CROSS-SCREEN ADVERTISING AND RESPONSIVE DESIGN
PERCEPTIONS FROM MARKETERS, AGENCIES, AND PUBLISHERS

Undertone. standout brand experiences
INTRODUCTION

As Web consumption continues to fragment across screens and devices, the concept of cross-screen advertising has moved closer to the heart of planning and buying discussions. While cross-screen has become a hot topic, it’s not clear how often cross-screen campaigns are actually being deployed, and what challenges are associated with executing these types of campaigns. Undertone conducted a survey to discover how advertisers, agencies, and publishers are thinking about the benefits of cross-screen advertising today, the awareness gaps that exist, and the major challenges affecting adoption of cross-screen advertising.

THE RESEARCH FOCUSED ON THE FOLLOWING KEY ELEMENTS:

1. UNDERSTANDING THE CURRENT STATE OF CROSS-SCREEN DIGITAL ADVERTISING

2. GAINING A BETTER UNDERSTANDING OF THE CHALLENGES FACED BY ADVERTISERS AND PUBLISHERS WHEN DEPLOYING CROSS-SCREEN CAMPAIGNS

3. EXPLORING RESPONSIVE DESIGN AS A SOLUTION TO CROSS-SCREEN CHALLENGES

4. IDENTIFYING AREAS OF OPPORTUNITY FOR PUBLISHERS AND ADVERTISERS TO WORK TOGETHER TO IMPROVE CROSS-SCREEN ADVERTISING

KEY FINDINGS

CROSS-SCREEN ADVERTISING IS BECOMING UBQUITOUS, BUT THERE ARE STILL UNSOLVED CHALLENGES ON BOTH THE BUY AND SELL SIDE. The majority of advertisers and publishers have executed cross-screen campaigns, however a number of barriers to growth exist: advertisers see tracking, a lack of common metrics, and creative/production costs as key challenges, while publishers are facing a number of technical barriers with cross-screen implementation.

WHILE DEMAND FOR CROSS-SCREEN SOLUTIONS IS HIGH AMONG ADVERTISERS, MANY PUBLISHERS ARE NOT READY TO MEET THIS DEMAND. 9 out of 10 agency respondents are considering cross-screen campaigns over the next 12 months, however many publishers are not immediately planning to increase availability of cross-screen campaigns due to the time and cost investments required.

WHEN IT COMES TO THE USE OF RESPONSIVE DESIGN, AN AWARENESS GAP EXISTS BETWEEN MARKETERS AND AGENCIES. While nearly three-quarters of marketers are aware of responsive design, less than half of agency respondents have heard of the technology. However, both marketers and agencies are overwhelmingly interested in responsive design as a cross-screen solution once educated on the benefits the technology offers.
SECTION 1: MARKETER AND AGENCY PERCEPTIONS OF CROSS-SCREEN ADVERTISING

CROSS-SCREEN ADVERTISING IS BECOMING UBQUITOUS

Cross-screen advertising is being widely adopted by marketers and agencies, with 75% of marketers and 84% of agencies having run cross-screen campaigns over the last 12 months. Although these percentages seem high, it should be noted that 1 in 4 marketers still have not executed campaigns across screens, a somewhat surprising statistic given the pace of fragmentation across screens and devices.

When asked if they are considering deploying cross-screen campaigns in the next 12 months, 9 out of 10 agency respondents said yes. In addition, of those who have already deployed these types of campaigns, two-thirds stated that they expect to increase their cross-screen spend in the year ahead. Marketer respondents were more measured with their spend projections, with only 55% of those who have deployed cross-screen campaigns stating that they plan to increase their spend in the next 12 months. The research revealed several factors that are restricting this growth in spend, and these are explored later in this paper.

USE OF CROSS-SCREEN CAMPAIGNS

- 75% have deployed
- 84% are considering deploying
- 66% have deployed and are expecting to increase budget

For the purposes of this survey, cross-screen advertising is defined as a digital media campaign featuring concurrent placement on PC-internet, mobile phone (both app and/or Web-based), and tablet.

