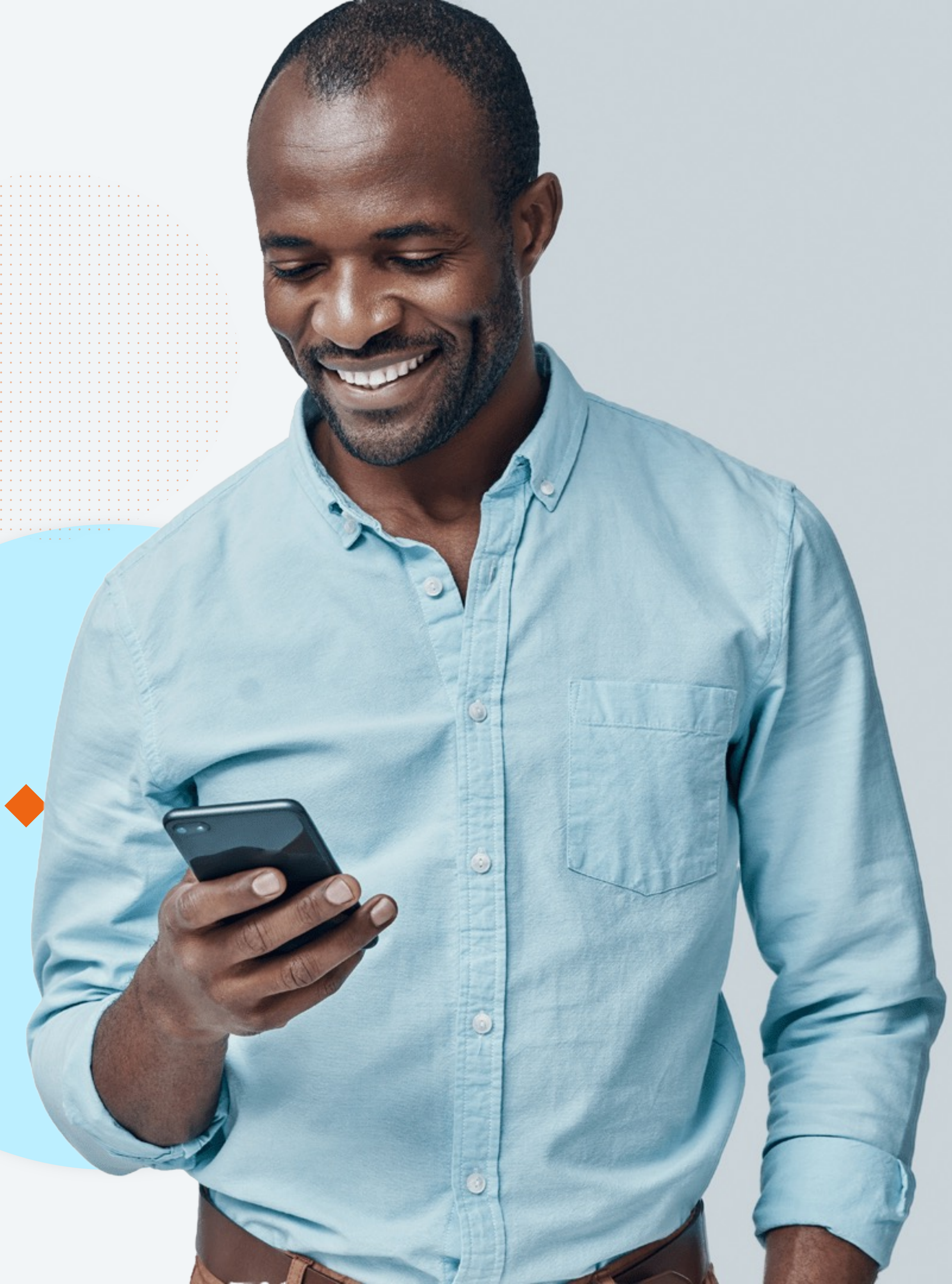
Outbrain Savanta:

Power of Native



February 2022

Background & Methodology

WHAT

In order to understand the value that Native recommendations bring to publishers and advertisers, Outbrain partnered with Savanta to conduct a quantitative online research study amongst consumers 18+.

WHEN

Between December 2nd, 2021 and January 4th, 2022

WHO

N=9,159 Consumers in the following countries:

- US: n=1,017
- UK: n=1,007
- France: n=1,015
- Germany: n=1,004
- Italy: n=1,039
- Spain: n=1,050
- Israel: n=1,014
- Australia: n=1,003
- Japan: n=1,010

Data has been weighted on age and gender to represent census data

Executive Summary

- Consumers are shifting towards more intentional online behavior.
  - 21% are planning to spend less time on social media within the next six months. The most popular alternatives to passively browsing on social media include moving offline (39%); switching to editorial sites, such as news and lifestyle websites (36%); and working or studying (33%).

- Online content on editorial sites (e.g., news and lifestyle sites) is more positively perceived than social media sites.
  - 75% trust editorial sites compared to 54% for social media sites. This trust is particularly notable among household decision makers.
  - Consumers are also more likely to trust ads on editorial sites (68%) versus social media (55%). Ads on social media are least trusted across sites.
  - Ads on social feeds are considered the most intrusive ad format while native ads, mimicking the look, feel, and surrounding editorial content are seen as the least intrusive (also compared to display and paid search ads).

- Personalized recommendations and visual experiences are increasingly important to consumers.
  - 53% of those 18-24 consider a fully customized visual experience unique to their preferences to be their ideal experience.

