



June 2022



Why Context Matters

Reach is vital but the reason most brands prefer not to be seen in high-reaching toilet media is self-evident. All impressions are not created equal.

Marketers looking for silver linings around the imminent demise of cookie-based targeted should welcome the return of contextual-based targeting. Where and when an ad is seen can be just as important as who sees it.

In 2021, Heeyon Kim at Cornell University ran a larger-scale study showing 1,123 participants ads for clothing brands such as J Crew or Banana Republic. Some people saw the messages in the midst of a magazine with no other ads. Others saw the ads in the same magazine but alongside a range of high-status brands, like Chanel and Hermès.

Later on, the participants were asked to rate the prestige of J Crew and Banana Republic. Those who had seen the brands surrounded by high-status firms scored them 17% higher than the group who had seen the ads with minimal context. According to Kim, “mere proximity” to high-status firms boosted the appeal of the test brand.

If you want to boost your perceived quality, then watching the company you keep and appearing next to premium brands is a good start.

This is especially important at launch, when no one really knows what your brand or product stands for. First impressions really do count, so it is important to take advantage of the ‘primacy effect’ to set your brand up with the required associations.

Beyond the advantages of perceived quality, there are a number of other contextual levers to think about when considering media placement. These include:

- Location (proximity to purchase but also activities or adapting copy along a familiar route),
- Temporal (time of day, week, year),
- Environmental (weather, allergens, pollution),
- Social (alone, with peers, couples), and
- Modal (active, focused, rushed, relaxed)

Many of these levers are oppositional choices. For example, is it better for your message to land when your audience is relaxed or focused? This is great news for brands – it means you can make a conscious choice about the best context for your message to resonate.

Strategic choices are only genuinely strategic when the opposite choice is still a valid one. So ‘reaching the right audience at the right moment’ isn’t really a strategy (because the opposite would be ignoring them completely). However, the media plan gets a lot more interesting and effective when you can define what that moment is – and isn’t.





How DSPs and Brands Respond to Audio Advertising

Digital audio is exploding for marketers and listeners alike. Industry research shows the growth is undoubtedly down to the COVID-19 pandemic, similar to the increase in scale we saw across Connected TV, with more people at home with the desire to find new ways to stay entertained. Brands utilising digital audio have a unique opportunity to connect with customers on a platform with targeted reach at scale, where creators develop content quickly.

The Digital Audio Boom

Consumer habits have shifted dramatically in recent months, meaning how people engage with digital content is more disrupted than ever before. Digital audio is now at the top of the list with users listening to podcasts and music at unusual hours. Brands have therefore started to use this content's innate appeal to their advantage. In a world rife with visual advertising, audio ads help brands attract consumers when they take a much-needed break from their screens, whether from countless Zoom meetings or endless Netflix binges. Brands that can associate themselves with something that evokes an emotional response or sense of relief in a consumer can become part of that consumer's emotional connection to the media they're consuming.

While terrestrial radio can be hyper-local, it is not hyper-personalised, as opposed to digital audio, which takes a hyperlocal and customised approach across all devices. Advertisers can craft ultra-personalised spots that appeal to specific consumer interests. By purchasing ads programmatically, they can mass distribute specific messaging with precision.

Purchasing spots through a DSP allows advertisers to take advantage of even more digital audio benefits. These benefits include agnostically accessing inventory across many different podcasts and streaming music publishers. The best DSPs are people-based, deduplicating users across platforms directly through hashed identifiers to their devices instead of third-party cookies.

Deterministic DSPs allow brands and agencies to create one persistent audience segment that can then target users regardless of which audio platforms they consume.

An area for development is around measurement and brand safety. One challenge to propose to DSPs and suppliers is determining how we know a user has listened to an ad, in the same way, we can ask whether someone has physically viewed a linear TV spot.

Why Brands Should Embrace Digital Audio to the Full

Brands should be taking full advantage of digital audio's benefits. By leveraging demand-side platform (DSP) solutions when purchasing spots, we can centralise optimisation, targeting, and measurement all in one place. Through intelligent programmatic approaches and proper supply integrations, you can reach your desired audience at scale via a medium they are passionate about.

Digital Audio provides an excellent platform to deliver not only innovation, but scale, engagement and new testing opportunities, all backed up with access to 3rd and 1st party data segments we can access through a number of DSPs.

Advertisers can utilise DSPs' advanced reporting for attribution of media exposures to the desired consumer outcome, whether online or offline sales, site visits, foot traffic, etc. With a people-based DSP, that is possible on a 1:1 basis.

By committing to an evolved programmatic approach to digital audio and partnering with a people-based DSP, brands can create meaningful connections and reap the benefits of programmatic efficiencies.





