

With Native Advertising, Consumers Are Realistic And Pragmatic

Shoppers Of Home Products Seek
Out And Appreciate Valuable Content
— Native Or Not

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The Forrester logo consists of the word "FORRESTER" in a white, serif, all-caps font, centered within a dark green, horizontally-oriented oval shape.

Executive Summary

Brands' investment in content is predicted to exceed \$44 billion this year, and content is one of the fastest-growing parts of many marketers' budgets.¹ Home product brands and retailers are active participants, as they are eager to build and maintain strong customer relationships; sadly, much of this activity will go to waste.² Only a minority of brands put together an explicit strategy for the creation and distribution of all of this content, meaning they rush into activity without any clear idea of how to get results, what their customers actually want, and where their efforts will be most rewarded.³

On top of this, publishers and websites are increasingly opening up to allow marketers to pay for publishing branded content directly into their editorial streams, giving marketers a huge new opportunity, but also yet another outlet to manage.⁴ This activity is called native advertising, which Forrester defines as:

Any form of paid or sponsored content that directly and transparently contributes to the experience of the site or platform where it appears, by aligning with the format, context, or purpose of that site's or platform's editorial content.

In March 2014, Brunner commissioned Forrester Consulting to evaluate how consumers in the home product space relate to branded content and native advertising in their decision-making process. Specifically, we sought to understand how customers' explicit feelings and reactions to content should fuel marketers' strategies. To explore these sentiments, Forrester developed a hypothesis to test: Consumers want and will seek out valuable content from brands without particular prejudice for how or where they find it. Specifically, we wanted to gauge reactions to native advertising that is identified as such — how do consumers feel about these advertisements, and how do they react to them?

In conducting an in-depth survey of more than 3,000 US consumers who are either homeowners or renters with budget for home products, Forrester found that customers indeed have a strong need for information during their decision-making process, and that they have very clear preferences for certain types of information at specific moments. Furthermore, home product consumers are not

unwilling to interact with native ads, provided that the ads look valuable and useful.

KEY FINDINGS

Through detailed questioning of more than 3,000 US consumers, Forrester's study yielded four key findings:

- › **Content plays a key role in how consumers explore possibilities in home product purchases.** Information that consumers encounter online, offline, or in store can inspire them or introduce ideas, but even more valuable is content that helps consumers explore an existing idea. More than two in three consumers used content for this purpose in a recent purchase of home products — the most prevalent usage mode.
- › **Consumers rely heavily on brands' own content, and even reward them for it when it's good.** They like to use content produced by brands for exploration and research, as well, and consider the content's utility and practicality as paramount. Furthermore, the majority of consumers feel better about a brand simply for aiming to produce helpful or entertaining content.
- › **Native ads are not a mystery to most consumers, but the ads today are making little impact.** When presented with numerous examples of native ads that are identified as such, consumers generally understand how the content was produced and/or published. But positive early experiences with native ads are — so far — seldom.
- › **Consumers will engage with native ads if they look useful or practical.** Some consumers express clear and axiomatic distaste for native advertising as a whole, but the majority take a pragmatic stance: "I'll interact with it if it looks interesting to me." And native ads are, in fact, a preferred way to interact with branded content, when native ads appear in a specialist home products site, for example. Provided that brand marketers focus on the value of the content they provide in native ads, given explicit and implicit customer preferences, customers will respond and show higher affinity.

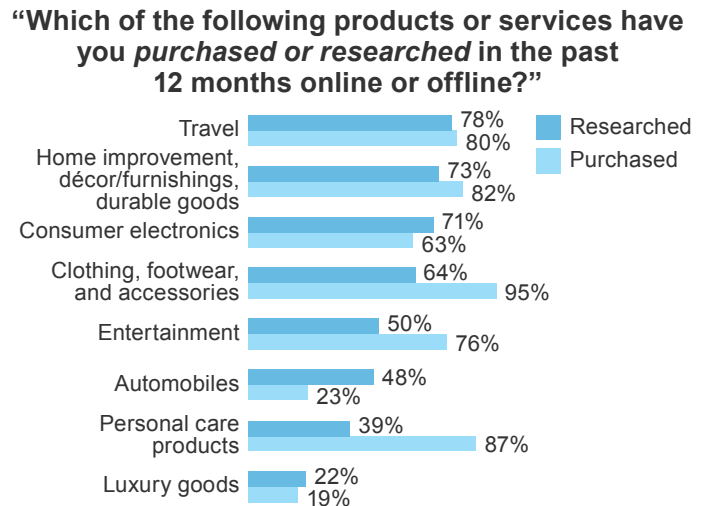
Consumers Of Home Products Are Shopping And Buying Online

True to Forrester's data for US online adults across the board, consumers of home products are increasingly making purchase decisions online. Forrester predicts that online sales will grow from \$290 billion to \$371 billion from 2014 to 2017 (and web-influenced offline sales from \$1.4 trillion to almost \$1.8 trillion). Over the past decade, consumers have grown savvier in how they search for and purchase products online, and brands and retailers have improved their shopping experiences. Some product and service segments have long established themselves as digital stalwarts (travel, for example), while others lag (such as luxury goods). Data from the survey of home product purchasers confirms the importance of digital channels for this segment, as they:

- › **Go online many times a day, from many places.** Ninety percent of respondents reported that they go online several times a day, with particularly heavy usage among the youngest subset of respondents (96% of 25- to 39-year-olds) and the most affluent (93% of households with a combined income of \$100,000 or more). Furthermore, they go online wherever they are, with 99% going online from home, 55% from work, 38% from the airport, and 30% from restaurants or cafes.
- › **Research home products online more than almost any other product type.** Unsurprisingly, more people spend time researching dream vacations than any other product, but — for most age groups — home improvement, furnishings, and durable goods was the second most researched product segment; it actually exceeded travel for young families (see Figure 1). This puts the segment in front of popular segments like clothing, consumer electronics, and entertainment, in terms of the degree of online research.
- › **Purchase home products online from retailers or brands directly (and frequently).** Two out of three respondents to the survey indicated that they had made one or more online purchases of home improvement, décor/furnishings, or durable goods in only the previous three months. Roughly four in 10 had made two or more purchases in that period. Compare that with 82% of consumers in the market for home products who had purchased this segment of products online or offline in the past 12 months. Completing purchases for the home

online is a common and frequent activity for this segment of the population.