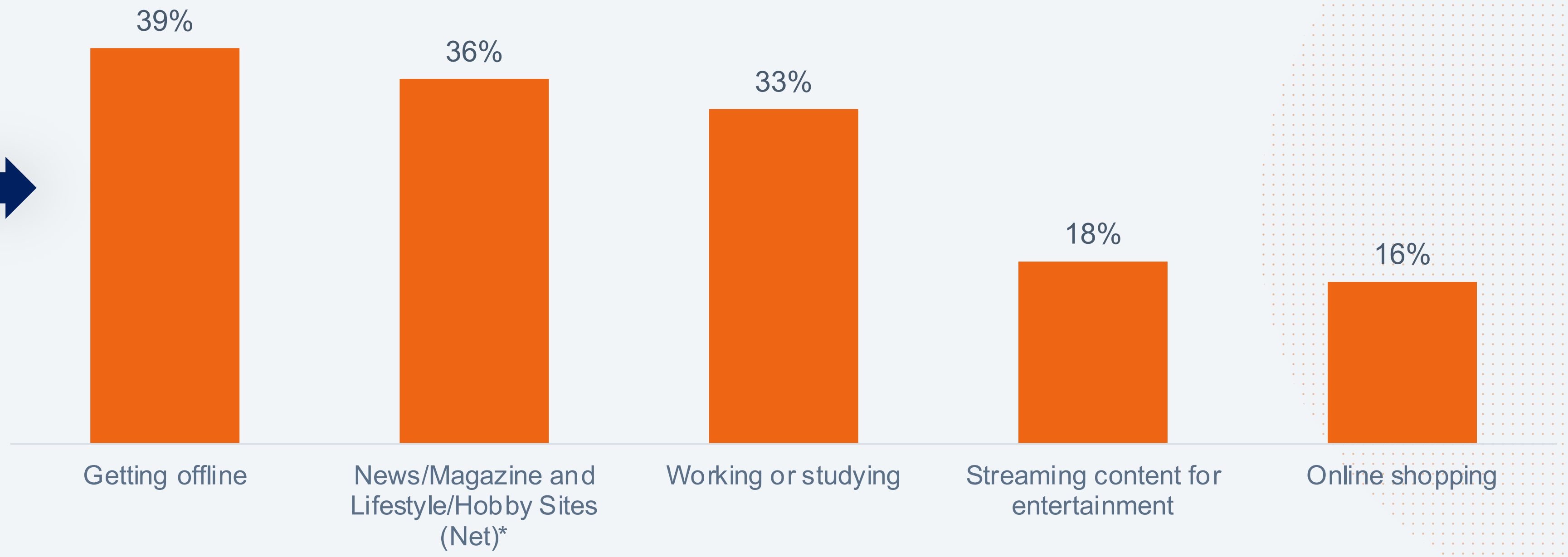
Online Behavior & Content Trust / Preferences

While the majority expect to spend similar amounts of time on social media in the next 6 months, 1-in-5 plan to spend less time – going offline, focusing on work/study, and visiting news and lifestyle sites instead

