

# Thinking Outside the Box

## Using Rich Media to Increase Digital Banner Revenue

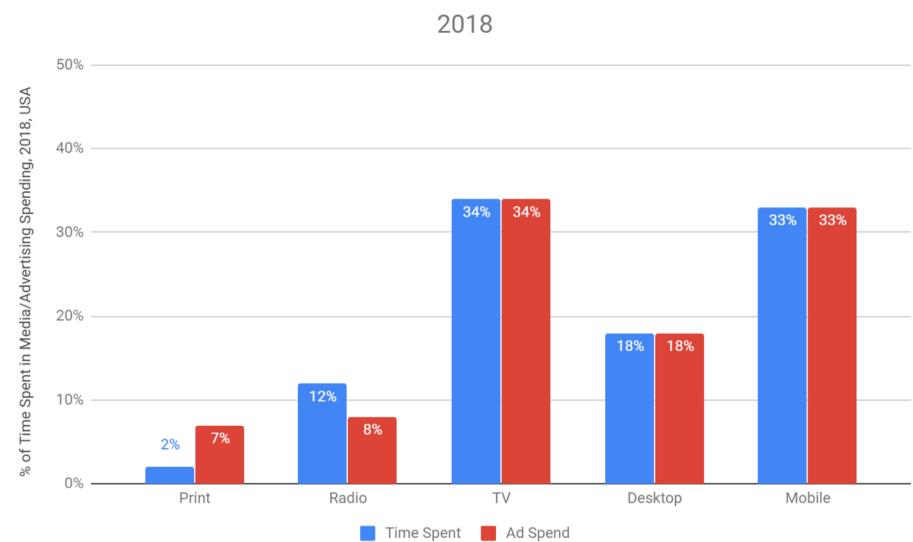
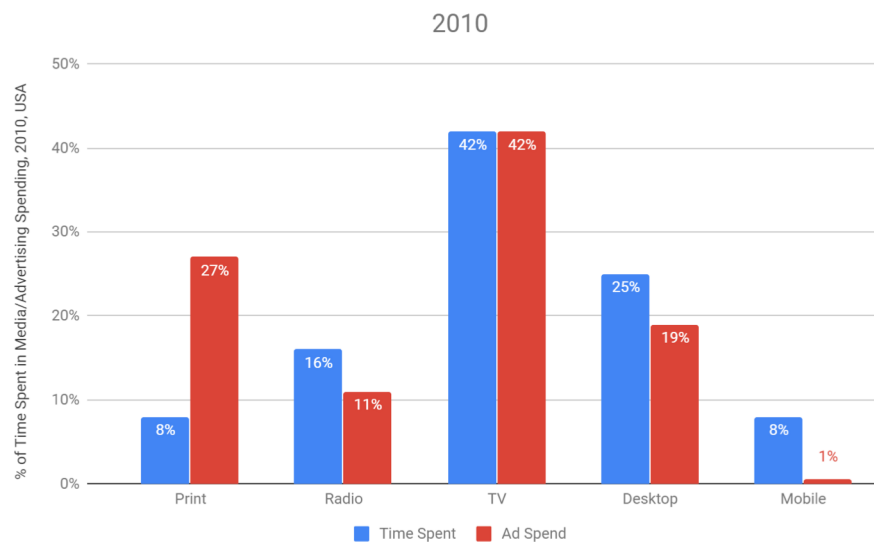
October 29, 2019

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**Tutuwa Ahwoi, Director Spot Sales Operations, National Public Media**  
**Olivia Hansen Malherbe, Digital Campaign Associate, National Public Media**  
**Brian Benschoter, VP of Sponsorships, KUT/KUTX**

# Media Time vs Advertising Spending

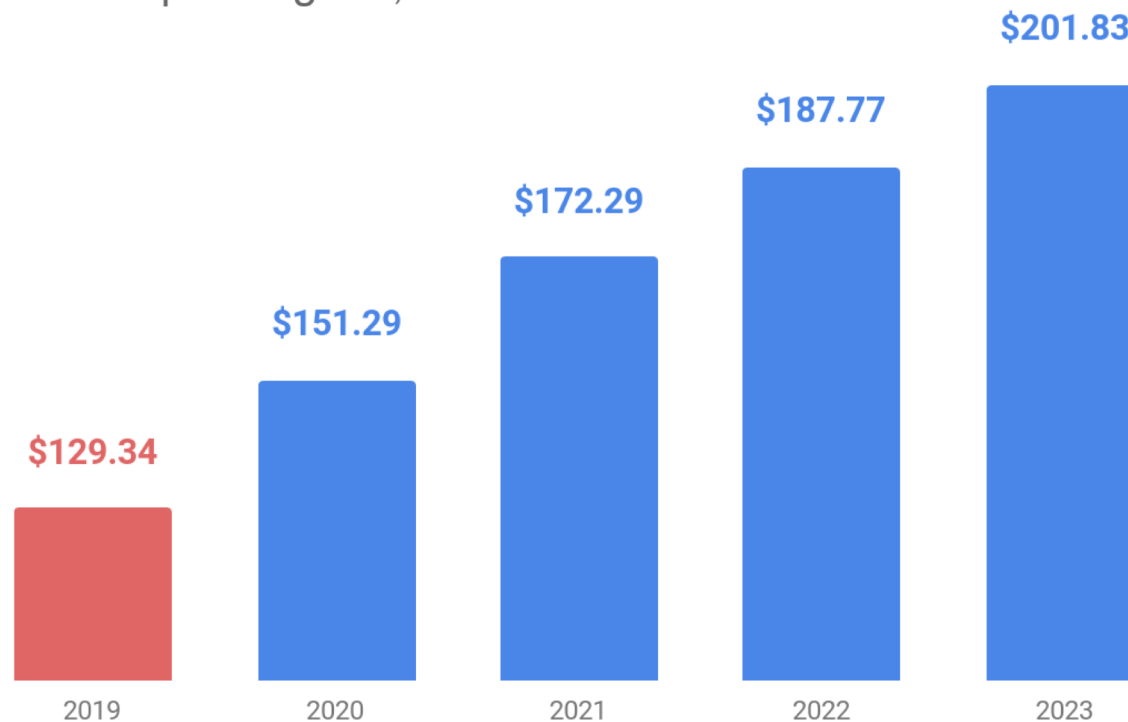
% Time Spent in Media vs. % Advertising Spending





