

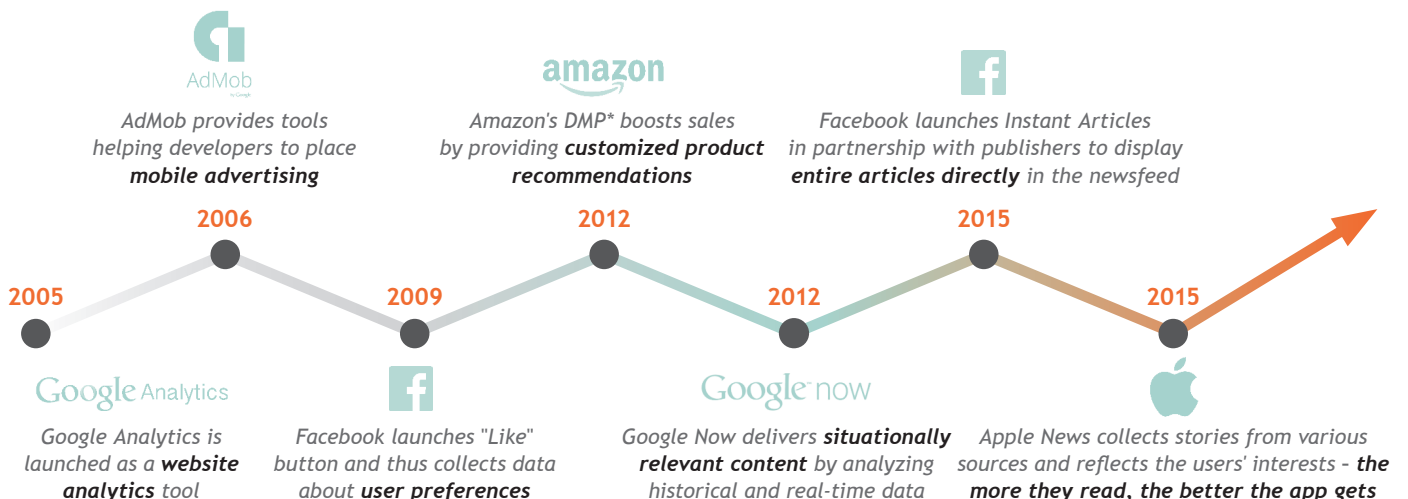
# TARGETED CONTENT

## SPOTLIGHT

- *In the age of mobile and social media consumers are increasingly expecting to receive relevant content instead of searching for it.*
- *In this setting publishers need to provide content that reflects the consumer's interests and needs at the right time and in a suitable context.*
- *By using data, publishers can identify target groups and push campaigns and content more efficiently.*
- *Targeted content in combination with native advertising provides an environment for selling advertising at a premium price point.*

## DEFINITION

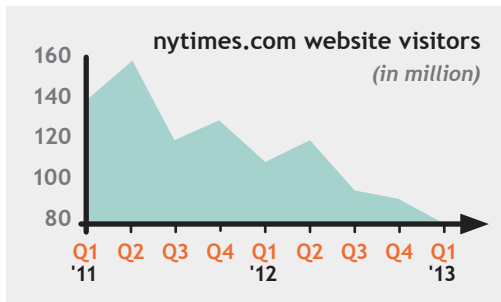
Targeted content is the visible output of a data-informed interaction between publishers and their audience, which transforms generic information into relevant content. Publishers can create a seamless content experience by following the user across all devices and by analyzing the situational context. Furthermore, they can actively sell personalized and native advertising with much higher success rates compared with standard display advertising.



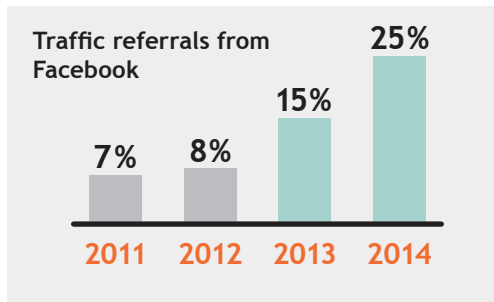
# Key drivers for targeted content

## 1 SOCIAL MEDIA

> Consumers are increasingly developing the attitude: "If content is relevant it will find me"



... have decreased by about 50% in recent years

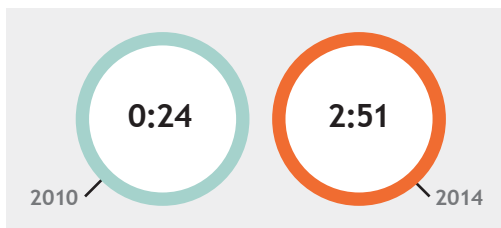


Social Media platforms such as Facebook drive about one third of overall traffic to site

Users require a seamless content consumption experience on multiple devices across different platforms (e.g. social media)

## 2 MOBILE

> Intense usage of mobile devices is accelerating the trend towards feeds that filter information