Anticipated Time Spent on Social Media in Next 6 Months

58%	Same amount of time
21%	Less time
10%	More time

What to Do Instead of Social Media

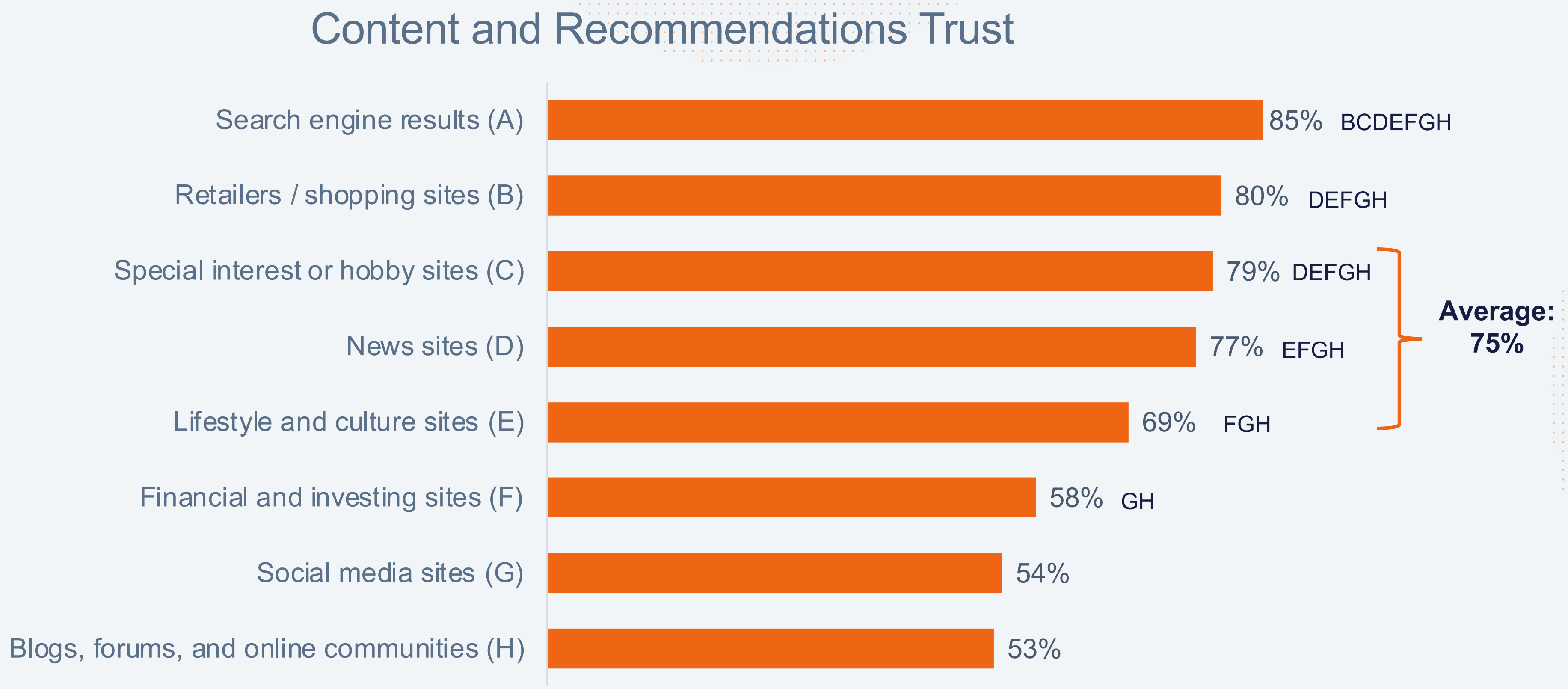


**National news/magazine websites (19%), local news/magazine websites (17%), and lifestyle and hobby sites (15%)*

Q22. Which of the following describes how you anticipate the time you spend on social media to change in the next 6 months? n= 9159
Q23. You mentioned that you plan to spend less time on social media in the next 6 months. How do you anticipate you will spend this time instead? n= 1899

Outbrain Savanta

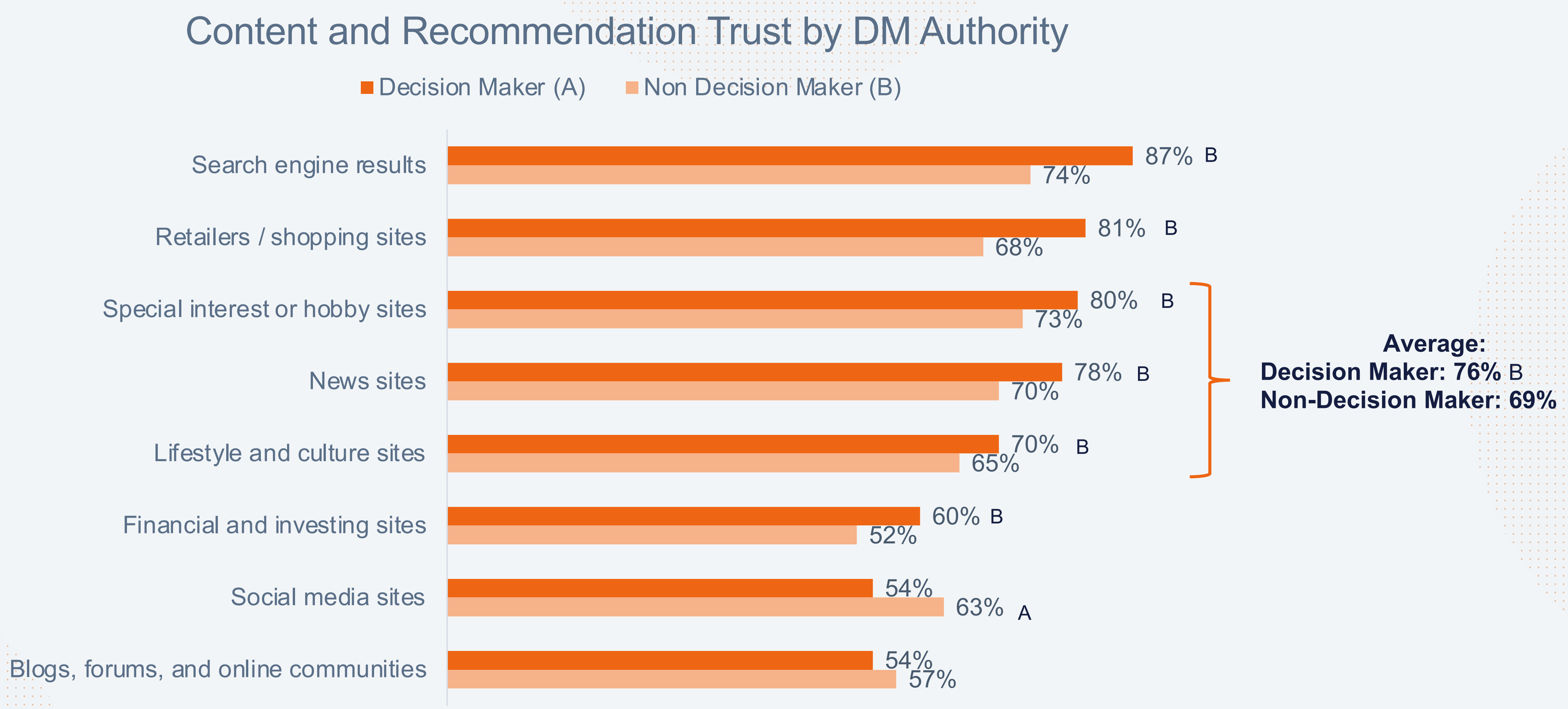
Content and recommendations found on sites with editorial content like news, special interest/hobby, and lifestyle sites are significantly more trusted than recommendations on social media sites



A/B/C/D/E/F/G/H denote significantly higher than other group at the 95% confidence level

Q2. How much do you trust the content and recommendations you find on each of the following? %s reflect T3B (Completely + A lot + Somewhat)
N=9159