# Display advertising revenue is growing.

Digital Ad Spending US, in Billions



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Source: Source: eMarketer, "Display Ad Spending, US 2019-2023," October 2019. Display includes advertising that appears on desktop and laptop computers as well as mobile phones, tablets and other internet-connected devices; banners (static display), rich media, sponsorships, video (including advertising that appears before, during or after digital video content in a video player)

# Yet there are significant challenges...

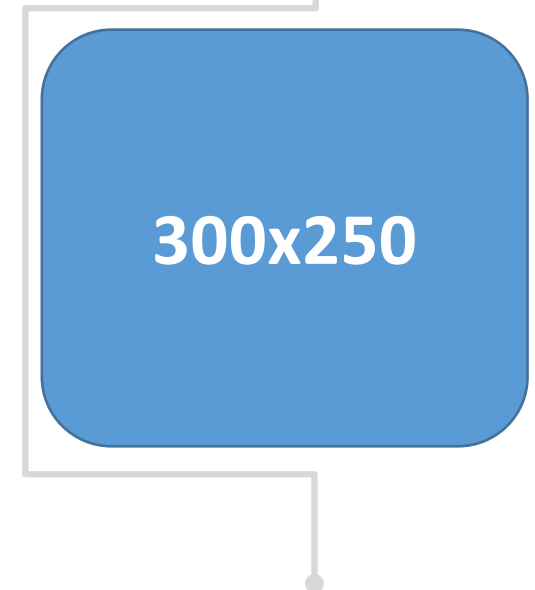