N= 44 Marketer, 435 Agency
N= 44 Marketer, 435 Agency
N= 33 Marketer, 380 Agency *limited sample size
CROSS-SCREEN IS APPEALING AS A SOURCE OF BRANDING AND USER ACTIVATION

Both marketers and agencies agree that the most appealing benefit of cross-screen advertising is its ability to act as a platform for both raising brand awareness and driving user activation. Maximizing the use of a device’s native functionality (tap-to-call on mobile devices, for example) is also seen as a significant benefit. In addition, the ability to match ad messaging to the environment in which the ad appears was noted as a key benefit. Clearly, advertisers understand some of the major benefits that advertising across screens can offer, indicating that use of cross-screen will continue to grow.

Every marketer should be incorporating cross-screen and sequential efforts in their media plans.

—Agency respondent

CROSS-SCREEN APPEAL TO BRANDS

N= 36 Marketer, 397 Agency

marketers

agencies

4  standout brand experiences
ADVERTISERS TYPICALLY MEASURE CROSS-SCREEN IN TERMS OF AWARENESS AND MESSAGE ASSOCIATION

Agency respondents and marketers varied in their approach to measuring the success of cross-screen campaigns. The majority of agency respondents (55%) evaluate success by looking at brand metrics such as brand awareness and message association. Marketer respondents were more varied: 36% focused on awareness and message association, while 27% focused on direct response. Only 9% of marketers and 10% of agency respondents said that they focus on intent metrics (rather than brand awareness).

Of those agencies and marketers who focus on branding objectives, it's interesting to note that clicks (CTR) are still being used as a key measure of success: two-thirds of agencies and over 80% of marketers are using ad-server-based click or interaction metrics to measure the success of their cross-screen branding initiatives.

It's notable that ad-server-based metrics are still the predominant form of measurement for branding campaigns, rather than any qualitative research methods such as advertising effectiveness surveys. This indicates that there may be a misalignment between goals and measurement: advertisers say their focus is branding, but are looking at ad-server metrics (typically associated with direct response) to measure success. Until additional, brand-focused methods of measurement are taken into account, it may be hard to fully appreciate the success of cross-screen campaigns.

### MEASURING SUCCESS

<table>
<thead>
<tr>
<th>OF THOSE WHO FOCUS ON BRANDING OBJECTIVES: HOW DO YOU MEASURE THE SUCCESS OF YOUR CROSS-SCREEN CAMPAIGNS?</th>
<th>MARKETER</th>
<th>AGENCY</th>
</tr>
</thead>
<tbody>
<tr>
<td>AD-SERVER-BASED CLICK/INTERACTION METRICS</td>
<td>81%</td>
<td>66%</td>
</tr>
<tr>
<td>BRAND WEBSITE ACTIONS</td>
<td>38%</td>
<td>42%</td>
</tr>
<tr>
<td>ADVERTISING EFFECTIVENESS SURVEYS</td>
<td>29%</td>
<td>42%</td>
</tr>
<tr>
<td>THIRD PARTY REACH/FREQUENCY MEASUREMENT</td>
<td>24%</td>
<td>36%</td>
</tr>
<tr>
<td>OTHER</td>
<td>0%</td>
<td>2%</td>
</tr>
</tbody>
</table>

N= 21 Marketer,* 302 Agency     *limited sample size
CHALLENGES EXIST FOR CROSS-SCREEN ADVERTISING

While cross-screen advertising is becoming increasingly commonplace, it still presents a range of challenges for brands – challenges that are holding back spending growth. Difficulty with tracking audiences across multiple devices and a lack of common performance metrics were cited as the largest issues facing agencies and marketers when deploying and measuring cross-screen campaigns. Creative production also emerged as a key barrier to growth. While reaching consumers across multiple screens and devices has clear appeal, brands need to reevaluate how they resource creative and technical production to ensure they have the assets required to run effective cross-screen campaigns.
Responsive design is an approach to Web design that uses HTML5 to make sites flexible. Sites created with responsive design can dynamically optimize and rearrange themselves to fit any screen size and utilize the native capabilities of different devices.