FIGURE 1
Home Products Are Among The Product Categories Most Researched And Purchased Online



Base: 3,008 US consumers

Source: A commissioned study conducted by Forrester Consulting on behalf of Brunner, March 2014

Brands Entice Online Shoppers With Lots Of Content, But Little Insight

Brands and retailers are responding to their buyers' transition to increasing digital shopping activity by investing in more and more digital marketing. In fact, 63% of marketing leaders recently surveyed by Forrester said that they would decrease spending on traditional advertising to fund more online promotion during 2014.⁵ Of these, more than one-third said they would spend more on content marketing, as they seek to build relationships based on value and that span social, search, email, and mobile channels.⁶ Unfortunately, many are plowing dollars into content without understanding how their consumers use content, how they want to find it, and what their expectations are. This misalignment is reflected by the following findings:

- › **Ninety percent of B2C marketers are active in content marketing, but only 39% have an explicit strategy for**

it. The majority of consumer marketers have begun publishing content to a blog, articles to their website, and images or stories to their social network feeds or video channel, but for most this is still an ad hoc activity. They have not established a strategy for consistently producing valuable content that their customers will want.

- › **Most publishers seek to help brands put content on their sites via native advertising, despite its novelty.** Marketers can increasingly look to trade and national publishers as a partner for promoting the visibility of their branded content. A poll from the Online Publishers Association found that 21 of 29 publisher respondents already offer native advertising to marketers. Investment in native advertising is predicted to hit \$2.25 billion in 2014, even though the practice is only a few years old online.
- › **Few marketers or publishers gather data against their content marketing or native advertising activities.** Though marketers know (and research supports) that their customers want content to help them discover new products and explore their product purchase decisions, most are not seeking out or investing in insight into the kinds of content these customers want, where they want to find it, and how they plan to use it. The majority of marketers focus on web traffic and brand awareness to guide their measurement activities, which provides a poor proxy for true usage data.⁷

Home Product Shoppers Want Specific Content To Discover And Explore

Increasingly savvy online shoppers have adopted fit-for-purpose digital channels and browsing habits to drive their discovery, research, and purchase activities online, depending on the product and type of consumer. In order to better serve their online customers and apply their content creation and distribution resources effectively, marketers should learn from these patterns. The survey of home product shoppers revealed that:

- › **Browsing content to explore how to fulfill an idea was the predominant mode.** When asked how they used information to complete a recent purchase of home products, 68% of respondents answered that they were exploring their options once they had an idea, or choosing among products. The second most important mode for information-gathering was seeking out inspiration or ideas

to answer a need or fulfill a desire; content for inspiration and ideas was especially strong with young singles and couples (76% used it), and decreased in value the older the consumer. Not surprisingly, experienced shoppers look less for inspiration.

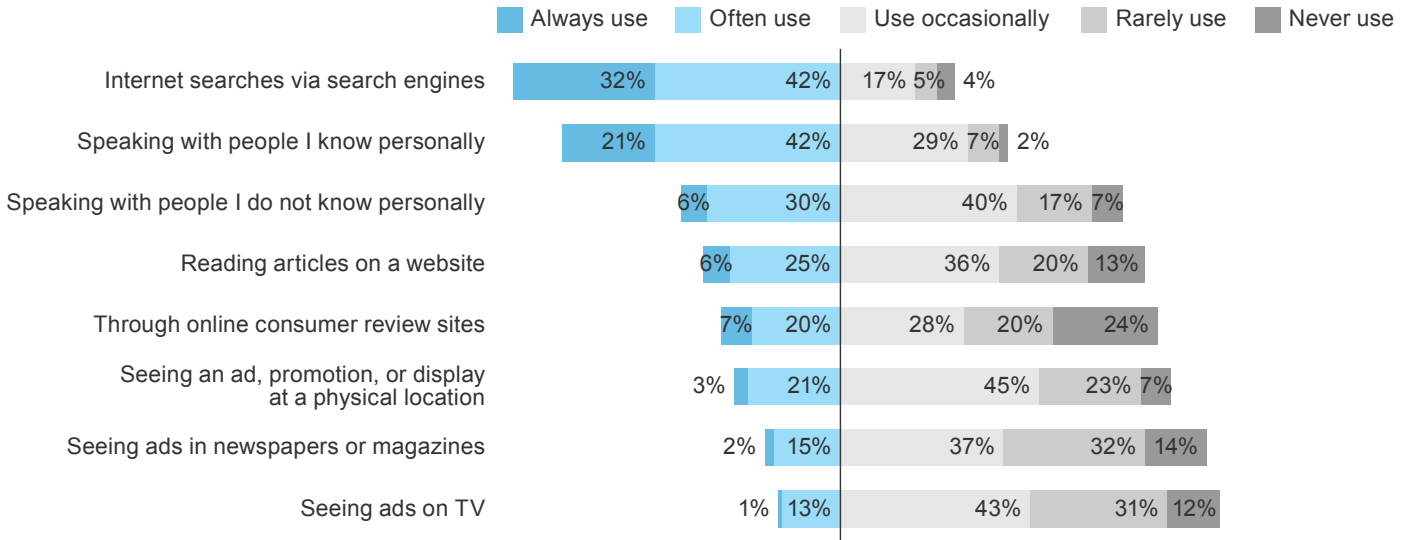
- › **Search and word of mouth dominate product discovery.** People who are in the market for products for the home most often discovered their most recent purchase via search, which indicates an active mode of answering questions; this may include product searches (“lamps”) or topic searches (“good lighting”). The second most common discovery mode was through talking to acquaintances, then strangers — both of which indicate more passive discovery; a product was mentioned to them from another buyer or as an answer to a problem under discussion.
- › **Articles and consumer reviews play a stronger role in product exploration.** Though search and word of mouth still figure strongly in home product buyers’ research, articles on websites and online consumer reviews rise in importance at this point of the customer’s purchase path; 31% of respondents often use or always use articles on websites to help them research home improvement, décor/furnishings, and durable goods (see Figure 2).
- › **Information sources change as consumers near the time of purchase.** Different media play different roles in consumers’ process of deciding what types of products to buy, and then which products to buy specifically. For example, respondents were more likely to use magazines to inform their decisions three to 12 months prior to purchase than closer to the purchase moment. Conversely, instructional videos play an important role less than two months before purchase, but less so early in consumers’ planning process.