## 1. Crucial Competition



## 2. Banner Blindness

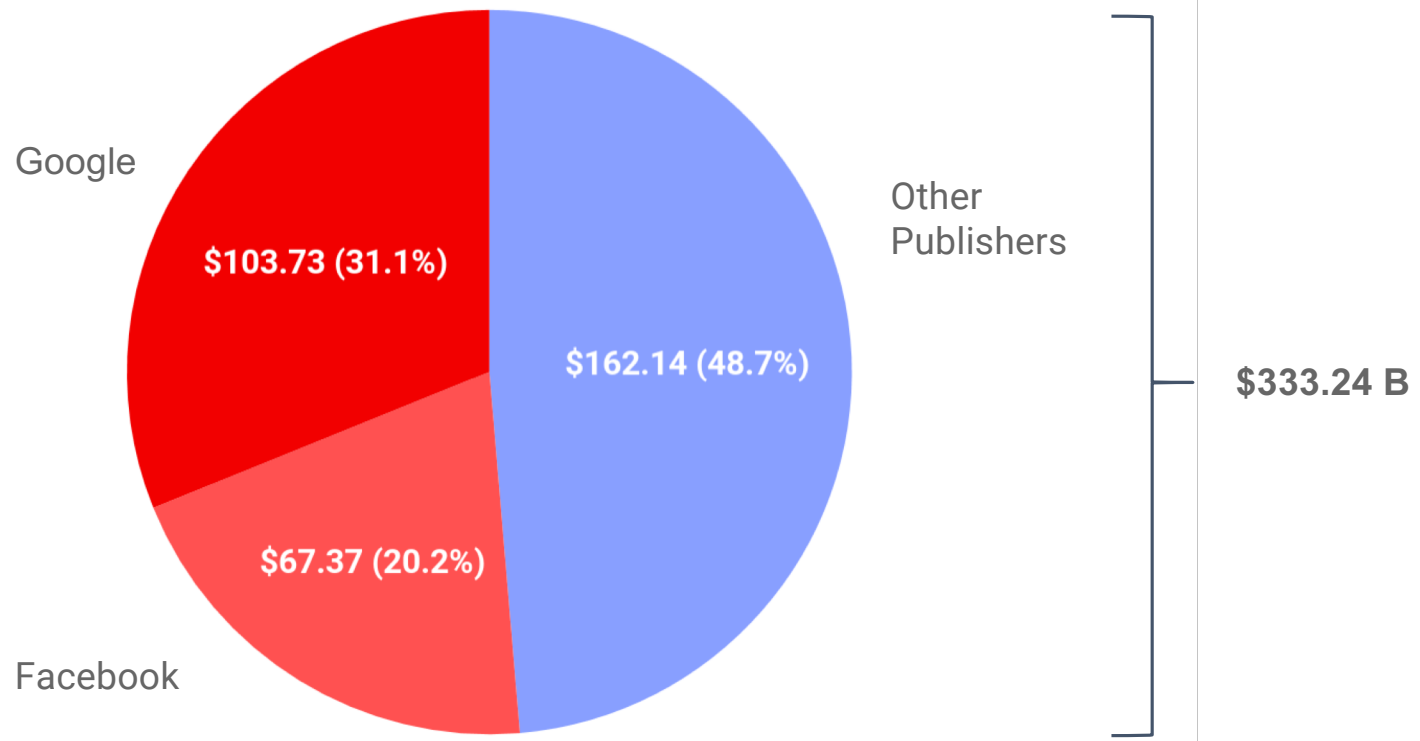


## 3. Poor Performance



# Crucial Competition: A Formidable Duopoly

Share of Total Digital Ad Revenue Worldwide



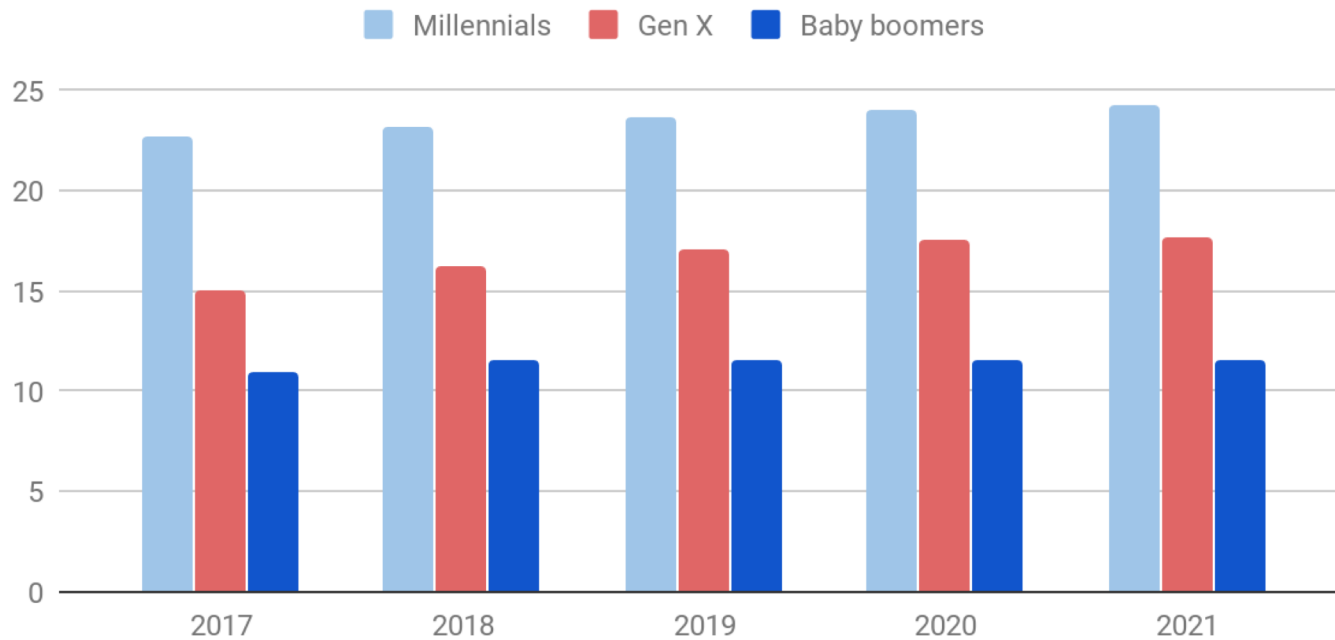


## Banner Blindness

- Oversaturation leads to ad clutter
- Ad clutter competes with the website actual content
- Site visitors become desensitized to display ads, diminishing effectiveness

# 25% of Internet Users Block Ads

US Ad Blocking Users by Generation (millions)

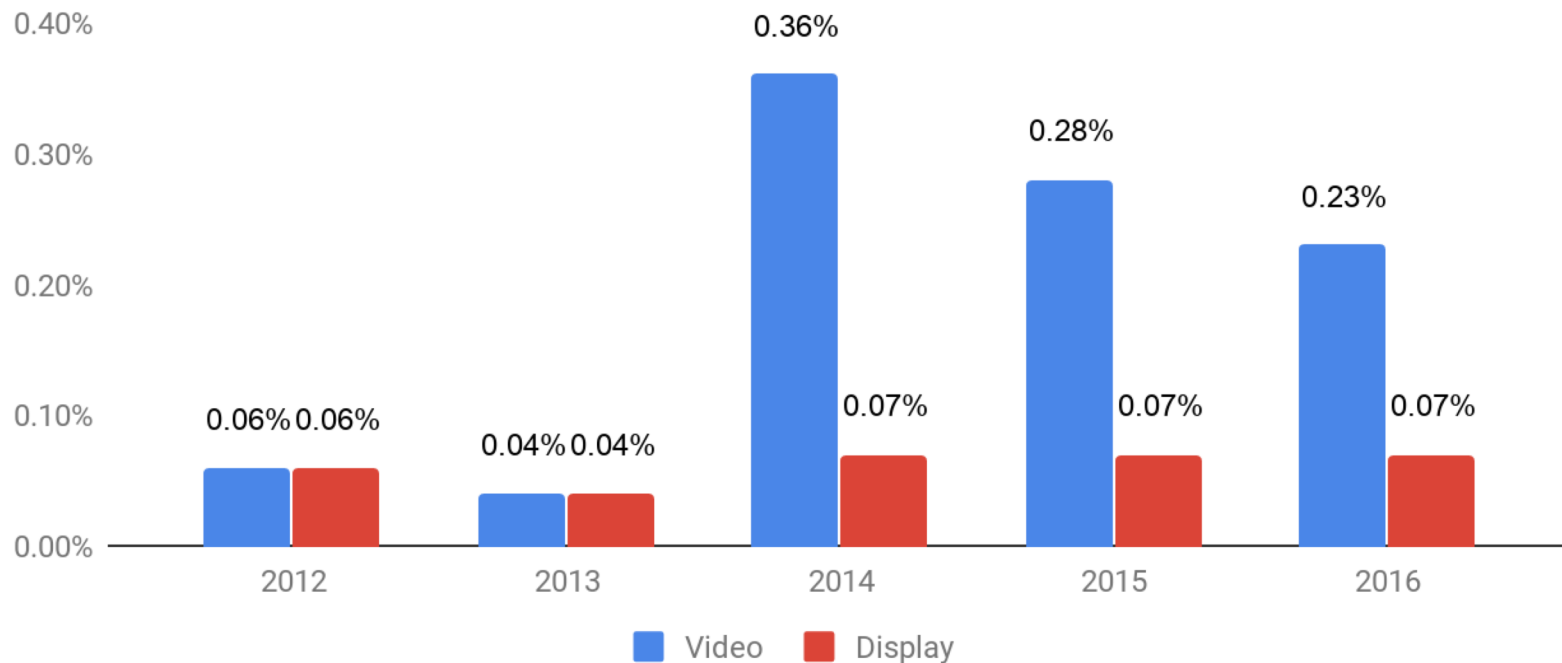


US Ad Blocking Users by Generation (millions)