**AWARENESS AMONG AGENCIES WELL BELOW LEVEL OF MARKETERS**

When it comes to responsive design, there’s a large knowledge gap between marketers and agencies. Nearly three-quarters of marketers have heard of responsive design, compared to under half of agency respondents (48%). However, it’s important to note that this gap between marketers and agencies is somewhat skewed by awareness levels within agencies themselves: senior level agency respondents were much closer to marketers in their awareness of responsive design (66%), compared to just 44% of their more junior counterparts. This indicates that education about this technology, while important at all levels, is especially critical for more junior agency members to ensure they’re prepared for campaign planning challenges to which responsive design may be a solution.

**AWARENESS OF RESPONSIVE DESIGN**

- **Marketers**: 74%
- **Agencies**: 48%

- **Senior level agency respondents**: 66%
- **Junior agency respondents**: 44%

N= 382 Agency, 34 Marketer*  
*limited sample size
ADVERTISERS ARE INTERESTED IN RESPONSIVE DESIGN

After being educated on the benefits of responsive design, over 80% of both marketers and agencies showed interest in it as a solution for cross-screen advertising. In addition, more than 74% of marketers and agencies stated that they are likely to consider cross-screen campaigns that take advantage of responsive design in the next 12 months.

ADVERTISER INTEREST IS UNDENIABLE

+80% MARKETERS/AGENCIES ARE INTERESTED IN RESPONSIVE DESIGN

N= 429 Marketer/Agency

+74% MARKETERS/AGENCIES ARE LIKELY TO CONSIDER CROSS-SCREEN CAMPAIGNS WITH RESPONSIVE DESIGN

N= 390 Marketer/Agency

ADVERTISERS ARE KEEN ON THE REWARDS PROVIDED BY RESPONSIVE DESIGN

Regardless of the somewhat limited awareness of responsive design, agencies and brands agree on its many benefits. Over three quarters of agencies and marketers agree that the number one attribute of responsive design is its ability to provide a more personalized experience for users based on the device they’re using. The majority of marketers and agencies also agree that responsive design is relevant to their brand, and 68% of marketers and 44% of agencies said that it would increase their buying efficiency. In addition, approximately half of respondents thought that responsive design would help increase their speed to market.

REWARDS OF RESPONSIVE DESIGN

<table>
<thead>
<tr>
<th>Reward</th>
<th>Marketers</th>
<th>Agencies</th>
</tr>
</thead>
<tbody>
<tr>
<td>provide a more personalized experience for users</td>
<td>87%</td>
<td>77%</td>
</tr>
<tr>
<td>relevant to my brand</td>
<td>81%</td>
<td>63%</td>
</tr>
<tr>
<td>increase buying efficiency</td>
<td>68%</td>
<td>44%</td>
</tr>
<tr>
<td>increase speed to market</td>
<td>55%</td>
<td>48%</td>
</tr>
</tbody>
</table>
KEY FINDINGS
SECTION 3: PUBLISHER PERCEPTIONS

To understand how publishers are thinking about cross-screen advertising and responsive design, we turned to our portfolio of premium publisher partners. Through our survey, we gained an understanding of publisher perceptions, including key similarities and differences between how publishers and advertisers view cross-screen advertising.

PUBLISHERS PREDICT HIGH DEMAND FOR CROSS-SCREEN ADVERTISING

On the sell side, 71% of publishers reported deploying cross-screen campaigns in the past 12 months, and 9 out of 10 predicted an increase in demand from advertisers for cross-screen campaigns and solutions in the year ahead.

92% of publishers expect an increase in demand from advertisers for cross-screen campaigns & solutions

N= 76 Publishers

CROSS-SCREEN DEMAND LIKELY TO OUTSTRIP SUPPLY

While perceived advertiser demand for cross-screen campaigns is high, the research revealed that the technical development required by publishers to meet this demand is not yet broadly in place. 51% of publishers say they have some experience with implementing cross-screen campaigns, but only 35% claim to have the full capabilities needed to execute cross-screen campaigns without significant manual management.

PUBLISHER PREPAREDNESS FOR CROSS-SCREEN

MAJORITY OF PUBLISHERS HAVE EXECUTED CROSS-SCREEN

But most are still learning

N= 78 Publishers
TECHNICAL BARRIERS ARE INHIBITING PUBLISHER ADOPTION OF CROSS-SCREEN

Not surprisingly, publishers, like advertisers, are facing challenges in adapting to cross-screen advertising. Publishers overwhelmingly agreed that the biggest barriers to executing cross-screen campaigns are technology and the changes required in site design. Nearly half of publishers stated that they are currently loading different ad sizes based on the device/screen size accessing the webpage—a complexity which could be alleviated by responsive design. In addition, 1 in 4 publishers stated they did not currently have a mobile-optimized website.