Given these explicit preferences from home product purchasers, marketers can map how consumers currently use all content to inform their decisions throughout the decision-making process. Forrester uses a model called the Customer Life Cycle to illustrate the 21st century consumer’s purchase path (see Figure 3). Mapping the survey data against a customer life cycle gives marketers a visual representation of how consumers value information as they consider a potential purchase.

FIGURE 2

Organic Search Results, Word Of Mouth, And Web Articles Are The Most Common Ways For Consumers To Explore Home Products

“Which of the following sources of information do you use to research home improvement, décor/furnishings, or durable goods products or services?”

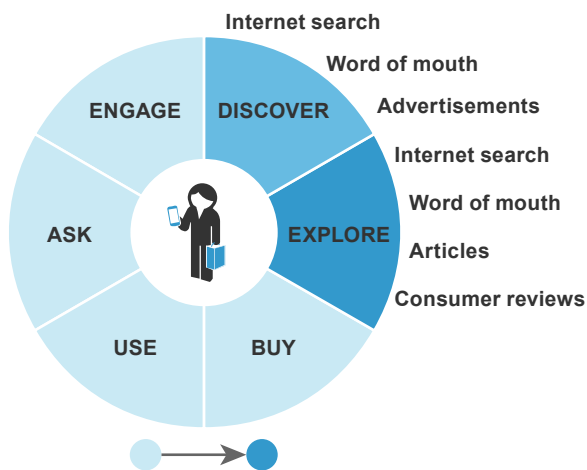


Base: 3,008 US consumers

Source: A commissioned study conducted by Forrester Consulting on behalf of Brunner, March 2014

FIGURE 3

Apply A Strategy Using Forrester’s Customer Life Cycle



The Customer Life Cycle is Forrester’s behavioral model for shoppers, and consists of six phases. “Discover” describes how customers become aware of a brand or product; “explore” is the phase of shopper research; “buy” covers the experience around the transaction; “use” addresses customers’ interactions with the product or service; “ask” relates to customers’ questions to the brand, its products, and how to use them; and finally, “engage” describes how customers feel about, talk about, and share their experiences with others.

The darker the shade, the more important content is to that purchase phase, according to the study. Leading channels and content formats are listed according to their role against each phase.

Source: Forrester Research, Inc.



Consumers Want Branded Content That Is Useful And Practical

Given the amount of exploration they do online, it's no surprise that consumers seek out and reward with their attention those brands that provide valuable content. And, while advertisements provide some value for specific purposes, consumers themselves feel more often than not that digital advertising is an unwanted hindrance; they express a clear preference for forms of content that inform or advise them on how to complete a project. These feelings are reflected in the following findings:

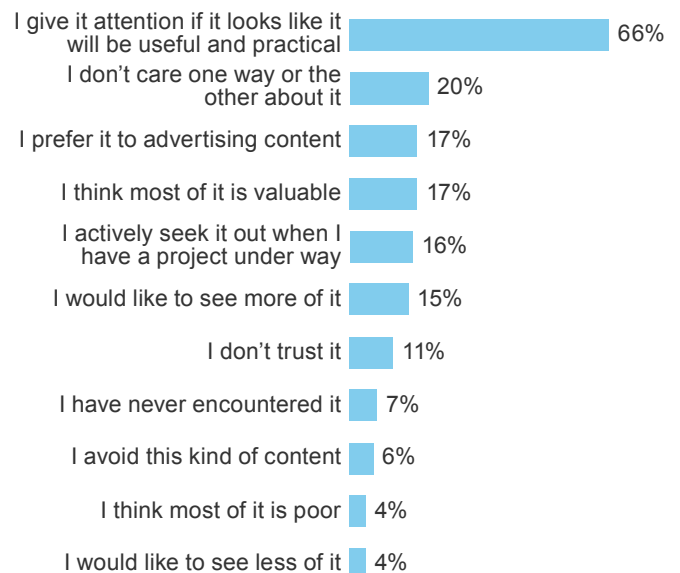
- › **Consumers are willing to use branded content that is practical.** The survey polled people in the market for home products to arrive at their attitudes toward helpful content from brands (inspirational stories, how-to guides, and primers, for example). The overwhelming majority responded that they give the content attention if it seems useful and practical (see Figure 4). Consumers seldom have preconceived attitudes toward branded content, but positive attitudes outweighed negative ones.
- › **Branded content to help consumers explore their options is seen as most influential.** Consumers expressed a desire to use branded content in a way that matches how they wish to use information as a whole. That is, consumers find branded content most useful to inform how they explore their options. Inspiration was the second most useful application. As with nonbranded content, the younger the buyer, the more valuable this kind of inspirational content; 50% of young singles and couples use branded content for inspiration, versus only 30% among seniors 60 and up. The bar for marketers to inspire and bring experienced shoppers to brand new ideas through their content is unquestionably higher.
- › **Inspirational stories and advertisements drive customers' ideation, while videos drive planning.** Consumers' expectation of utility from different kinds of branded content breaks very clearly across different points of the purchase journey. For example, home improvement stories and television advertisements feed consumers' inspiration; to make plans, however, consumers show an overwhelming preference for instructional videos, but also videos from other users and printed brochures.
- › **Online content outperforms offline content in users' eyes.** When asked how they use content from brands,

purchasers of home products said they look to online sources like ratings and reviews (56% always or often use) or a brand's website (49%) more than offline sources, such as print brochures (25%) and print customer magazines (18%) (see Figure 5).

FIGURE 4

Consumers Take A Pragmatic Attitude Toward Branded Content

“Brands often try to produce helpful content for their customers (inspirational stories, how-to guides, primers, and the like). How do you feel about this kind of content?”