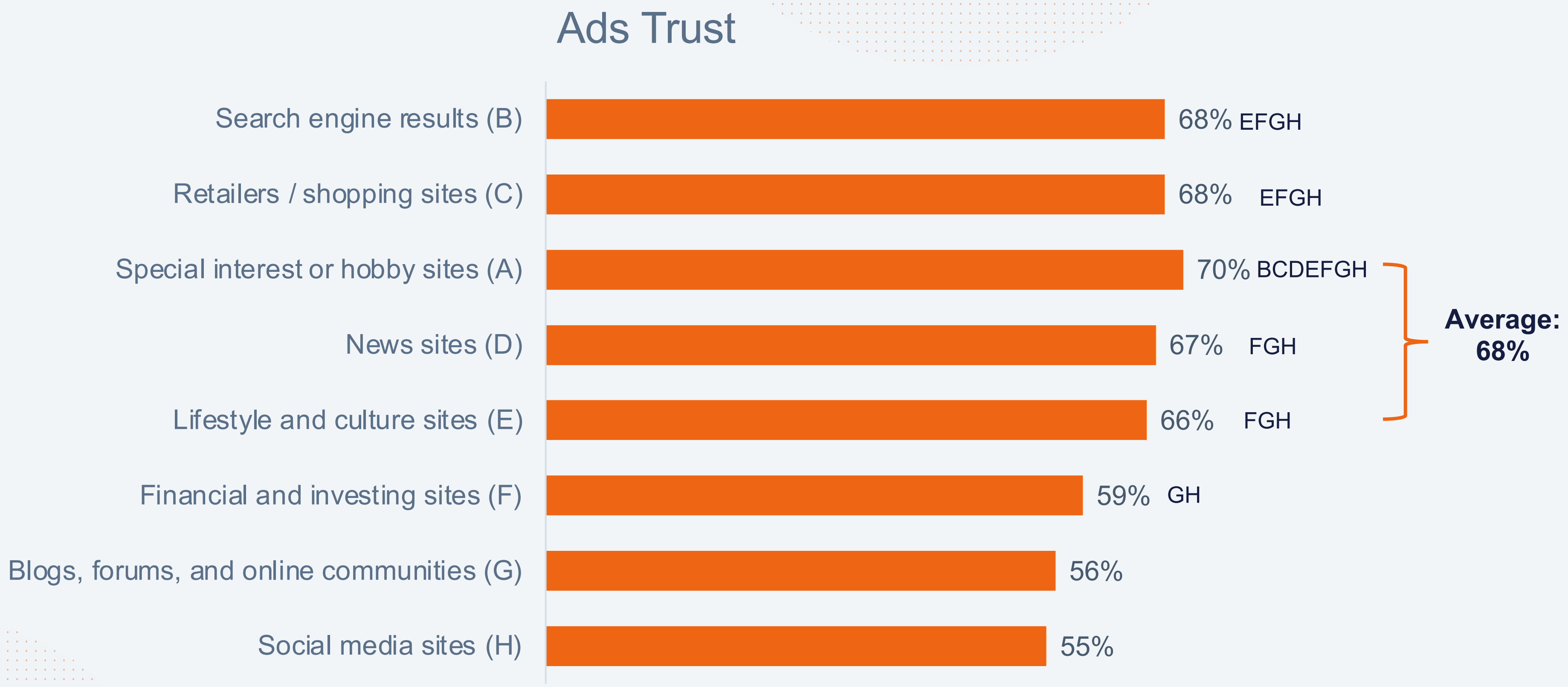
Household decision makers are more likely to trust the content and information they find on editorial environments than non decision makers; the reverse is true on social media



A/B denote significantly higher than other group at the 95% confidence level

Q2. How much do you trust the content and recommendations you find on each of the following? %s reflect T3B (Completely + A lot + Somewhat)
N=9159 | Decision Maker: N=8157 | Not a DM: N=577

Advertising found on sites with user generated content like social media, blogs, and online communities is significantly less trusted than advertising found on search engine results, editorial sites, and retail sites