Source: eMarketer, Ad Blocking Users, by Generation, US, July 2019

# Poor Performance

## US Programmatic Ad Benchmarks: CTR



Source: eMarketer, US Programmatic Ad Benchmarks: CPC, CPM and CTR, by Format, 2012-2016. Primary Performance Metric Used by Companies Worldwide to Evaluate Success of Digital Display Media Spending, Oct 2018 (% of respondents)



## What are some industry trends?

*Consumers are showing a preference for higher quality, less intrusive ads.*

- Publishers reducing ad loads on websites
- Platforms, such as Google, are penalizing sites that over-index on ad quantity
- Increasing government regulation: GDPR and the California Consumer Privacy Act
- “Global Alliance for Responsible Media” announced at Cannes Lion in June 2019





## Industry Trends

**67%**

of advertising decision makers think that growth in digital advertising has come at the expense of creative quality

**79%**

of digital marketers believe that creative quality will become more important due to GDPR

**91%**

of marketers are prioritizing making their digital ads more engaging in the coming year





## **The Public Media Advantage**

- A trusted, brand-safe environment
- A non-commercial, uncluttered environment
- Reaches a desirable audience
- A valued member of local communities
- Cross-platform offerings via television or radio



# The Public Media Advantage

**75%**

of NPR broadcast listeners  
hold a more positive opinion  
of companies that support  
NPR

**80%**

of the public trusts public  
broadcasting

**69%**

of viewers believe PBS  
sponsors have a greater  
commitment to quality and  
excellence



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Source: Lightspeed Research, NPR Impact Study, April 2019. Marketing & Research Resources, Inc. (M&RR) January 2019. Lightspeed Research/SGPTV Viewer Attitudes & Behaviors Study, March 2018 n=5,105

# An Opportunity to Think Creatively

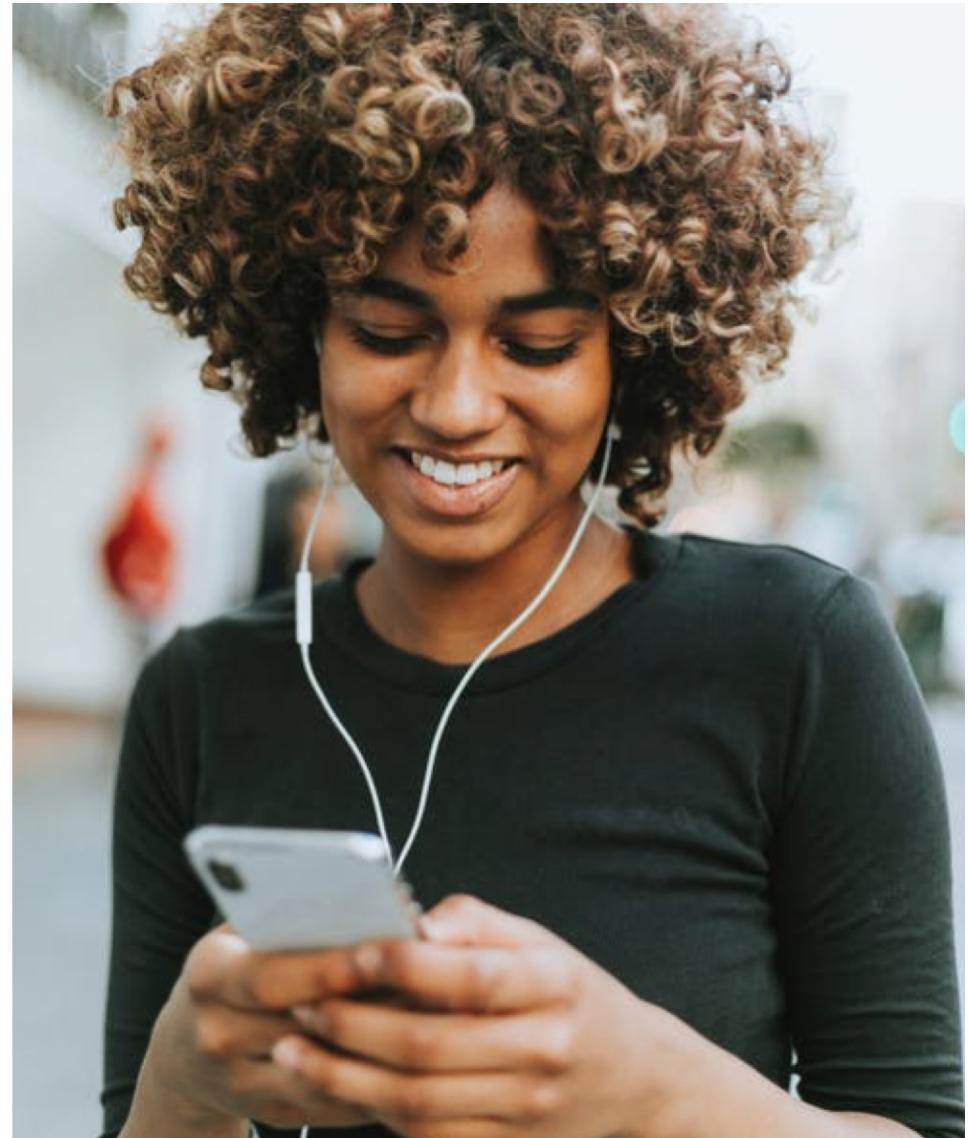
*Stand out from the crowd and cut through ad clutter*

Rich media uses HTML5 innovations like video, audio, expansions, and pushdowns to incorporate complex media into ads.

