

Study Finds Personalized Digital Ads Deliver 3X Consumer Engagement

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A new study by Jivox that measures the impact of personalization on digital advertising performance finds that consumer engagement with online **advertising** increases by 3x when ads are personalized vs. standard display ad performance.

Jivox is a software platform that delivers dynamic ads at scale for programmatic media across all formats and screens.

The [2016 Jivox Benchmark Report](#) analyzed performance data drawn from over a billion personalized ad impressions, across 24 different campaigns, belonging to six verticals, and delivered to more than 10 global markets. The study sought to quantitatively measure the impact on ad performance of campaigns delivered using real-time data signals, or triggers, in combination with first-party, audience and contextual data.

The report examined ad engagement on three key performance indicators: click-through rate (CTR), interaction rate (IR), and average dwell time (ADT).

The report also shows the impact of six popular triggers on overall ad performance: weather, demographic, retargeting, geography, language, time.

Among the findings:

-- On average, the personalized digital ads from Jivox's study delivered a CTR that was 230% higher than (or 3.3x) the Google display ad benchmark for rich media creative. CTR determines how often individuals who see an ad end up actually clicking on it.

-- The personalized ads from Jivox's study achieved an IR 84% higher than (or 1.8x) the **Google** display ad benchmark for rich-media creative. An interaction rate is also known as an engagement rate, and measures the level of interaction while consumers are viewing an ad impression.

-- On average, the personalized digital ads from Jivox's study achieved an ADT that's 28% higher than (or 1.2x) the **Google** display ad benchmark for rich media creative. By calculating

the length of time individuals engage with an ad, ADT measures how successfully the ad captured user attention. ADT directly correlates with an ad's conversion rate, or its ability to achieve a desired user action, according to the study.

The study's findings suggest that by replacing the industry's traditional cost-per-thousand insertion model with an "always on" paradigm, personalized ads offer brands significantly higher -- and more predictable -- revenue streams.

"Brand marketers are under more pressure than ever to demonstrate ROI from their ad spend. It's a question we're asked all the time by our clients. While it's intuitive that personalization drives consumer engagement, our study is one of the first to quantify by how much. The broader significance of these findings for marketers is that personalization has proven power to deliver campaigns that are 3x as effective or, on the other end, decrease their ad spend by one-third," **Diaz Nesamoney, CEO** of Jivox, told *Real-Time Daily* via email.

"Our study also examined the impact of common data signals, or event 'triggers,' and their unique abilities to engage ad viewers. For example, our research showed that using 'language' as a personalization trigger achieved the highest IR, and 'time of day' drove by far the greatest CTRs. Data triggers can be very effectively employed by marketers in their online ad campaigns to deliver highly targeted messaging and establish near one-to-one communications with each consumer," Nesamoney said.

Jivox also looked at triggers and their varying effectiveness by industry vertical. "In online retail, for example, 'retargeting,' or serving ads to individuals after they've left your site, was found to be one of the most effective ways ecommerce companies convert shoppers to purchasers," he said. "Personalization was shown in our study to boost retargeting's effectiveness even further, with 200% higher CTRs than standard display ads," he said.

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