Inflation vs. Sustainability: How are Consumers Adapting?

With inflation currently at a 40-year high and set to reach double-digits before the end of the year, consumers are understandably reassessing their purchasing habits. With this in mind, brands are weighing up whether to continue pursuing purpose-led initiatives (e.g. sustainability), when they know their customers' priorities are likely to be elsewhere. So, how should brands respond?

the7stars' latest whitepaper (in partnership with Kantar), [A People First Response in a Crisis](#), offers answers to this conundrum.

The rising cost of living is already having a profound effect on Britons' spending habits. With 41% of the population feeling less comfortable with their income compared to one year ago (May QT), two-thirds of consumers agree that they are already making compromises on what they buy. For many, this manifests itself in trading down to lower-cost alternatives, with discount retailers and own-label brands the benefactors. As cheaper products typically use less sustainable ingredients and materials, this may suggest consumers are less carbon-conscious in a crisis.

However, evidence shows consumers are still keen to buy environmentally-friendly products – but only if this does not result in a larger dent in their wallets. Globally, 66% maintain such a stance (WARC, 2022), while our own whitepaper reveals that 64% expect brands to be more socially responsible during a crisis. This may seem an impossible dilemma to overcome, but brands who navigate it carefully will be more successful in the long-term.

Some brands will inevitably be required to make tough decisions on sustainable action in order to maintain affordability for customers. But those who do must communicate honestly that this will be a temporary compromise, in order to avoid future damage to brand health and sales. Such best practice was recently exhibited by Iceland, a climate leader within the retail sector, when transparently [announcing](#) the “last resort” decision to temporarily re-introduce palm oil to some products.

Furthermore, while price concerns will undoubtedly trump sustainability in the minds of many households during the current crisis, those with the means to invest in greener resources now may ultimately save money in the long run. With gas prices spiralling, one in five have considered installing solar panels in their homes (Kantar, 2022), while Google Trends data for the last 12 months shows a 400% spike in searches for “heat pumps”, after the Government encouraged households to make the sustainable switch by offering installation grants.

The parallel crises of rising inflation and climate change present an arduous tightrope for brands to walk in the coming months. As struggling Brits will ‘keep calm and carry on’ to aid them at a challenging time, brands who demonstrate they are offering a helping hand will be viewed favourably. For many, this may necessitate difficult decisions on sustainable priorities. But such choices must be communicated with honesty and integrity – to avoid a backlash from a population who still endeavours to act sustainably.





Bounded by the Binary

In recent years the impact of gender fluidity has been highlighted in pop culture, with notable members of different industries declaring their gender a construct and not linked to a person's sex.

WARC recently published *Sex, Brains, and Advertising*, discussing the neuroscience behind the idea of the 'gendered brain', and how messaging and stimuli are impacting the industry's view of the construct of gender. Looking back at advertising through the decades, there's a clear line of reference to gender in countless global campaigns. These recent openings in the conversation have led more advertisers to understand that basing their activity on gender steeped in stereotyping is not beneficial to public opinion and business success.

In 2020, here at the7stars, we released our whitepaper 'Beyond the Binary', partnered with Sign Salad and Neuro-Insight, outlining actions brands can take into their thinking and planning to understand the societal shift to a flexible binary that so many in our day and age feel represents them. With 75% of Gen-Z more likely to believe in gender fluidity than previous generations (*Beyond the Binary, 2020*), it is imperative that brands are listening to their ever-evolving customers and that telling stories that reflect them and their lives will resonate with generations to come.

Following our own insight and advice, we implemented this non-binary viewpoint in our recent audience research with John Frieda. In previous activity, a traditional female audience was targeted but, after analysing data, we saw that 1 in 5 of their customers were males. Seeing a gap in the market, we built audiences based on their attitude to beauty as opposed to gender which meant that, whilst still heavily skewed to females, we are not excluding a key demographic.

De-gendering from the get-go must be at the forefront of the mind, and not an occasional spin on advertising. Brands have an opportunity to increase representation and understanding that this is not just about gender, but the movement to a more fluid and expansive definition of identity. Intersectionalities are deeply intertwined and, with cultural incidents such as Roe vs Wade in the US and BLM being at the centre of the cultural conversation, it highlights the intrinsic link between identity, social conversation and commitments brands can make to the dialogue.

We advocate three steps advertisers can take now:

- **Constantly question gender demographics:** By always looking at whether advertising needs to be bound by binaries, it's making way for new insight and analysis for brands' audiences.
- **Highlight stereotypes and change them:** Representation is key and reversing traditional views on gender will open brands up to modern and relevant conversations in society and business.
- **Creativity is key:** By looking at Dove's 2022 Cannes winning campaign, we see how gender is so closely linked to age, race, and identity. Representing different communities in ads keeps brands relevant and effective in their storytelling.