Average time\* spent per day on mobile increased substantially between 2010 and 2014



80% of adults worldwide will own a smartphone by 2020

Publishers can reach their users at the right time with the right content on preferred devices, due to ubiquity of wireless communications

## Benefits and risks

For media companies	For brands	For users	Risks
<ul style="list-style-type: none"> <li>&gt; Targeted content helps to attract and retain the audience by providing relevant content in a preferred environment</li> <li>&gt; Facilitates engagement by adapting content to continuously changing interests</li> <li>&gt; In combination with native advertising and content marketing, higher advertising rates can be charged</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Targeted content helps to attract potential customers by presenting them with compelling content</li> <li>&gt; Influences the purchasing decision and generates leads by offering content even before the customer starts searching for information</li> <li>&gt; Empowers employer branding and thus facilitates the recruiting process</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Users no longer need to search for relevant content, since it is delivered in a timely manner</li> <li>&gt; As content is based on the user's interests and preferences, it makes them feel more personally addressed</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Media companies lose their brand visibility and ad revenues by increasingly depending on third party platforms. (The risk can be minimized by entering into partnerships, in which platform owners give full control of branding, design and revenue shares, e.g. Instant Articles)</li> <li>&gt; Legislative data protection can prevent the targeting process. (Publishers must ensure they use approaches within the legal framework)</li> </ul>

## CONTEXTUAL RECOMMEN- DATION



➤ Outbrain and Taboola are dominant distribution platforms promoting content on third party websites via recommendations

➤ Both companies work on providing features to target content individually to the user by placing more specific recommendations



➤ Contextual content recommendation is forecast to reach \$3.4 billion in revenue by 2018

## INSTANT ARTICLES

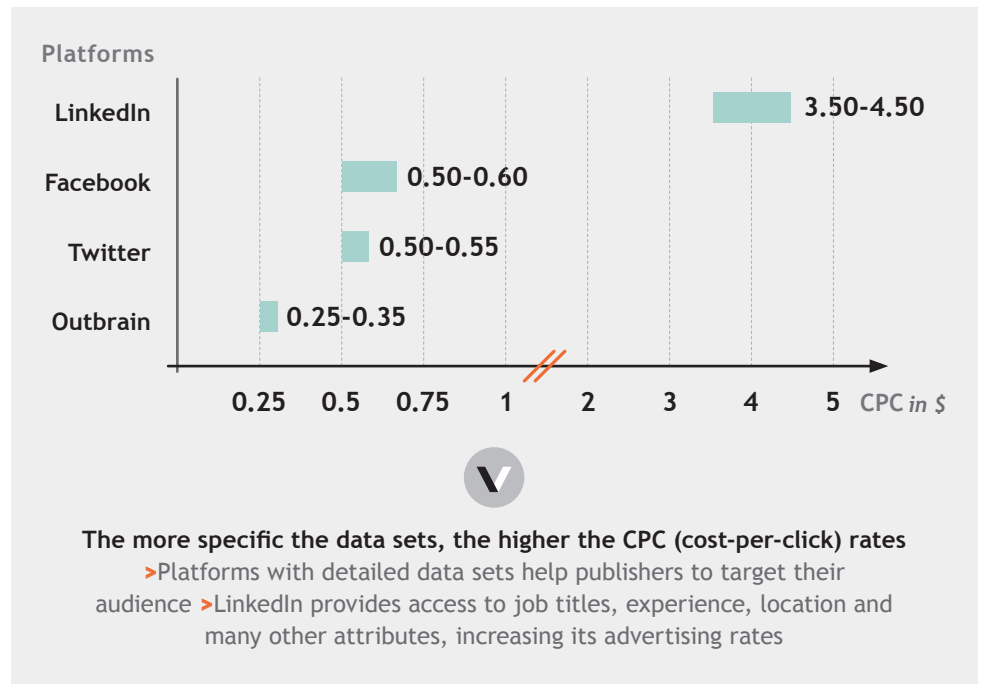


➤ Instant Articles enable media companies to target their audience on social media. Facebook was the first big player to offer this kind of content, Google and Twitter are working on comparable solutions.