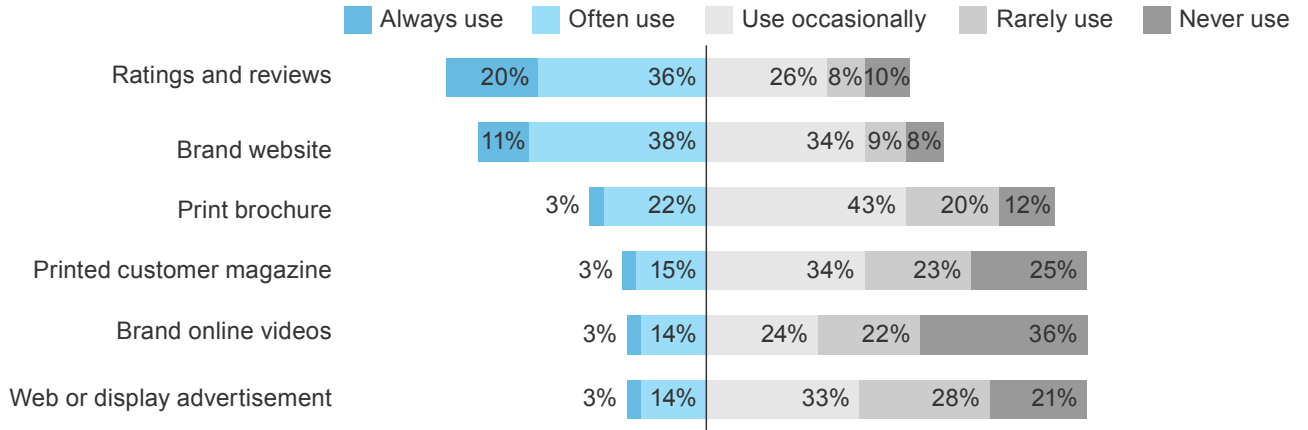


Base: 3,008 US consumers

Source: A commissioned study conducted by Forrester Consulting on behalf of Brunner, March 2014

FIGURE 5
Online Content From Brands Outweighs Offline Content In Consumers' Eyes

“For home-related projects or purchases, do you use the following printed information or online web content that was written or produced by a retail or product brand?”

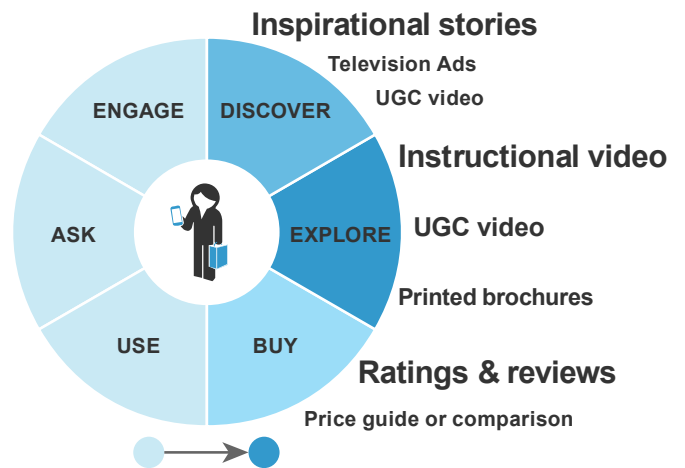


Base: 3,008 US consumers

Source: A commissioned study conducted by Forrester Consulting on behalf of Brunner, March 2014

As with information as a whole, marketers can map consumers' preferences for branded content against the customer life cycle to understand where to place their content bets. Here, priority in consumers' eyes is reflected in color intensity, and popularity of content type per phase of the life cycle is reflected in the size of the words in the figure (see Figure 6).

FIGURE 6
Map Consumers' Preferences For Branded Content Against The Customer Life Cycle



The darker the shade, the more important content is to that purchase phase, according to the study. Leading channels and content formats are listed according to their role against each phase.

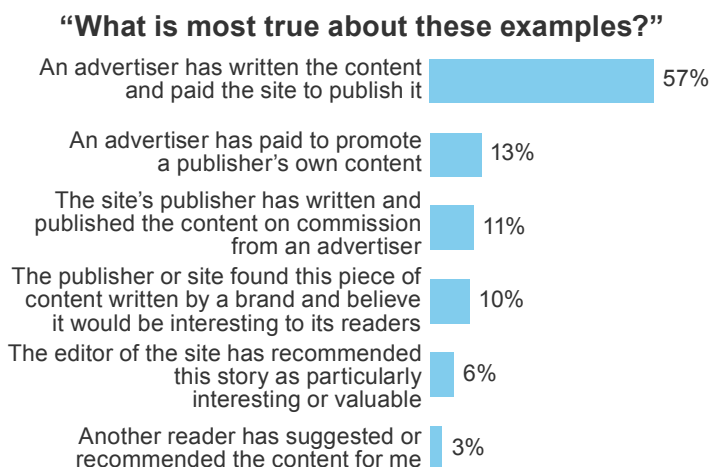
Source: Forrester Research, Inc.

Consumers Largely Savvy To, But Skeptical Of, Content In Native Ads

In order to get their branded content in front of consumers, more and more marketers have begun to partner with publishers, technology vendors, and social networks to pay their way into editorial streams (putting brand-produced content, usually marked as “sponsored” or “promoted,” shoulder-to-shoulder with a website’s existing editorial content). For the survey, we presented people in the market for home products with six representative examples of native advertising, and labeled them as such, in order to gather insights about how these consumers relate to this form of content.⁸ Their responses demonstrated that they understand how native advertising works, even though many instinctively distrust it, as:

- Most respondents understand the commercial mechanisms that lie behind native advertising.** Of six responses provided, three indicated a commercial relationship between a brand and a publisher or site owner and three did not. Eighty-one percent of respondents indicated they understand that a brand has paid to have content published on the site. Most consumers know (or have learned) that native advertising has clear commercial underpinnings (see Figure 7). Only 18% of respondents expressed confusion about why the content appears on sites.