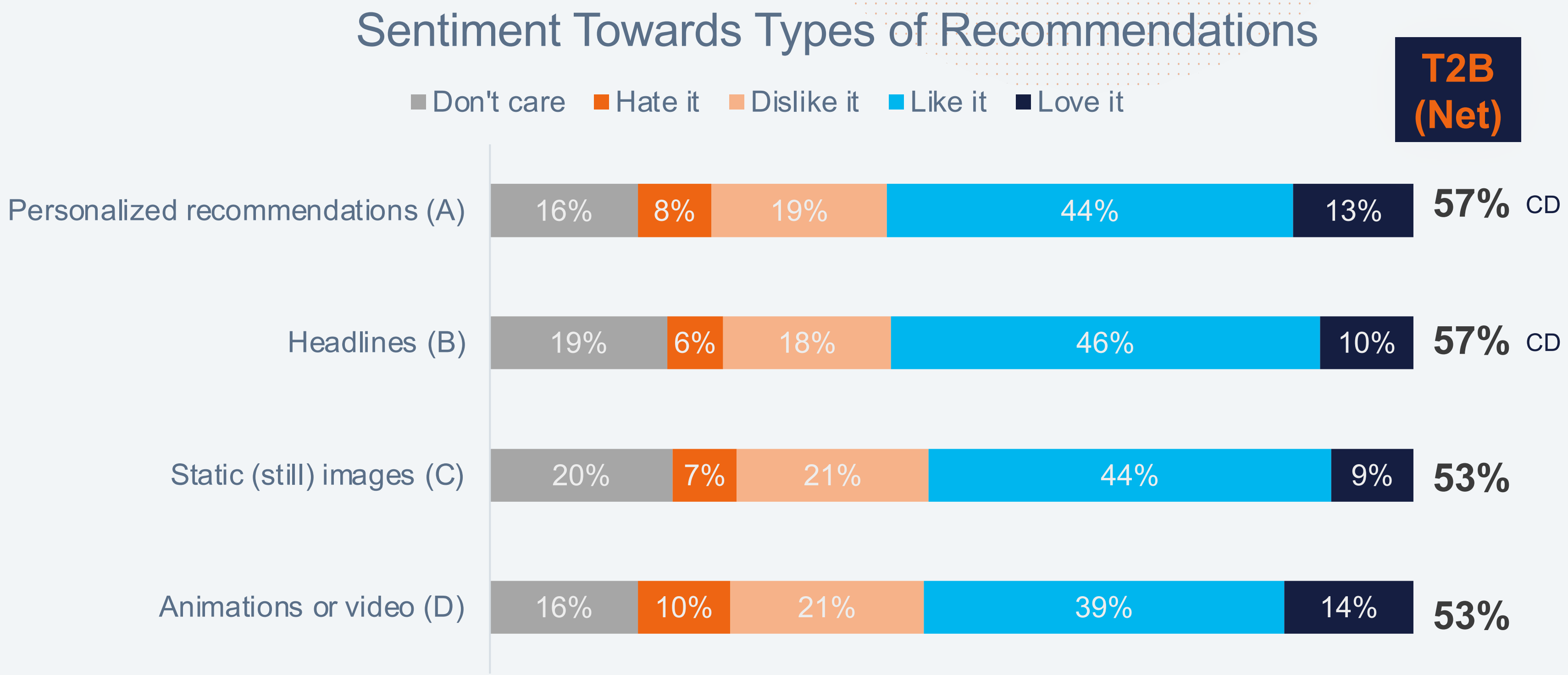
Younger age groups (<34 years old) generally trust online ads more than those 34+

A/B/C/D/E/F/G/H denote significantly higher than other group at the 95% confidence level

Q3. How much do you trust the advertising you see online from each of the following? %s reflect T3B (Completely + A lot + Somewhat)
N=9159 | <34 years old: N=3,331 | >34 years old: N=5,828

Outbrain Savanta:

Consumers prefer to see their recommendations personalized with headlines



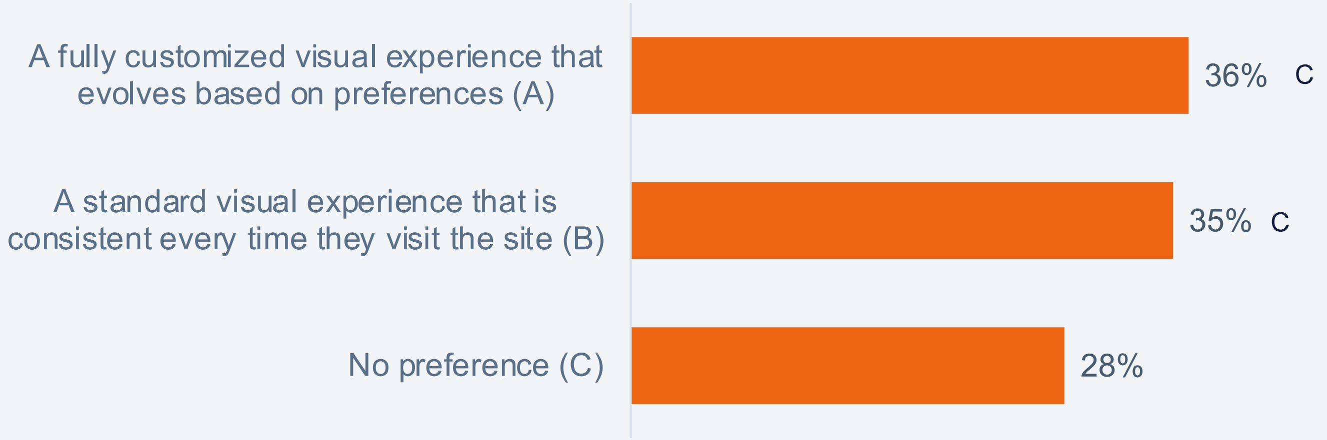
Household decision makers are significantly **more likely to prefer personalized recommendations** (59%) and **headlines** (58%) than non decision makers (54% and 52%)

A/B/C/D denote significantly higher than other group at the 95% confidence level

Q8. How much do you like it when a site you're currently on presents you with content recommendations using each of the following? T2B reflect “love it”+ “like it”.
N= 9159 | Decision Makers: N=8,157 | Non-decision Makers: N=577

Consumers are also receptive to fully customized visual experiences for their recommendations, with younger age groups overwhelmingly preferring an evolving experience unique to their preferences

Ideal Recommendations Experience



18-24 years old (A)	25-34 years old (B)	35-44 years old (C)	45-54 years old (D)	55+ years old (E)
53% BCDE	48% CDE	40% DE	36% E	23%
31%	36% A	37% A	38% AE	34%
15%	16%	23% AB	26% ABC	42% ABCD