KEY BARRIERS TO PUBLISHER ADOPTION: TECHNICAL SHORTCOMINGS

1 IN 4 PUBLISHERS DO NOT HAVE A MOBILE-OPTIMIZED SITE

49% ARE CURRENTLY LOADING DIFFERENT AD SIZES BASED ON PAGE SIZE

21% DROP ADS FROM THE PAGE ACCORDING TO AVAILABLE SCREEN REAL ESTATE

N= 74 Publishers

PUBLISHER AWARENESS LEVELS OF RESPONSIVE DESIGN MIRRORS BRANDS’

Publisher awareness of responsive design is similar to that of marketers—about 74%. However, many have yet to begin taking advantage of the technology. In June 2013, Undertone audited the top 200 sites on the Web (according to comScore) and determined that only 10-15% have made the transition to responsive design.
PLANS TO IMPLEMENT RESPONSIVE DESIGN

The move to responsive design is certainly top of mind amongst publishers, but the timetable for transition is somewhat sluggish. Half (53%) of publishers plan to implement responsive design over the next 12 months, with a further 29% still on the fence. Almost one in five (18%) publishers stated that they have no current plans to migrate to responsive design in the future. Hesitance to implement the technology is primarily due to the time commitment and costs associated with the switch, especially for publishers who have multiple sites within their portfolio.

PUBLISHER PLANS FOR RESPONSIVE IMPLEMENTATION

We are slower to move to responsive design only because being a multiple site publisher, it is quite time consuming. We will make the move but it will be in time, on a site per site basis...

—Publisher respondent
PUBLISHERS AGREE ON THE POTENTIAL IMPACT OF RESPONSIVE DESIGN

It's clear that the benefits of responsive design are not lost on publishers, as 74% see it as having a significant impact on their ability to gain access to cross-screen ad budgets and 68% believe it will increase their CPMs for smartphone and tablet ads. Publishers are also interested in the ability to gain performance insights across screens. It's notable that while both advertisers and publishers see clear benefits to responsive design, the perceived benefits are different: advertisers are most excited about improving user experience, while publishers are focused on monetization.

PUBLISHER INCENTIVES

PUBLISHERS AGREE ON POTENTIAL AD IMPACT

Responsive design increases budget and CPMs

- 74% access to multi-screen budgets
- 68% increased CPMs for mobile/tablet ads
- 55% cross-screen performance insights
- 51% high value format
- 48% new branding format

N= 69 Publishers
CONCLUSION

The survey findings present a picture of a market eager to deploy cross-screen campaigns to effectively reach today's increasingly device agnostic consumer. Over 90% of advertisers plan to deploy cross-screen campaigns over the next 12 months, but these advertisers are faced with a number of challenges including difficulty with tracking audiences across multiple devices, a lack of common performance metrics, and the complexity of creative and technical production.

The use of responsive design can provide a solution to these challenges, as it makes sites flexible, allows ads to work across screens from a single creative execution, and enables unified tracking across screens. However, when it comes to responsive design, an awareness gap exists. While many marketers are aware of the technology, less than half of agency respondents are familiar with it. Yet once the benefits offered by responsive design were explained, more than 80% of both marketers and agencies expressed interest.

While advertiser demand is high, a key barrier holding back the growth of cross-screen advertising will be the availability of quality supply. Publishers were almost unanimous in their optimism for cross-screen advertising, but are faced with significant technical and cost constraints in making their digital properties fully cross-screen ready. Just a third of publishers state they have the full capabilities required to deploy cross-screen campaigns today, but there are encouraging signs, with over half of publisher respondents revealing that they would be moving to responsive design within the next 12 months.

METHODOLOGY

The study took the form of an online survey fielded from May 13 – 27, 2013. The sample included marketers, agency members, and publishers representing a diverse array of industries. Respondent incentives included gift cards, charitable donations, and a first-look at the results. Overall sample sizes included 49 marketers, 447 agency respondents, and 78 publisher contacts.