FIGURE 7
Consumers Understand The Paid Relationship Behind Native Ads



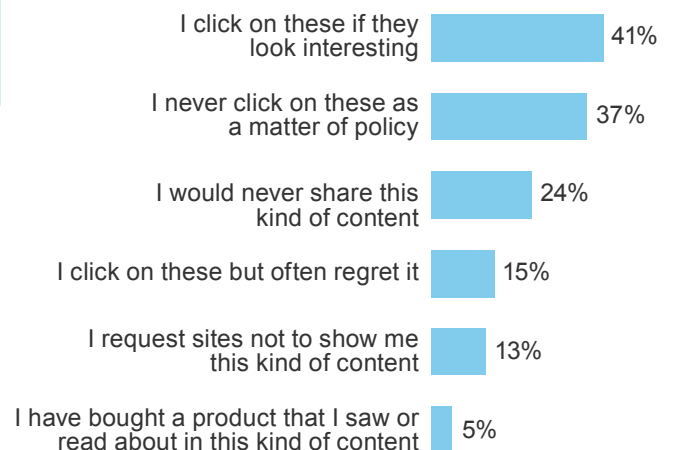
Base: 3,008 US consumers

Source: A commissioned study conducted by Forrester Consulting on behalf of Brunner, March 2014

- Knee-jerk distrust of native ads today outweighs positive attitudes.** Almost four in 10 respondents offered the blanket response, “I do not trust this kind of content” when asked about their attitudes toward native ads. A strong subtheme of attitudes from the survey respondents was pragmatism, as 24% didn’t care who wrote the content as long as it was good, and 23% said they like it if it is helpful or entertaining. In fact, the study showed that the older the responding segment, the more pragmatic and less dogmatic the attitudes toward native advertising. Middle-aged and senior home product shoppers show a higher willingness to take content at face value, independent of context.
- Consumers respond to native ads based on either perceived utility, or as personal policy.** Again, when asked explicitly how they behave vis-à-vis native ads, buyers of home products are pragmatic, saying they’ll click the ad if it looks interesting. However, significant minorities said they never click on native ads as a matter of policy (37%) or would never share them (24%) (see Figure 8).

Figure 8
Consumers Are Pragmatic With Respect To Native Ads

“What options describe how you react to this kind of content?”



Base: 3,008 US consumers

Source: A commissioned study conducted by Forrester Consulting on behalf of Brunner, March 2014

But Many Remain Blind To Native Advertising

Despite increasing recognition among consumers of native advertising as a phenomenon and its occurrence on more and more websites, consumers are still not registering native ads “in the wild.” Responses reflected this fact, as:

- › **More than one in three had “never seen” these kinds of native ads online.** As examples ranged from the native ad units on the major social networks, to recommended content widgets and sponsored content insertions on popular sites, it’s unlikely that such a high proportion of users had never been exposed to native ads. Chances are, most online adults have seen dozens (if not hundreds or thousands) of native ads, but many do not recognize them as such, or at all. Despite clear labeling, native ads blend in with the sites where they appear; many site visitors, in fact, do not recognize the native ads they see as content of a commercial origin.
- › **Young singles and couples are far more likely to have registered seeing native ads than seniors.** Not surprisingly, the youngest cohort of home product buyers has the highest sample of those saying they had seen the native ads presented, at 82%. The proportion decreases in sync with age, which reflects either a lower degree of online activity (likely) or less awareness of modern marketing tactics (also likely).

Native Advertising Holds No Intrinsic Virtue In Consumers’ Eyes Today

Many marketers and publishers who produce native ads strive to promote brands by providing utility, and thus earn more goodwill from consumers. While consumers of home products clearly express a desire for valuable content, it seems that most consumers feel brands aren’t delivering value or utility through the content in their native ads yet; we’ll find later in the report that home product shoppers respond well to native ads when these ads are done right. However, consumers show no particular goodwill for native advertising, even if they frequently express interest in seeing branded content delivered as a native ad unit. Home product consumers told us:

- › **Native ads fall in the middle of a continuum of consumer preference for different forms of promotion.** When asked how they feel about native ads

versus other forms of brand promotion, consumers showed no particular preference for native advertising today. Only 6%, for example, liked native advertising any more than display or banner advertisements. Only pop-up digital ads and unsolicited promotional emails (spam) stood out, with 44% of respondents liking them a little less or a lot less than native ads.

- › **Native ads could, and should, play an important role in branded content delivery.** Purchasers of home products are far from adverse to interacting with native advertising, however. Only printed materials in store and articles on a brand’s website were regarded as more attractive places to encounter branded content, compared with a native ad on a specialist site about home projects or products (see Figure 9); 53% of seniors say they would like to find branded content in this manner.

FIGURE 9

Store, Brand Website, And Trade Publications Are Where Consumers Look To Find Branded Content

“If you are exploring or shopping for a home-related purchase or project, where would you most like to find helpful or practical content (tips, how-tos, or guides) from a brand?”



Base: 3,008 US consumers

Source: A commissioned study conducted by Forrester Consulting on behalf of Brunner, March 2014

Consumers Dislike Sites With Bad Native Ads, And Are Neutral To Sites With Good Native Ads

Native advertising has earned a number of critics, particularly in the media world, who fear that the form of promotion will create confusion around the media brand and weaken publishers' reputations.⁹ Neither brand nor publisher would be served in the long run if consumers' trust of media sites weakened. When asked, consumers seemed willing to punish sites with poor native ads, but unwilling to assign any more value to sites with good native ads, as:

- › **Ambivalence reigns among consumers, closely followed by skepticism.** Forty-five percent of people in the market for home products said that native ads decreased their trust of the site where they appeared, or decreased their opinion of the site if the content was bad; only 7% thought better of sites with good native ads. For publishers, the decision to monetize with native ads must be weighed against this potential downside, giving them a clear incentive to work closely with advertisers to ensure that consumers see their native ads as valuable.
- › **Transparency about native ads is (for most consumers) a clear expectation.** Because both brands and publishers are rewarded when site visitors interact with content, and visitors interact with promotional content at a much lower rate than editorial content, publishers

must resist the temptation to conceal the paid nature of the native ad content. Ninety percent of home product shoppers said that publishers should disclose whether content is sponsored or otherwise paid for by a brand.