- **Engage and interact with ad content.**
- **More ways to understand effectiveness and measure success.**



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## Rich Media Opportunities

*NPM supports twelve public media stations to provide rich media offerings to underwriters.  
In our practice, we have seen:*

**0.08%**

average click-through  
rate, or CTR, of rich  
media ads.

**>27.5 million**

total rich media impressions  
delivered year-to-date in 2019

**2.73%**

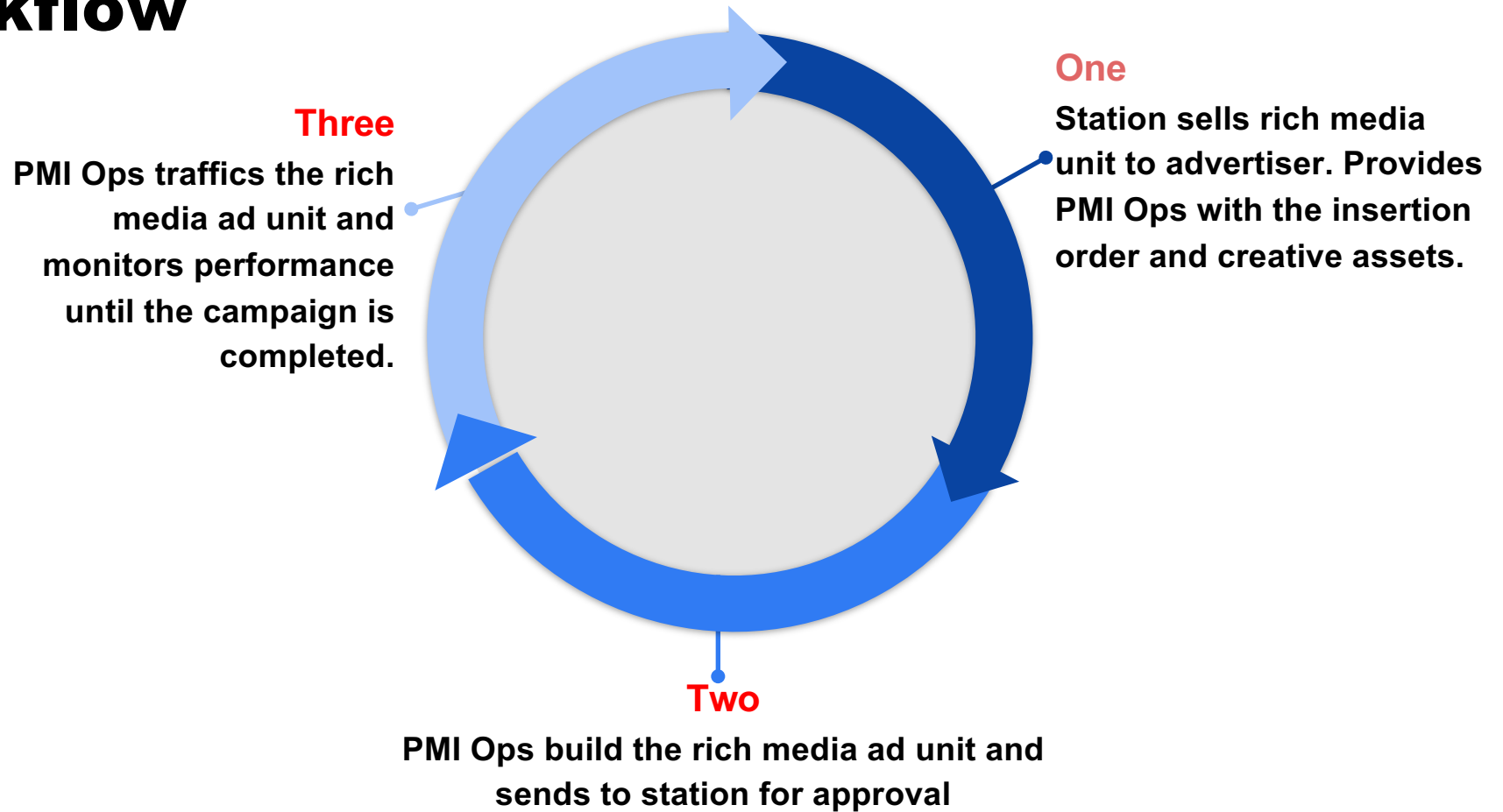
average engagement rate  
for rich media ads.



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Source: Adventive, 2019

# Workflow



# Case Study: KERA



**0.21%**

Rich Media Display  
Ad CTR

**2.84%**

Rich Media  
Engagement Rate

Source: Adventive, 2019



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# Case Study: Houston Public Media

 **AWTY...where students can discover the world!** **OPEN**



With close to 1,700 students representing over 70 nationalities,  
**The Awty International School is where students can discover the world.**  
Offering grades PK3/Petite Section through 12th grade/Terminale, Awty prepares students for either the International Baccalaureate or the French Baccalauréat.  
*NOW ACCEPTING APPLICATIONS FOR 2019-2020.*

[About Us](#) | [Admissions](#) | [Academics](#) | [Campus Life](#) | [Athletics](#) | [Arts](#)

X

Expanded  
Panel

**2.66%**

**Expanding Ad Engagement  
Rate**

Source: Adventive, 2019





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**9.87%**

**Video ad engagement rate:**



 **AWTY...WHERE STUDENTS CAN DISCOVER THE WORLD!**  
Now accepting applications for 2019-2020

Case Studies:



**kutx98.9**



# Got Objections?

"We already have a banner campaign."

