

# Contextual Targeting, an Introduction

The digital marketing landscape is in a state of change. Legislative and technological developments like GDPR, ITP and IDFA is forcing advertisers and media companies rethink marketing in a world without personal data and third-party cookies. As a result, fresh ways of thinking about marketing are emerging, and **contextual targeting** is gaining ground as a brand and privacy safe way to engage users without abusing personal data.

This guide to Contextual Marketing will help you understand WHAT it is, HOW it works and WHY it should be a central part of your marketing strategy.



# Is Contextual Targeting something new?

No, in fact it's the opposite.

Contextual targeting is actually how you would buy media in “the old days” of print magazines. Want to sell fly-fishing gear? Advertise in a fly-fishing magazine!

In its essence, that is contextual targeting.

The “problem” with transferring this mentality to digital media is:

- 1) it doesn't scale very well (there are only so many fishing sites and to be honest, they're not huge)
- 2) dealing with a bunch of sites and buying ads on them individually is a pain,

3) you might sell a product that appeals to more than just anglers – and so you have to plan for different contexts with many sites, and that's an even BIGGER pain

4) knowing when someone will visit a site like that and then having the ad space when they do means having to pay for the whole site for a long period. Not very efficient and probably too expensive.

## Why change?

There are two things to keep in mind:

1) Because advertising space is sold independently of the content it appears next to, there's a very real disconnect between reader and ad. Look at pretty much any media property, like an article or video clip online. The ads surrounding content are irrelevant to what you're looking at. We trade advertising space through a myriad of markets or “exchanges” that care very little about what article or content is being consumed by readers.

Which brings us to the second problem:

2) Advertising sees you as a “user”. Reams of data about your person, traded alongside the ad space in the exchanges mentioned above, feed advanced targeting models and decide what ads you end up seeing. The result is: people hate ads. They find them to be irrelevant, disruptive, intrusive and creepy. Therefore, someone invented ad blockers!





## What is contextual targeting?

To understand why context matters, imagine this: You're having a great day with your partner, but suddenly you lose your temper at the people meandering in front of you at the mall.

The contextual principle of hunger has reared its ugly head and you are getting cranky for no good reason. Anyone who's had their spouse or child go completely sour and had a fight erupt in the car over where (or how) to park knows this scenario.

Another great context is "being cold". Never mind what you were just doing - if you're feeling a chill down your neck, that's it. Being cold will override any other sensation and ability to enjoy yourself.

If you can predict at what time or place people will either be hungry or cold, you have a pretty good foundation for a business built on contextual targeting.

When we apply this to digital media, "contextual" goes beyond the 1:1 niche magazine thinking of interest and relevant ads. Context includes information about real time factors like content types like semantic analysis, content theme and category + consumption data like location, device, browser, date, etc. All robust datasets that are non-personal or invasive in digital privacy .

With this information it's possible to identify what, where and how readers are engaging with something that interests them. The manner of which they are engaging with it and what depth of engagement they have measured in time spent and scroll depth (for example).

# Why Context Matters?

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We, people, are complex creatures. We identify ourselves outwardly in several ways based on social settings and expectations, and privately perhaps in completely different ways.

You can be an outdoorsy SUV driving “always dressed for adventure”, mother or father, financial advisor, local soccer club coach, and avid Liverpool supporter that privately harbors a deep fascination for the Star Wars universe and a love for gardening. You are not either / or these things, they are parts of your personality

You can be a young professional, fitness enthusiast, climate warrior with a pet hate for cats and still be a royalist, Kim Kardashian loving vegan.

You get the idea...

Marketing to someone based on all these factors is a mess, but using context to deliver a message based on personality is effective. Knowing that someone (for some unknown reason) is a Liverpool supporter is useless information unless you can leverage it to deliver a message that resonates with Liverpool supporters when they in fact express that interest or engage in related contexts like reading about premier league football.

Again, if you can predict the context of a sufficiently large group of people, you can build a business around that. It's completely privacy safe and through Strossle, available at scale.



## How do I use it in marketing?

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In his book “Thinking Fast and Slow”, Nobel Prize-winning economist Daniel Kahneman, outlines how we as a species use 2 ways of thinking when deciding: “System 1” is the **fast**, intuitive, snap decision making we do all the time with little thought or energy. It’s the stuff you do on “autopilot” all the time. With more consideration, our “System 2” or **slow** and more reflected processing begins. We reflect on the options and then make a choice.