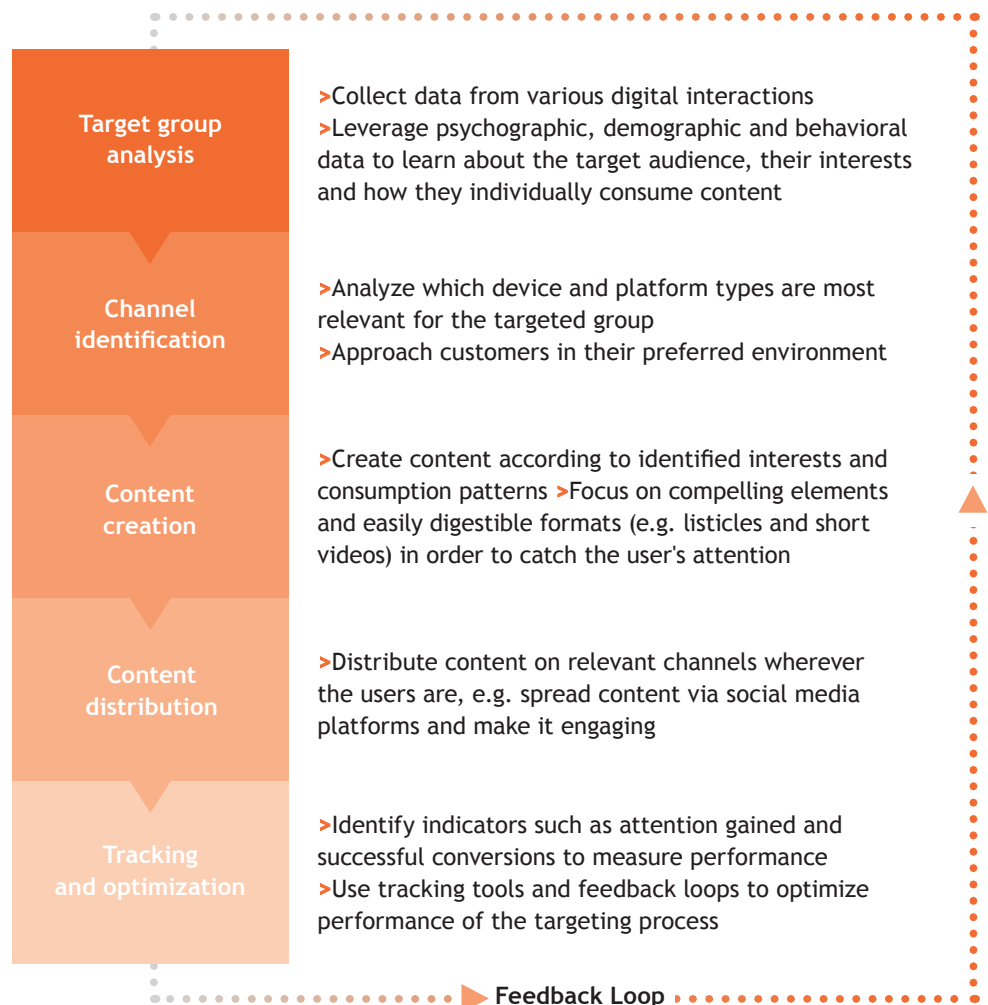
➤ Access to entire articles without driving users to external websites makes news consumption more seamless

➤ Facebook and media companies such as The New York Times decided to monetize the content by sharing ad revenues

## COSTS OF PROMOTING CONTENT



## PROCESS AND REQUIREMENTS



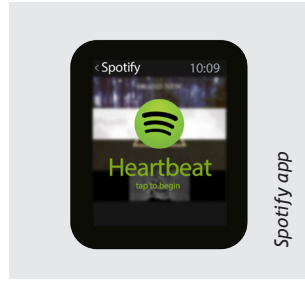
# Who is already using targeted content?



Google Now cards

>Google Now delivers situationally relevant content and search results by aggregating search patterns with real-time data

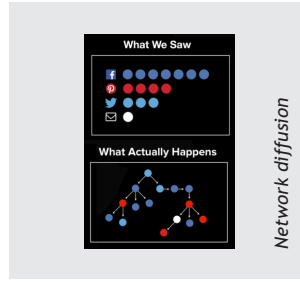
>It predicts the user's interests before they even start searching for content, e.g. news, attractions and nearby events matching user profiles



Spotify app

>Spotify uses real-time data (e.g. heart rate) to tailor the music experience suitable to user's activities and moods

>It enables publisher to place their content more compellingly, e.g. fitness related ads during a workout



Network diffusion

>BuzzFeed uses its Pound\* technology to understand how content is shared across various networks by following the path of diffusion from one sharer to another

>This helps to deliver shareable content that will appeal not just to users but also to their friends

## QUOTES

"Content is King, but Distribution is Queen."

Jonathan Perelman,  
Head of Digital at BuzzFeed

"We stopped counting on homepages and apps. (...) Social is where our girl is. (...) That is where she lives."

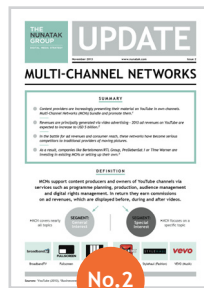
Kate Lewis,  
VP Hearst Digital

## FURTHER READING

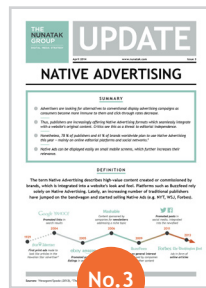
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No.1



No.2



No.3



No.4



No.5

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