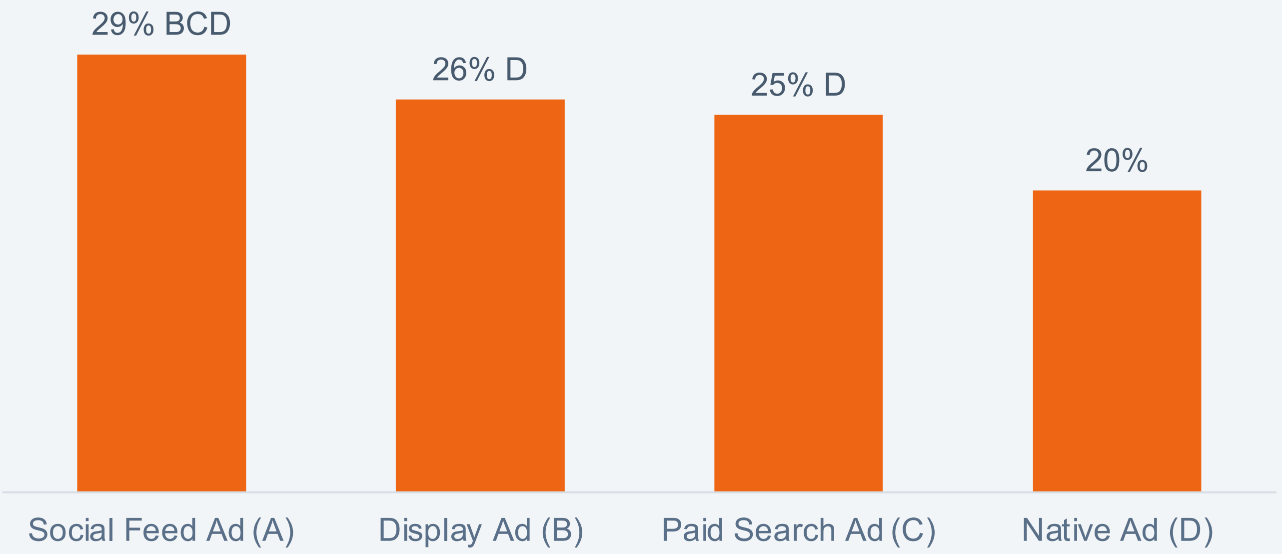
A/B/C/D/E denote significantly higher than other group at the 95% confidence level

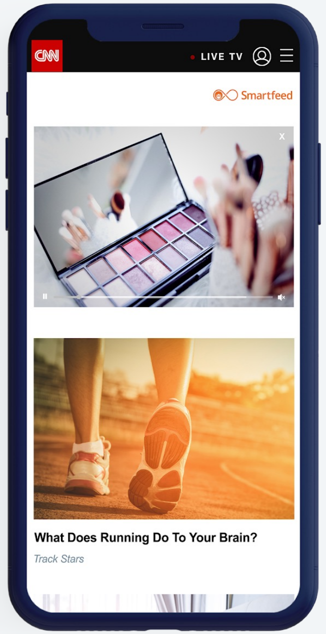
Q9. When you are visiting a site that provides personalized content recommendations, which of the following would you say is your ideal experience?
N=9159 | 18-24: n=1,344 | 25-34: 1,987 | 35-44: n=2,055 | 45-54: n=1,529 | 55+: n=2,244

Native Format Perceptions

Native ads are considered the least intrusive ad type while social feed ads are the most intrusive