Prime Day Awaits – Get Customer-Ready with our Special Feature

Amazon has announced that Prime Day 2022 will take place on 12th - 13th July, returning for its eighth successive year. This day is reserved for Amazon Prime customers only, but that number has now reached 15m shoppers in the UK (source: Mintel) and 75% of people are likely or highly likely to purchase a product through Prime Day (source: Kantar), presenting a big 'moment' opportunity to generate additional sales for brands that currently sell through Amazon.

According to Kantar, 12% of shoppers have no idea what they plan to buy, and 64% have an idea about what they plan to buy but need more inspiration. This means a large number of people are in a buying mindset, and hence brands can reach and disrupt shoppers in a compressed timeframe. Furthermore, 53% of shoppers are likely to repurchase again after Prime Day, presenting an additional case for the time, effort and budget investment to acquire new customers at this time.

How to get the most out of Prime Day.

To get the most of this '2-day moment' means engaging potential customers in the lead-up to Prime Day, during the event itself and nurturing customers afterwards. So, here is a five-point plan to help brands stand out amongst a barrage of messaging, promotions and great deals.

- 1. Prepare your Store:** Before spending any money on media, ensure that your store and content are up to date and relevant to Prime day. Use the versioning feature to temporarily create a Prime Day version of your store, with the relevant content and featured products that can enhance the shopper experience. This will help to increase conversion rates by ensuring users have a consistent journey from paid promotion through to purchase.
- 2. Amplify your Products:** According to Amazon, brands who promote their products during Prime Day with sponsored ads gained a 190% increase in consideration and 140% increase in sales. By using a combination of sponsored ads, DSP and even streaming TV ads together, brands can see an uplift in sales of up to 20%. Think of it as a balanced combination of delivering both saliency and sales in a short timeframe.
- 3. Choose the Right Promotions:** Leveraging the right promotional tactics can nudge shoppers from simply browsing to buying. Whilst it's too late to run specific Prime Day deals (Lightning deals, prime exclusive discounts, Prime member promotions), it doesn't stop you from running standard discount promotions.
- 4. Plan for Presence:** Consider using the full range of sponsored formats to provide the best chance of non-restricted coverage (reach) and the opportunity to deliver performance (sales). A strong video asset, in particular, can ensure that you really stand out in search results amongst the competition and conquest competitors who aren't protecting their brand terms with paid media.
- 5. Analyse, Optimise, Measure and Learn:** As Prime Day takes hold, make sure bids and budgets are ready. Monitor performance to understand real-time opportunities to optimise in-flight and maximise the opportunity. Using the reporting API to ensure real-time reporting can help you make quicker optimisations and increase sales.



This month's mini stories

Love Island Series 8's highly anticipated launch episode proved to be extremely successful, with an impressive 2.4m overnight viewers and a 15.4% share of viewing. It is, therefore, no surprise that the show had more viewers than Channel 4, Channel 5 and BBC2 combined during its programme slot. The launch episode was the most-watched programme on any digital channel, outside of the Champions League Final, since the Love Island final last year, making it ITV2's biggest audience of the year. Not only this, but Love Island's launch consolidated with 3.9m TV viewers with an 18.3% share.

Across all devices it averaged a fantastic 5.0m viewers, making it Love Island's biggest launch since 2019. It has beaten both the Series 7 launch and the 2021 launch by +0.2m viewers, making it a staple of TV viewing.



As we celebrate Pride month across June, latest research from Nielsen has found that only 1 in 5 LGBT+ find the ads that specifically call out their sexual orientation or gender identity, get it right or deem it a positive experience. No surprise, therefore, that social memes such as "Hi Gay" have gone viral and lazy misfires from brands are causing a wave of Rainbow-Washing. Burger King Austria was recently in the spotlight, negatively, for their "Pride Whopper" ad which tried to celebrate same-sex relationships by featuring burgers with either two top buns or two bottom buns. The brand has since apologised for its ad.

Whilst it could be said that brands nodding to Pride month could, optimistically, help ensure the Pride movement remains visible across the world, advertisers and brands should aim higher to deliver back to the community, doing more than adding a Rainbow to their comms.

Deliveroo has officially launched its own advertising platform in the UK, allowing brands to advertise to customers with offers on the food delivery app, website, social media channels and more.

With ad tech and media sales services being provided by Criteo, Deliveroo will also run ads across their order tracker page for the first time ever, with new formats also being launched in the coming months.

This follows in the trend of retail companies such as Boots, Tesco and Dunhumby moving into media and advertising in the UK.