"We are focusing on video."

"We want to produce a program / podcast with you."

"We have too much to say for public media."



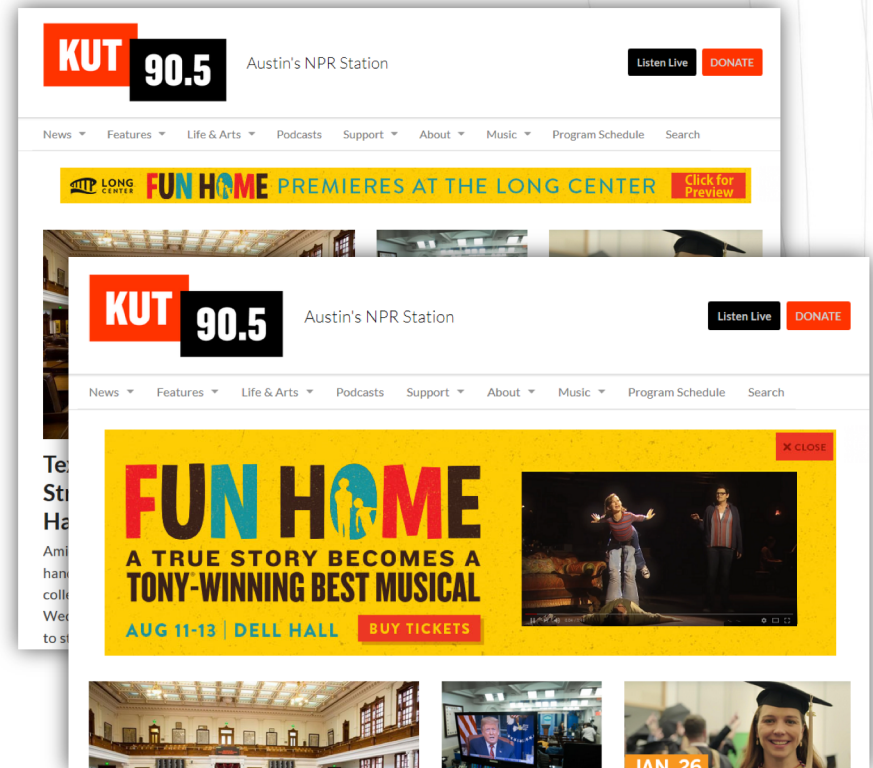
Fueling Missions. Elevating Brands.®

## Long Center

- “Fun Home” musical touring production
- Targeting theatre and LGBTQ communities
- Award-winning, timely play but lacked broad awareness and buzz
- Leveraged strong video assets to build word-of-mouth for show

### Results:

- \$2,000 digital upsell
- Engagement rate 2.667%
- 0.2% CTR



## UT MSTC Program

- M.S. in Technology Commercialization
- Targeting prospects for MBA and Entrepreneurship programs
- Invested heavily in video assets
- Multi-unit campaign showcased alumni testimonial videos

### Results:

- \$7,500 digital campaign



# UT MSTC Program

## Results:

- Fix Position Tower
  - Engagement Rate 4.32%
  - 0.09% CTR
- Expanding Pencil
  - Engagement Rate .88%
  - 0.05% CTR
- ROS 300x250
  - Engagement Rate 3.44%
  - 0.04% CTR

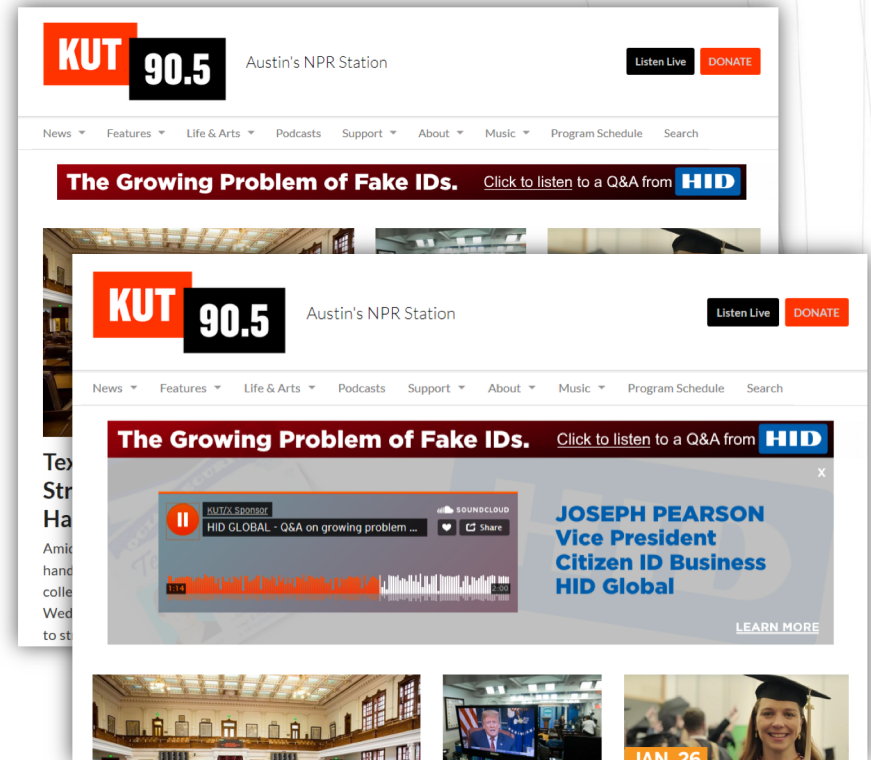


## HID Global

- Manufacturer of Smart ID's
- Targeting Texas legislators and staff during biennial legislative session
- Wanted to air 2 minute segment on KUT
- PMI Ops created an expanding pencil banner with embedded SoundCloud player featuring sponsor content