BUT: We are also inherently a lazy species, and we’re prone to making shortcuts. So when we activate system 2, we also look for patterns and regularity. If similar situations arise frequently, system 2 “trains” System 1 for future reference. Therefore, we use little energy to choose what kind of milk to get in the shop, but it’s also why some people instinctively buy Nike’s and almost never consider Adidas, although the shoes are the same for functionality and “rational” arguments.

When we apply contextual targeting to marketing, we can still “train” system 1 decision making by reducing the friction between engagement and relevance of messaging.

This is important, so let’s look at that again:

Engagement, i.e. reading something that interests you, puts you in a “cognitive state” where you are focusing time and attention. Other messages that speak to this state are *relevant*, and so you don’t have to use much energy to relate to the message. Interests match based on context, so it “fits in” to your state of mind.

To illustrate:

A message promoting seafood when reading about Social Distancing is just “white noise” that’s easily ignored, but a message about healthy and easy cooking for my family during lockdown is not.

The same advertiser for seafood can invest in advertising based on my data-profile or on marketing based on my context. The former is a volume game, the latter is creating a value proposition that ties with the customers’ interests.



## But it's still an ad - isn't it?

Advertisers did not invent advertising formats, the media invented them. No advertiser would ever think “let’s really annoy people with irrelevant messages before the news” - media companies did this job for them.

Because it’s impossible to predict what page in the newspaper someone will read or what’s in the news, they have always sold advertising space with little regard to content. When the media went online, this idea followed.

To solve this problem, Strossle uses native advertising. The ad - or *commercial content*

*recommendation* integrates seamlessly into the reader experience. To make this work, we clearly label content that comes from advertisers and the ad looks and feels like what it is: an invitation to read something of interest to you as a consumer.

By using contextual data to decide who sees the different ads we deliver, we make the messages feel relevant and less intrusive and with a better response from the reader.

Native ads have a *click through rate* over 50 times higher than display ads because they represent something of actual value.



# How to apply context to advertising

Understanding that there is an interest between skiers and ski magazines is easy. Understanding that skiers are also complex people who probably continue to love the outdoors when there's no snow is another reasonable assumption. A love for the outdoors correlates nicely with a passion for travel, caring for the environment, a robust personal economy, likelihood of interest in a holiday property or travel destinations and a decent size car.

We can extrapolate a lot of probable contexts from this simple way of reasoning. When tailoring messages from you to your audience to be relevant in these contexts, and paid for

only when they work, it converts your marketing strategy to advertising tactics.

If you are selling an electric car, a money saving app, a travel guide service or safety equipment for professionals – creating content that triggers engagement in the contextual settings in the example above is not outside neither scope nor reason.

If your product is GREAT and your content engaging, it deserves an audience, right? The best way to connect your content with an audience is by appealing to them through what feels relevant and interesting to them.

## It's telling, not selling

Well, when you move from buying advertising on impressions to paying for traffic, you enter the realm of building an audience and not just bidding on chance attention. With Strossle, **you're only paying for the readers that want to engage with your content.**

We help you find readers based on context. If your content appeals to them, they will

engage with it. This engagement is the difference between short-lived attention and loyalty. It's "training your customer" to prefer your brand. Done with frequency and consistency, you develop an audience that feels an emotional connection with your service and will exert diminishing efforts when selecting it again and again.

# What do I need to get started?

Not much. This guide has explained how you can move from annoying, intrusive ads, to engaging and relevant messaging that is relevant to your desired audience.

Testing this theory in practice means having:

- 1) An idea about what context you want your message to appear in
- 2) A piece of content that you feel describes your value proposition to your audience
- 3) A starting budget to pay for some traffic to that content

And that's it.

You create the native ads for your content in Strossle Marketplace. You set the landing page URL, upload an image and parameters for your traffic like budget, timespan and geography.

Strossle then finds your audience by matching it contextually with content from the diverse range of trusted media brands we work with. It's 100% brand and privacy safe and you pay for exactly the amount of traffic you want. Transparent and simple.

We always optimize your campaign to deliver traffic from sites that drive high engagement to your content. It's why we're called The Content Discovery Platform.

If you have ANY questions about Contextual Targeting or Native Advertising, Strossles customer success team is here to help you grow your business. Get started today:

[www.mystrossle.com](http://www.mystrossle.com)

PS:

If you need help to create content, hosting a page or setting up a customer journey that helps your traffic end up where you want it, Strossles partner network can help you do just that so you can focus on developing a great product.

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