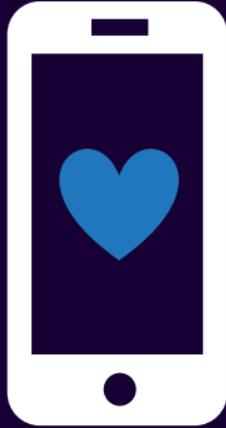
- Indexed acceptability to personalize
- Anxiety around purchase



The more meaningful consumers consider a purchase, the more they desire personalization

SCORING ON ACCEPTABILITY



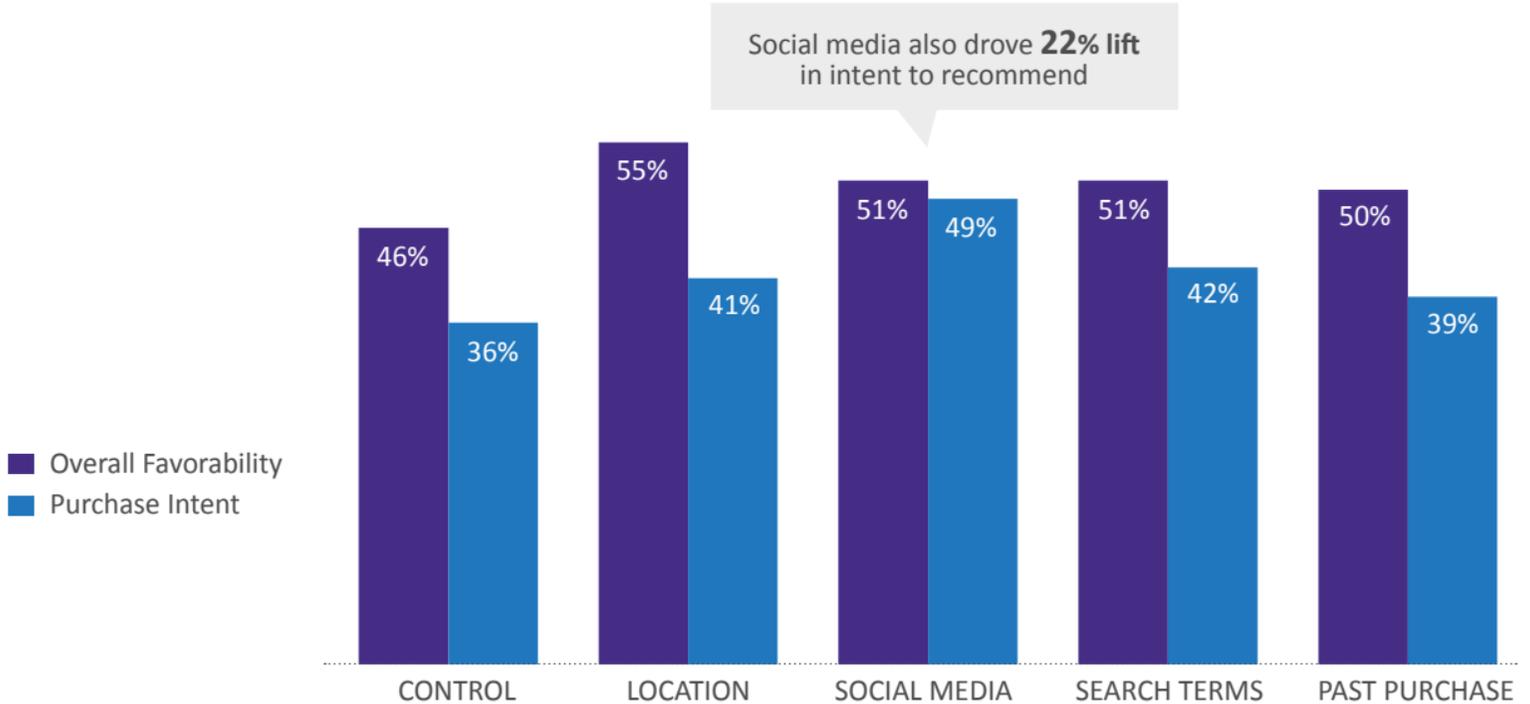


4. PUTTING PERSONALIZATION TO WORK

How personalization impacts a brands KPIs

Advertisers that personalize ads based on the consumer's social media usage, past purchases, search terms and location see increases in overall favorability and purchase intent

Based on personalization scenarios



FINDING

Particularly on mobile devices, consumers expect personalized experiences.

Consumers say they are most open to site engagement personalization, but they also respond positively to ads that use demo/device targeting, and other personal data like life stage/social media usage.

Several core dimensions impact personalization, including age of the consumer, and being in a content environment they love where they feel in control.

In higher purchase categories, such as auto & travel, consumers expect to see higher levels of personalized ads.

IMPLICATIONS

Use mobile technology to create instant and geo-located answers to be more meaningful & personalized.

Retargeted ads are tablestakes, with ample opportunity to personalize ads based on user demographics and previous site engagement.

Focus on publishers that provide consumer control and who match their audience with the content they love the most.

For auto & travel, consumers are significantly more open to personalization like demo/geo targeting, device targeting, and past search behavior. For lower commodity categories, previous ad exposure and time of day are most acceptable.

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