### Results:

- \$2500 digital buy
- Engagement rate 2.84%
- 0.03% CTR against narrow target

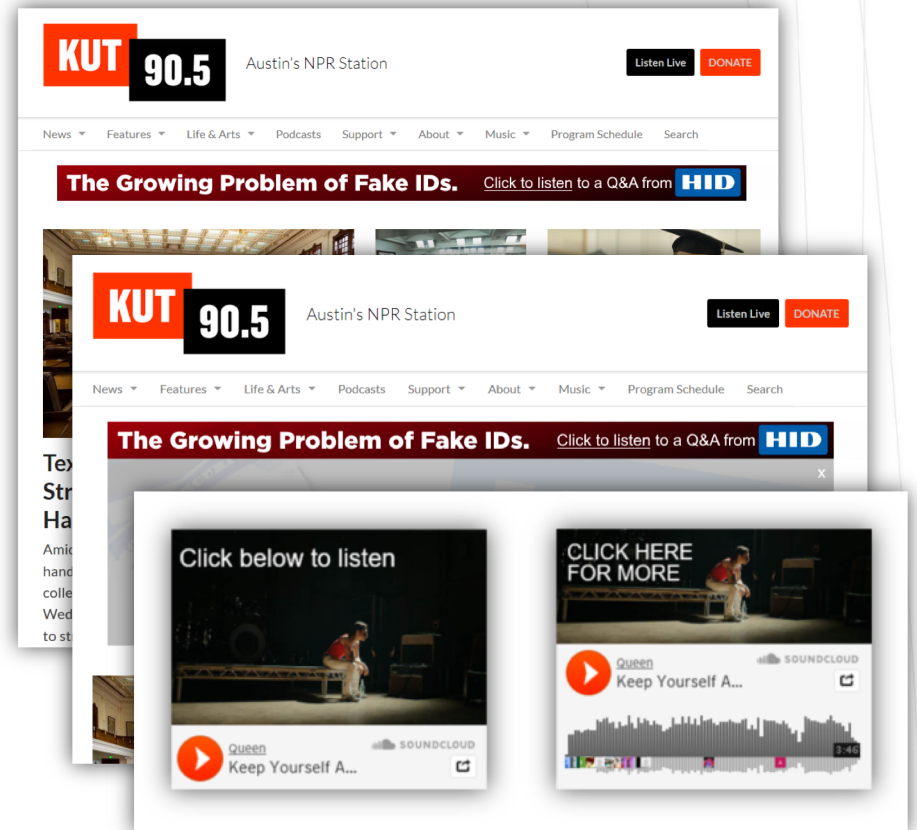


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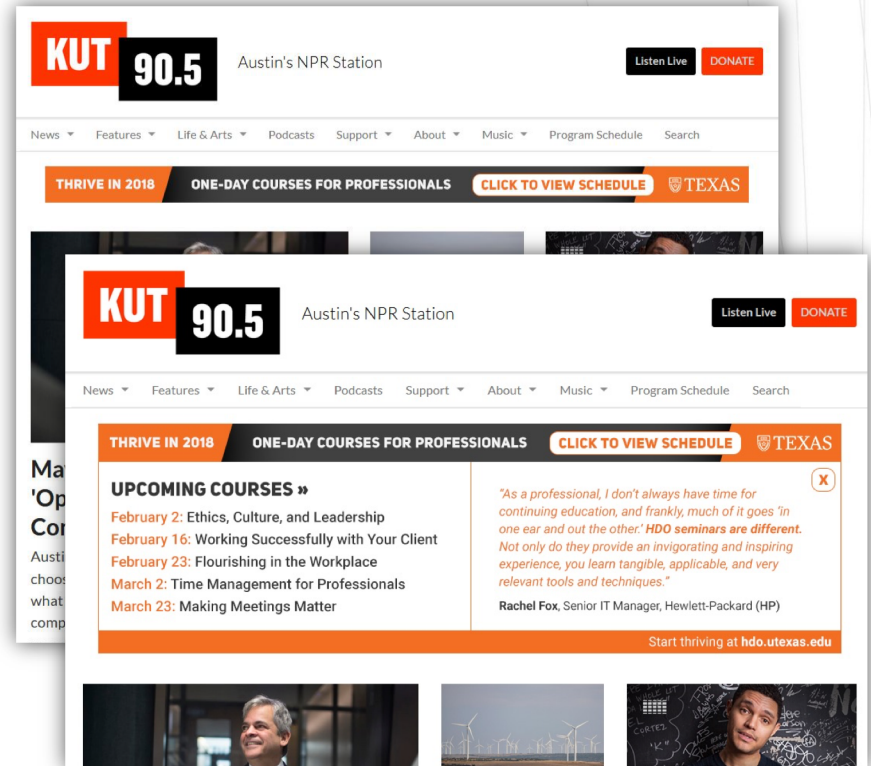


## UT HDO Courses

- Center for Human Development of Organizations at UT Austin
- Targeting businesses and professionals
- Established masters program launching professional education short courses
- Expanding pencil banner provided high-impact showcase for breadth of offerings

### Results:

- \$2,000 digital campaign
- Engagement rate 2.58%
- .2% CTR (vs .08% for ROS banners)



