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NATIVE ADVERTISING IN SOCIAL MEDIA

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***Анотація*:** *Висвітлено сутність поняття «нативна реклама», її ключові переваги та недоліки. Розглянуто як працює нативна реклама в соціальних медіа та на прикладах відомих компаній.*

Ключові слова: нативна реклама, маркетинг, ціна, продукт, реклама, соціальні мережі, переваги, недоліки, бренд.

Abstracts: *The essence of the concept of "native advertising," along with its key advantages and disadvantages, has been highlighted. The functioning of native advertising in social media has been examined, with examples from well-known companies.*

Keywords: native advertising, marketing, price, product, advertising, social networks, advantages, disadvantages, brand.

Native or natural advertising is a concept used in marketing to refer to content that is presented to the audience in an unobtrusive or disguised form. The main feature of such advertising is that the message is always adapted to the platform on which it is placed. This ensures successful perception and minimizes the "rejection" of information by readers, listeners, or viewers [4].

Native advertising represents the next level in the evolution of traditional advertising. This type of promotion was developed to attract and persuade people who have grown tired of conventional advertisements on television, radio, print media, or the Internet [4].

The harder it is for a user to recognize native advertising, the higher its quality is perceived.

With the expansion of digital platforms such as remarketing and social media advertising, native advertising has become an integral part of marketing strategies. The formats of such ad placements are constantly evolving to adapt to modern trends, but there are also some fundamental types of native advertising, including [3]:

- *Sponsored articles and materials (on websites*). Unobtrusive product reviews written on behalf of the website, service, or blog author, mentioning the company and including a subtle call to action.
- *Advertising integrations (in TV shows, films, and YouTube videos).* A format where a product is either simply shown (with a visible logo) or actively described and advertised within the content by the author or company.
- *Content marketing (in social networks).* Advertising where a blogger or influencer shares information about a product, along with their own impressions, in video or photo format with a call to purchase.

Native advertising offers several advantages for brand promotion [1]:

1. *Higher click-through rates.* Native ads tend to generate high click-through rates (CTR) because they are tailored to the surrounding content and context. As a result, they integrate smoothly into the user's browsing experience rather than disrupting it.
2. *Cost-effectiveness.* Compared to display advertising, native ads are generally more cost-efficient due to their higher CTR. Since ads are often purchased on a cost-per-thousand impressions (CPM) basis, a higher CTR can reduce the cost-per-click (CPC). With equal conversion rates, the cost per action—whether it's spending time on content or filling out a form—will also be lower.
3. *Advanced targeting*. Native advertising allows for precise targeting, including contextual, demographic, location-based, device-based, and intent-based targeting. Users are more likely to engage with ads that align with their interests and shopping behaviors, making personalized targeting through programmatic native advertising essential for attracting new customers.
4. *Ads that do not interfere with the user experience.* Native ads blend seamlessly into the browsing experience by matching the form and function of a given web page. This makes them more engaging and less intrusive compared to traditional banner ads.
5. *Diverse formats of native advertising.*

6. *Increased brand loyalty*. Native advertising provides a unique opportunity to tell a brand's story. The combination of visuals, headlines, and descriptions allows advertisers to effectively summarize their message, introduce their target audience, and provide additional insights into the benefits, values, and history of a product or service.

However, native advertising also has its drawbacks:

1. *Time and creativity investment*. Creating high-quality content that not only integrates into the platform but also captures attention and engages the audience requires significant time and effort. The content must be relevant, informative, and engaging while remaining subtle. This challenge demands a specialist with a high level of creativity and professional skills.
2. *No guaranteed high conversion rate.* In some cases, the costs of creating and placing native ads may not be justified if the target audience is not sufficiently interested in the content. If the advertisement is not relevant enough to users, it may fail to achieve the expected results, leading to financial losses. While native advertising is a powerful marketing tool, it requires a creative approach and careful execution to be successful.
3. *High cost.*

Although the term "native advertising" is relatively new, this subtle form of brand promotion has existed for much longer. For instance, some visionary marketers, such as Albert R. Broccoli (the producer who acquired the rights to adapt the James Bond novels), successfully leveraged native advertising. Luxury brands of cars, alcohol, men's suits, and watches frequently appear in James Bond movies. These brands paid the filmmakers substantial sums for product placement, and their investments proved worthwhile. When a new Bond movie was released, demand for the featured products surged. For example, in *GoldenEye*, Agent 007 drives a BMW Z3. After the film's release, sales of this car model doubled [2]!

Similarly, when *Tomorrow Never Dies* premiered, the revenue generated from advertising fully covered the film's production costs, amounting to over $100 million [2]. Other brands such as Omega, Aston Martin, Smirnoff, and Visa have also made recurring appearances in Bond films. Many other companies followed suit, incorporating their products into other movies. For instance, in the French comedy *Taxi*, the protagonist drives a Peugeot 406, while Pepper Potts from *Iron Man* uses a MacBook. In *Back to the Future*, Pepsi and Nike frequently appear on screen, and *Jurassic World* became one of the record-holders for brand placements, featuring Mercedes-Benz cars, Samsung devices, Coca-Cola cans, and more [2].

To summarize, native advertising on social media is an effective modern marketing tool that enables seamless integration of advertising content into the natural context of digital platforms. This enhances audience engagement and minimizes rejection of promotional materials. The main benefits of native advertising include high CTR, cost-effectiveness, precise targeting, unobtrusiveness, and increased brand loyalty. At the same time, creating high-quality content requires time, creativity, and significant financial investment, and it does not always guarantee high conversion rates.

Native advertising has deep roots, spanning from classic examples in the film industry, such as brand placement in James Bond movies, to modern formats in social media and blogs. It is continuously evolving, adapting to new digital platforms and consumer behaviors.

Thus, native advertising is a powerful tool for engaging audiences and building brand trust, but it requires careful planning and a creative approach to achieve the desired results.

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