Quality Of Content — Whether In A Native Ad Or Not — Is Seen As Crucial

Forrester's own research reflects a clear divide in the level of trust that online consumers feel toward different types of content. Year after year, respondents to Forrester's Consumer Technographics state that they trust digital pull content (e.g., ratings and reviews, organic search engine results, and brand websites) and distrust digital push content (e.g., banner ads and push text messages).¹⁰ People in the home products market support this thesis, because:

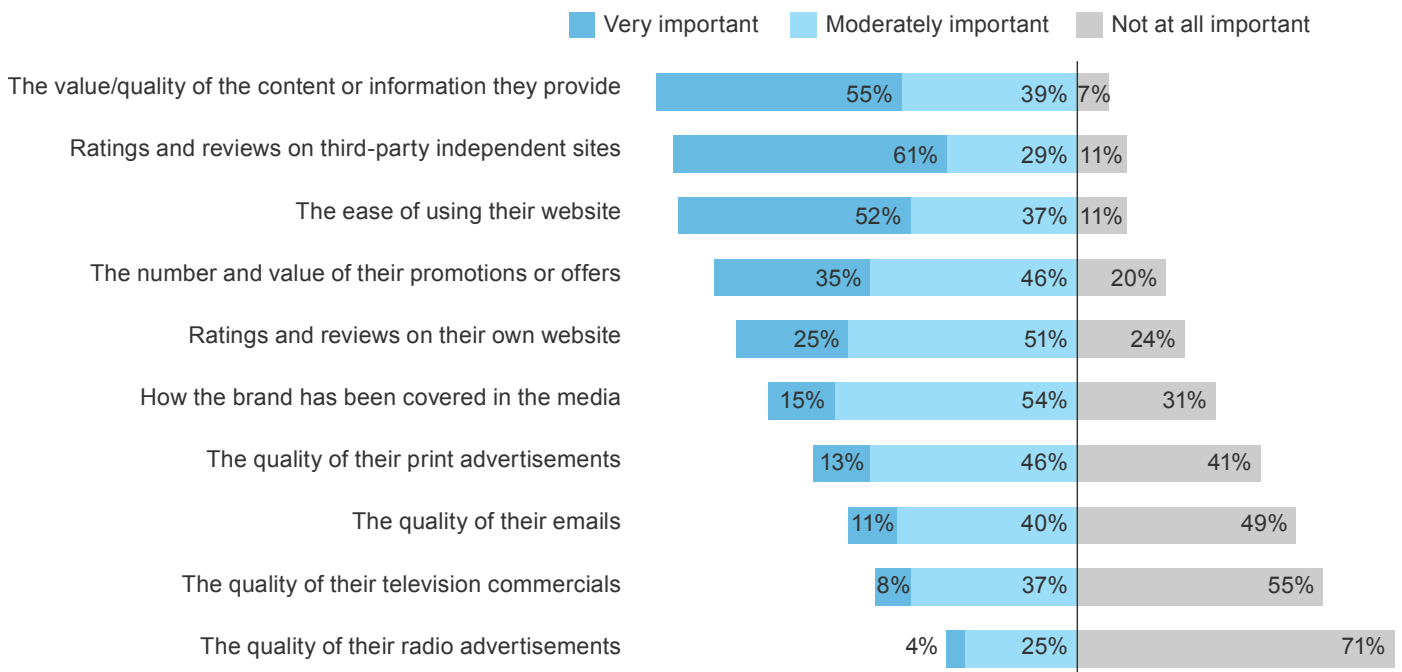
- › **Value and quality of content from a brand drive strong, explicit influence in brand or product choice.** Ninety-four percent of survey respondents stated that the

value and quality of the content from a brand were either very important or moderately important. This beat out, among other things, the number and value of a brand's promotions or offers, its emails, and its media coverage (see Figure 10).

- › **The effort to produce valuable content, itself, is rewarded.** Consumers are clearly willing to show more goodwill to product or retail brands for producing content that is meant to be helpful, practical, or entertaining. Fifty-three percent of survey respondents like brands a little or a lot better for aiming to produce valuable content, versus only 1% who like the brand a little less, and zero who like it a lot less for doing so.

FIGURE 10
Quality Of Content Is The Greatest Marketing Merit, Said Respondents

“What factors are most important when deciding about home-related product or retail brands?”



Base: 3,008 US consumers

Source: A commissioned study conducted by Forrester Consulting on behalf of Brunner, March 2014

Key Recommendations

Home product consumers are diving online more and more to plan and complete their home improvement projects. Marketers at brands and retailers are responding by investing more and more in valuable content; further, they are kicking off partnerships with publishers to both produce content and position content in front of relevant audiences. However, the majority of marketers are diving into this time-consuming and expensive activity without a road map and without assessing the needs of their customers.

Whether your brand is an experienced content creator or only just getting ramped up in digital execution, it behooves you to take a moment to build an appropriate strategy around the content you'll be planning, creating, and distributing. Once marketers have a clear plan of execution, it becomes much easier to determine how to position content in different digital or offline experiences, choose native advertising partners, and measure performance. To get off on the right foot, we recommend marketers to:

- › **Audit the content that your customers will encounter from different channels as they seek inspiration or try to solve a home-related challenge.** Start by building a rich customer persona that is relevant to your business, using direct customer interviews, social listening, and public or premium consumer data, including the data offered in this report. Then follow a few typical processes or tasks these customers will do in finding inspiration or solving a problem. Note the kinds of content they will encounter — both in your own channels and others' — and where each piece of content is meant to take the customer next. Look for weaknesses and opportunities, in terms of the content that you're offering, its depth, its format, the experiences it offers, its utility, and its availability, as well as the broader experience your customers are going through.
- › **Focus on utility and practicality (for inspiration or exploration) in content that you use for native advertising.** In this study with US consumers of home products, respondents expressed a very pragmatic view of content that they find in native advertising spots: If it looks useful, practical, or otherwise interesting, I will click on it and read it; if not, I won't hesitate to skip it. To achieve this value from native advertising, brand marketers must win opt-in from consumers, so they'll spend time with a marketer's content and take another step toward the brand, either immediately or not long thereafter. Consumers look for and discern value in the content itself. As a marketer experienced in native advertising said, "We try to create media experiences people will spend time with."¹¹ For home product buyers, the experience people seek is one of utility.
- › **Deliver a relevant format in the right medium to make native advertising most effective.** Consumers express clear preferences for what kinds of content they seek at particular times. For example, you can match a particular consumer segment to a particular medium and format. The study's own data showed that consumers typically used magazines early in their research, expressed a preference for native advertising in specialist publications, and liked to discover brands or products in the context of inspirational stories. Thus, a marketer builds a strategy around a native advertising series focusing on inspiration in specialist magazines. Many combinations are available, but marketers must prioritize and assemble those that suit their customers best.
- › **Review the quality of the experience that customers get from your website content, with particular focus on search, word of mouth, and video.** People in the market for home products considered the value and quality of the content that they get directly from brands as a very important consideration in their decision-making process. Furthermore, the study showed that customers discover sites via search and word of mouth, then love to explore by watching either instructional videos or videos of others' projects. Look for opportunities to improve your site's organic search visibility and the experience of visitors arriving from search. And consider how to implement video, and measure interactions with your video, on relevant pages on your site where customers learn and explore.