Most to Least Intrusive Ads



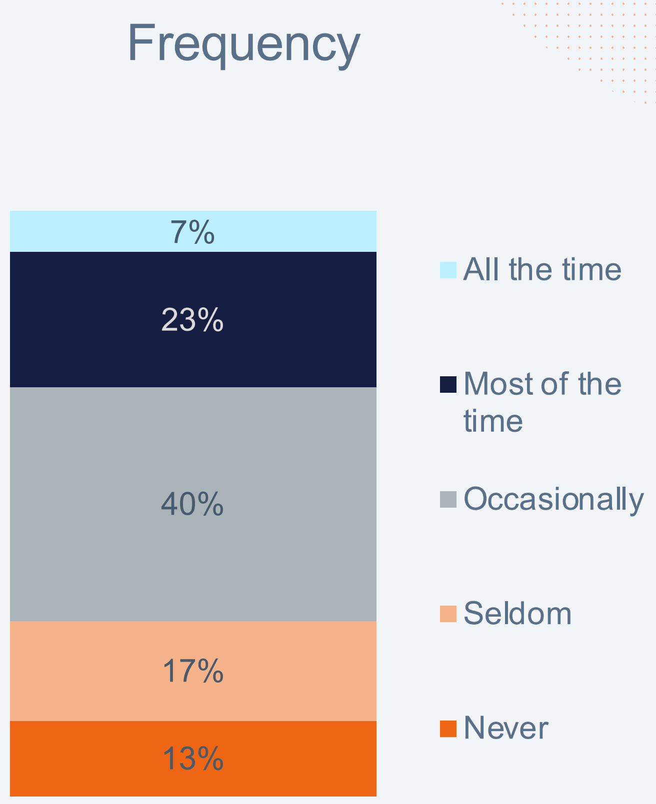


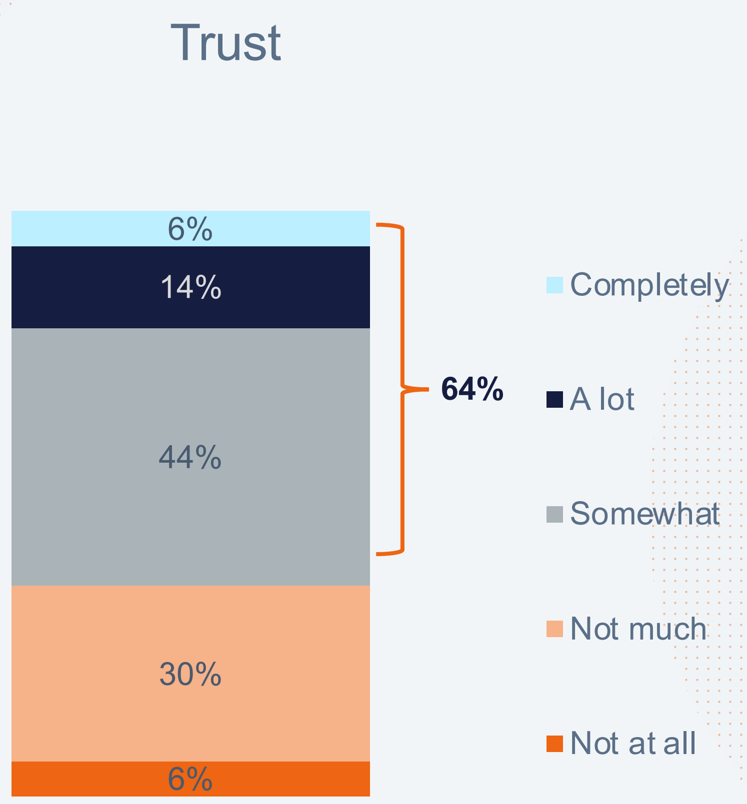
Consumers in APAC are particularly averse to display ads

A/B/C/D denote significantly higher than other group at the 95% confidence level

Q17 Which type of content would you consider the most intrusive?
N=9,159

7-in-10 see Native Ads online with some frequency and the majority trust them

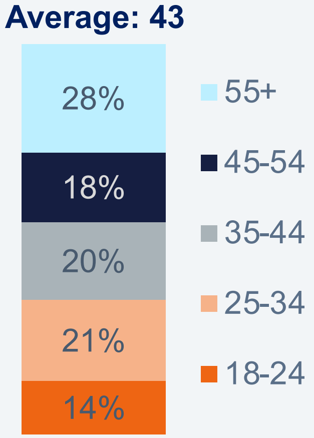




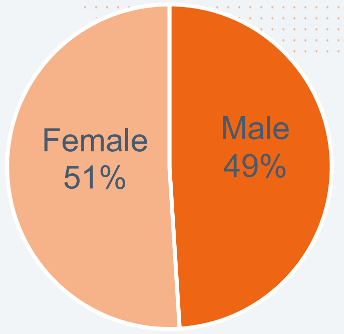
Q10. When you are visiting a website, how often do you see content similar to this on the website? N=9,159
Q13. When you come across content like this, how much do you trust information you find when you click on it? N=7,975

Who Trusts Native Ads?

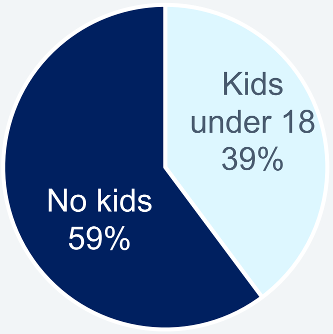
Age



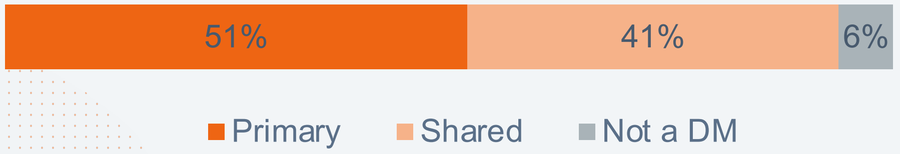
Gender



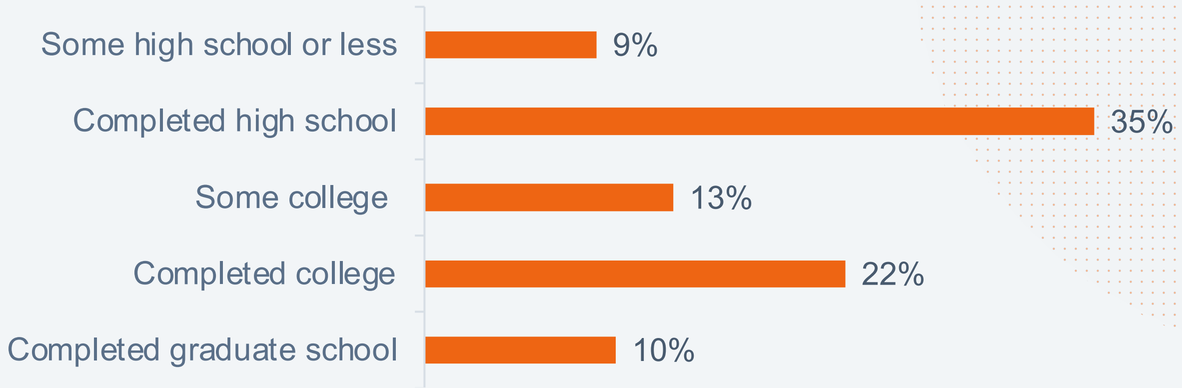
Household Composition



Purchase Decision Authority



Education

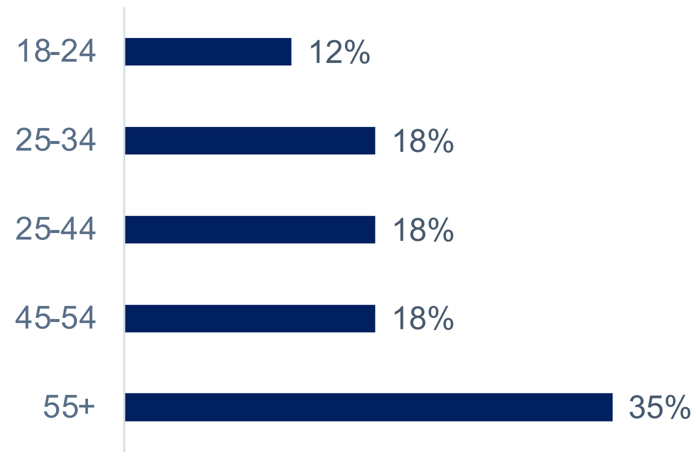


Q13. When you come across content like this, how much do you trust information you find when you click on it? *%s reflect completely + a lot + somewhat*
N=7,975