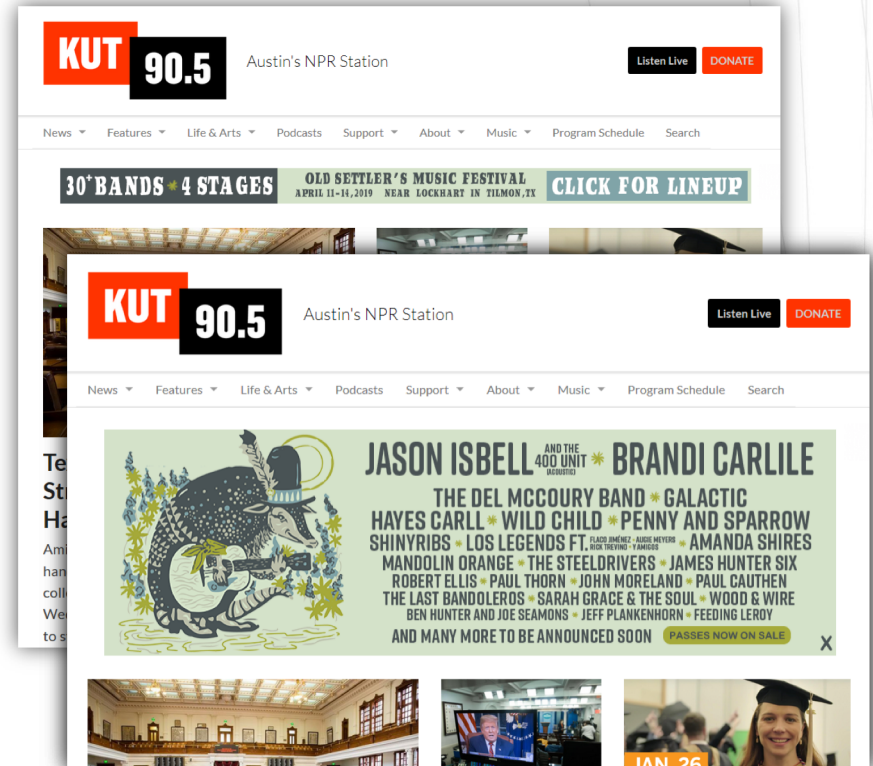


## Old Settlers Festival

- Three-Day Americana Music Festival
- Targeting Austin's music lovers
- Frustrated by copy limitations when announcing full line-up
- Expanding pencil banner allows full line-up to be showcased

### Results:

- \$1,500 digital upsell
- Engagement rate 2.7%
- .12% CTR (vs .12% for ROS banners)





# Final Thoughts



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# Other Monetization Ideas

**Native advertisements** blend in with the rest of the website or mobile app and allow publishers to earn revenue from display ads with minimal to no interruption of the user.

- Paid Classified Ads
- Search
- Email Newsletters
- Native ads often result in higher click-through rates and CPMs.
- They are also often more difficult for other publishers to imitate.
- Revenue will vary depending on a publisher's layout and execution



# What can you do today, tomorrow, and in the future?

1

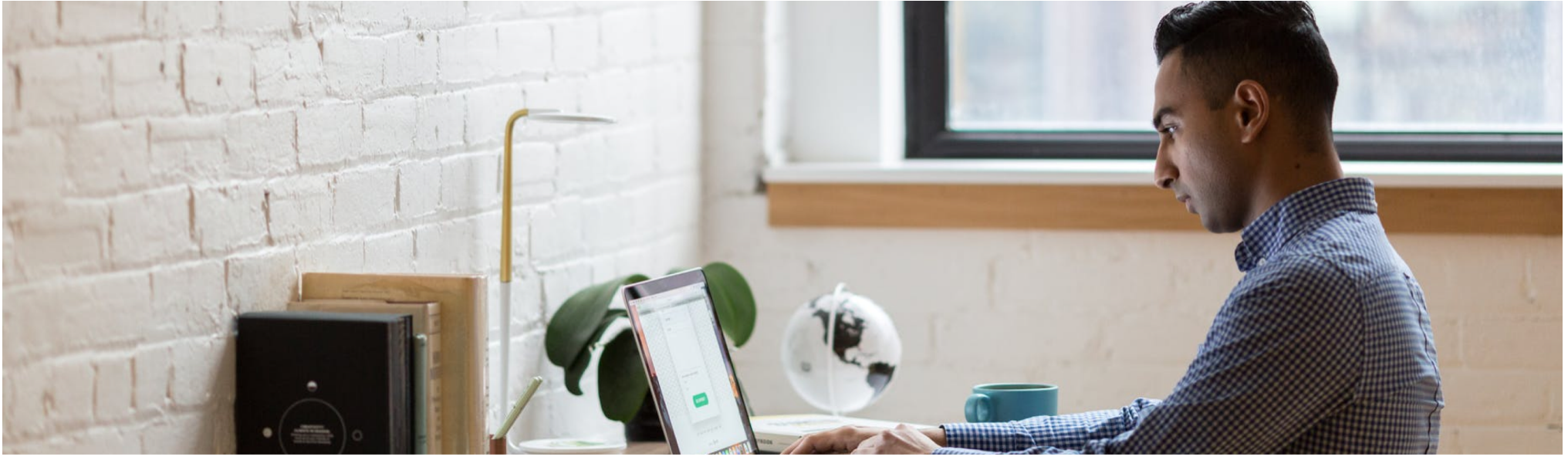
**Start off  
with best practices**

2

**Holistically evaluate  
station offerings**

3

**Collaborate and consult**



## Let's Wrap Up

- Display advertising has become commoditized, **but that doesn't mean small to medium size publishers cannot compete for advertising revenue.**
- Public media retains **important advantages** in trust, branding and audience loyalty.
- The challenge for public media stations is to think creatively, and leverage these advantages together with advances in technology in order to **generate new digital revenue opportunities.**

# Speaker Information

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# Appendix

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[KERA Case Study Pushdown](#)

[Houston Case Study Pushdown](#)

[Houston Case Study In-Banner Video](#)