Appendix A: Methodology

In this study, Forrester conducted an online survey of more than 3,000 US consumers to evaluate how consumers in the home product space relate to branded content and native advertising in their decision-making process. Survey participants were first-time buyers, home owners, or renting a property and were over the age of 25. The consumers had to have purchased or researched home products online in the past three months. The study began in February 2014 and was completed in March 2014.

Appendix B: Supplemental Material

RELATED FORRESTER RESEARCH

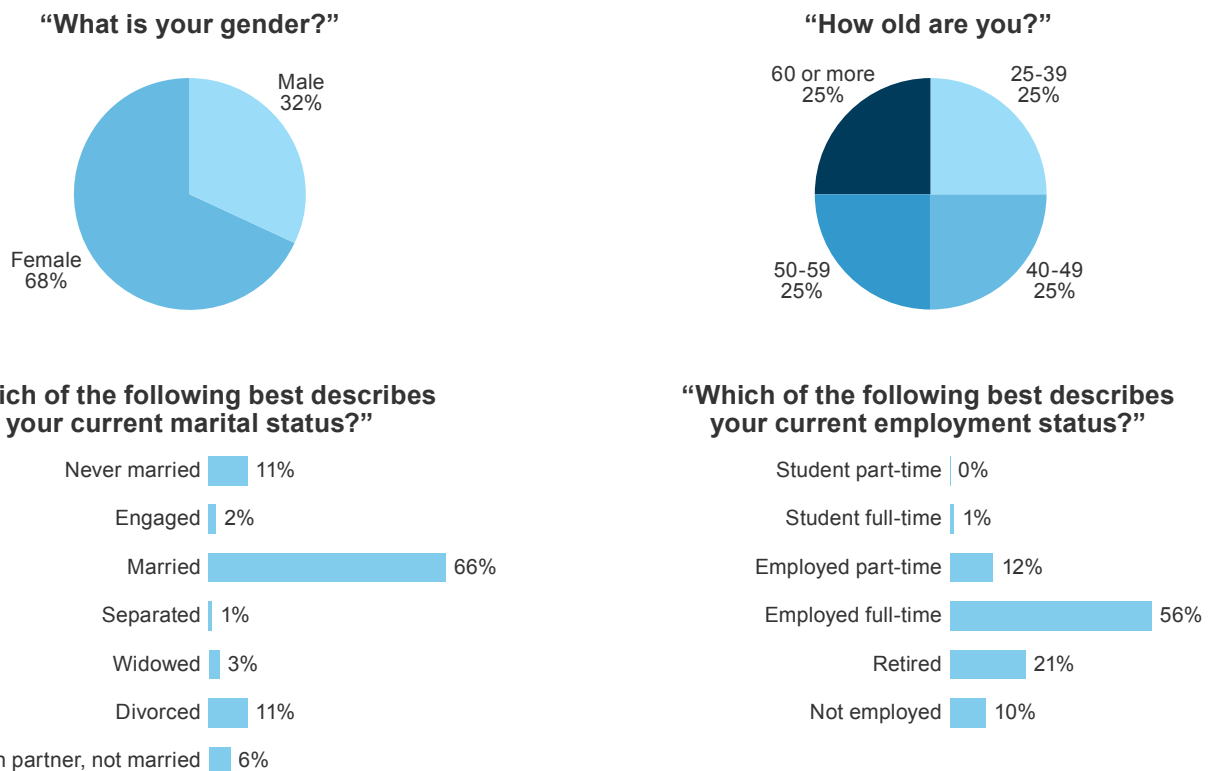
“Boost Brand Engagement With Native Advertising,” Forrester Research, Inc., January 16, 2014

“Native Advertising: Handle With Care,” Forrester Research, Inc., October 29, 2013

Appendix C: Demographics

FIGURE 11

Survey Demographics — Gender, Age, Marital, And Employment Status

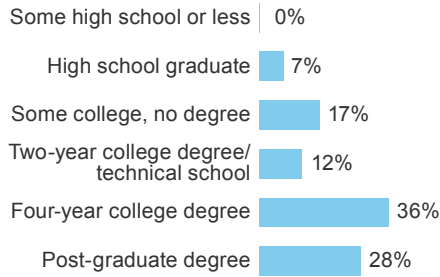


Base: 3,008 US consumers

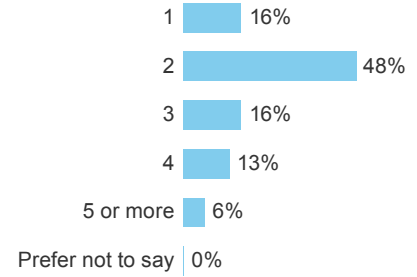
Source: A commissioned study conducted by Forrester Consulting on behalf of Brunner, March 2014

FIGURE 12
Survey Demographics — Education, Income, And Household Status

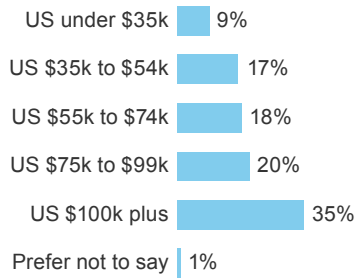
“What is the highest level of education you have completed?”



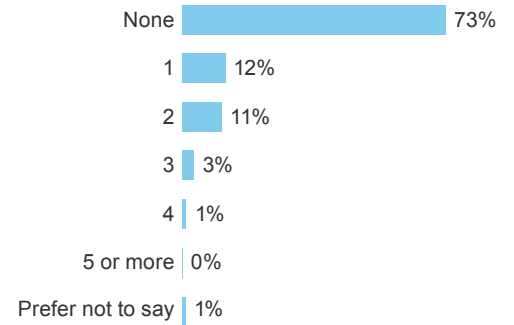
“How many people live in your household?”



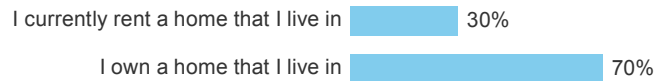
“Which range best describes the total combined annual income of all members of your household?”



“How many children younger than 18 live in your household?”



“Do you currently own or rent a property?”