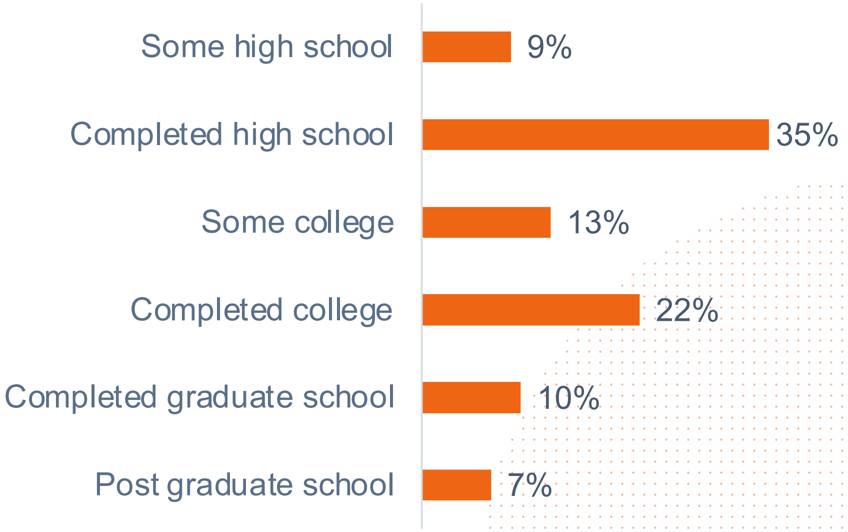
Demographics

Global Demographics

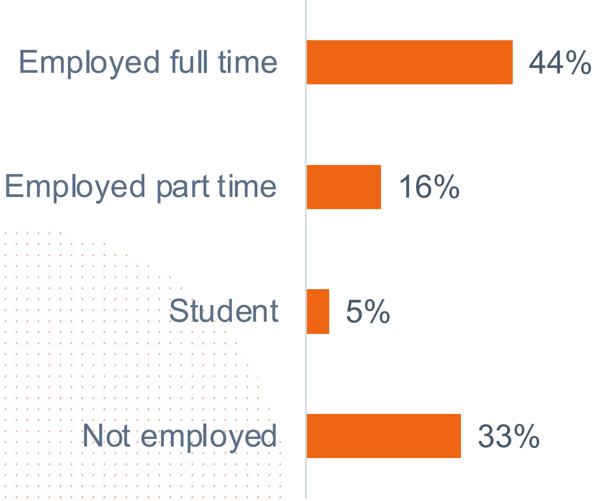
Age



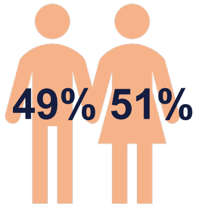
Education



Employment



Gender



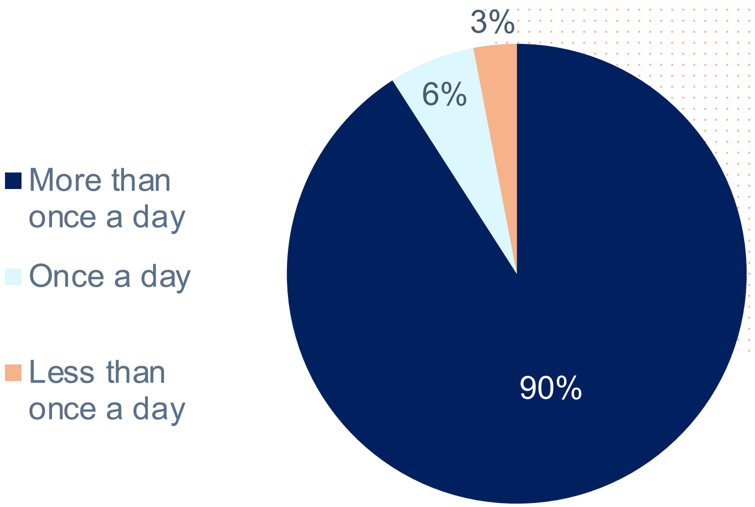
Male Female

Family Composition

Children under 18

33%

Internet Usage



N=9,159

About Savanta

Savanta:

Full-service, global, market research agency

Branded in 2018, Savanta was built through acquisition of decades-old research firms but with the nimble passion of a modern start-up

450+

Staff

Offices in New York, London, Toronto, San Francisco, Philadelphia, Delhi, Oxford & Cambridge

NEXT15

Publicly traded parent company

MORAR HPI · VIGA · msi INTERNATIONAL · YouthSight · Circle research The B2B experts · ComRes · WEALTH-X · future thinking · thinqonline · HSR ASSOCIATES · MindSpark™

Savanta Hub

We provide clients with the ultimate international audience reach.

Savanta utilizes technology to provide instant access to hundreds of consumers across the globe via the Savanta Hub. All partners are measured against Savanta’s rigorous quality checks and only those who qualify are able to join the Savanta Hub.

100m
consumers

600+
profile points

95+
countries