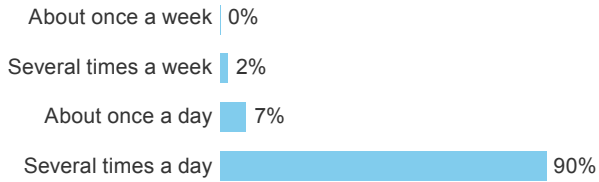


Base: 3,008 US consumers

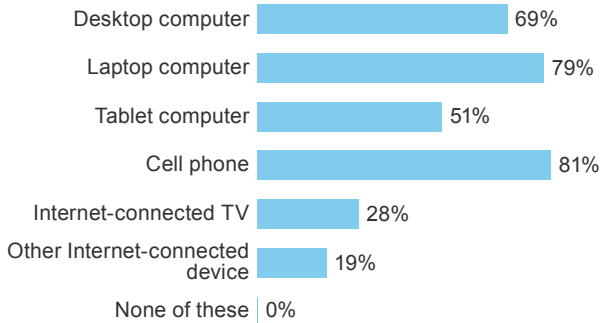
Source: A commissioned study conducted by Forrester Consulting on behalf of Brunner, March 2014

FIGURE 13
Survey Demographics — Consumer Technographics

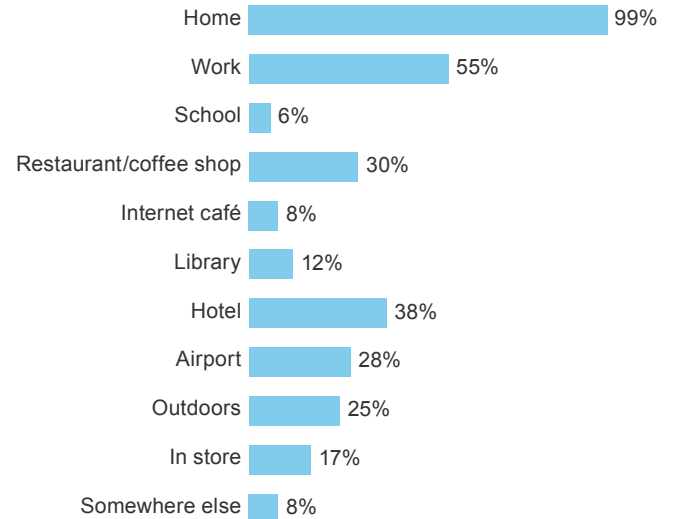
“How often do you go online, including weekdays and weekends? This includes access from home, work, or elsewhere to the Internet, and across devices.”



“Which of the following devices do you personally use, including any supplied by an employer?”



“In which locations do you go online?”



Base: 3,008 US consumers

Source: A commissioned study conducted by Forrester Consulting on behalf of Brunner, March 2014

Appendix D: Endnotes

- ¹ The 2013 study from Custom Content Council put the global budget for branded content at \$44 billion; however, this number would probably be appreciably higher if it included content produced by brands purely for social or email distribution and if it was updated for 2014. Source: Custom Content Council (<http://www.customcontentcouncil.com/news/nearly-44-billion-new-survey-shows-rise-content-marketing-budget>).
- ² Home products and home products brands, for this report, encompass product and retail brands that deliver items for home improvement, such as DIY, décor, and furnishings, as well as durable goods (appliances).
- ³ A benchmark study of content marketing activity among B2C marketers found that only 39% of them, on average, had a documented content strategy. Source: Content Marketing Institute (http://contentmarketinginstitute.com/wp-content/uploads/2013/10/B2C_Research_2014-withlinks.pdf).
- ⁴ A straw poll by the Online Publishers Association found that 21 of 29 publisher respondents were currently offering native advertising, and many of the remainder were planning to add it. Further, native advertising has strong growth prospects, as evidenced by projections from eMarketer and JP Morgan Chase. Source: Forrester Research, Inc. (http://blogs.forrester.com/ryan_skinner/14-02-17-does_native_advertising_face_a_3_billion_question).
- ⁵ A December 2013 report from Forrester Research documenting how consumer marketers planned to change budgets for 2014 reported: “Sixty-three percent of marketing leaders agree they will decrease spend on traditional advertising to fund digital efforts. Given the chance, marketers would double down on digital — 46% said they would invest incremental funding in digital if given an additional 5% of funds.” Source: “B2C Marketers Must Turn Fragmented Marketing Budgets Into Business Budgets”, Forrester Research, Inc., December 12, 2013. .
- ⁶ Forrester defines content marketing thus: “A marketing strategy where brands create interest, relevance, and relationships with customers by producing, curating, and sharing content that addresses specific customer needs and delivers visible value.” Source: “Build Your Content Brand By Delivering Customer Value”, Forrester Research, Inc., May 19, 2014.
- ⁷ Source: Content Marketing Institute (http://contentmarketinginstitute.com/wp-content/uploads/2013/10/B2C_Research_2014-withlinks.pdf).
- ⁸ Examples used to represent native advertising as an explicit type of content included a sponsored content unit online, a promotion on social media, a recommended content widget at the bottom of a story, and a “featured partner” article.
- ⁹ One critic, Jeff Jarvis, a professor of journalism at the City University of New York, and previously a media executive and entrepreneur with New York Daily News and Advance.net, said: “Some advertisers are conspiring with desperate publishers to erase the black lines identifying ads.” Another critic, Bob Garfield, a columnist with MediaPost, told a hearing on native advertising being held by the United States Federal Trade Commission that native advertising could be compared to islands of bat guano. The South American countries that mined these islands were like publishers rushing into native advertising — destroying the foundation for their value one delivery at a time. Sources: Medium (<https://medium.com/whither-news/72c32793244f>), Advertising Age (<http://adage.com/article/media/arguments-fly-ftc-workshop-native-advertising/245536/>).
- ¹⁰ Forrester Research’s Consumer Technographics data showed that, when asked what forms of advertising or promotion consumers trust, consumers indicated that pull forms of digital content (e.g., ratings and reviews online, organic search results, and brands’ own websites) were more trusted than push forms of digital content (e.g., banner ads or text messages). Source: “Build Your Content Brand By Delivering Customer Value”, Forrester Research, Inc., May 19, 2014.
- ¹¹ Source: “Boost Brand Engagement With Native Advertising”, Forrester Research, Inc., January 16, 2014.