Strategies to circumvent the ad blocking apocalypse: A report to Progressive Publishing

A Professional Thesis submitted to Southern Utah University in partial fulfillment of the requirements for the degree of Master of Arts in Professional Communication

December 2016

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Introduction

We at Progressive Publishing know that there is no such thing as a free lunch, especially online. Internet users hungry for information or entertainment may perceive the only cost to consuming Web content has already been paid to their Internet service provider. However, we see the bills and the investment that goes into serving the information to our Internet users.

While some publishers require a subscription to view their content, most consumers pay for content not with their wallets, but with their eyeballs. Every time they see an advertisement on “free” websites, they are paying for the privilege of viewing the content. Each time a visitor to our websites consumes our content without viewing ads, we lose money. To be exact, per page view we lose the following: \(^2\) Progressive Dairyman: x cents, Progressive Cattleman: x cents, Progressive Forage: x cents, and Progressive Dairyman-Canada: x cents. And while a few cents may not seem significant, over a course of thousands of page views per month, this loss in revenue ads up quickly.

As you know, advertisers pay publishers for the opportunity to display their brand and products to their consumers. Publishers use this money to develop quality content that will keep audiences coming back for more. If consumers do not view advertisements, then advertisers will not pay to be on the website and online

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\(^1\) Author’s note: I wrote this report to the owners of Progressive Publishing and used first person voice to describe the work that I completed. It was a delicate balance writing a business report to people who knew my company as well as writing it so that strangers to the company might follow along with it. I have worked diligently to walk this line, and hope it will be easy for you to follow this report. I hope you find value in this paper. Enjoy.

\(^2\) Numbers removed after defense to protect proprietary information.
Internet businesses are threatened by the advent of ad blockers. However, this reality, as of yet, does not deter annoyed consumers from taking action. For them, the solution is simple: download an ad blocker.

Ad blockers are extensions to Web browsers, such as Google Chrome, that stop ads from loading and appearing to the consumer. Online ad blockers are not selective with the ads they block. Unless consumers take time to whitelist a certain website from their ad blocker, all publishers, even those who only allow unobtrusive advertisements, will suffer.

Ad blockers are only becoming more relevant. In 2015, Adobe estimated that people blocking ads jumped 41% from 2014. It was estimated that 198 million people are now blocking ads globally. Almost half of all U.S. Internet users now block ads (Rosenwald, 2015). Rosenwald (2015) said, “Taken together, ad blockers are hitting publishers in their digital guts” (para. 2). In 2016, it was estimated that $21.8 billion in ad revenue would be blocked for the year (Rosenwald, 2015).

In the spring of 2016, the emedia department of Progressive Publishing became increasingly unnerved at the prevalence of ad blocker. This is a report of what the emedia department did to address the growing prevalence of ad blockers online.

**Online Background of Progressive Publishing**

As you know, Progressive Publishing owns four ad-loading websites: progressivedairy.com, progressivedairycanada.com, progressiveforage.com and progressivecattle.com. These websites house information from our four print
publications. The primary products sold on the websites are 300x250 block ads and 728x90 banner ads. The block ads appear on the right sidebar and the banners at the top and bottom of the Web pages. We also sell ad space in our e-newsletters, digital edition sponsorships (Appendix A). At the beginning of the year, the aforementioned is all we sold. We have been heavily invested in finding new online products this year to offer our advertisers, some of which cannot easily be blocked by ad blockers.

In 2015, the emedia department earned $x^{3}$ net for Progressive Publishing. The company invests a significant amount in the maintenance of its websites and in human resources. While the print section of the business brings in the majority of the revenue, the emedia department still plays a significant factor in the growth of the company and in public awareness of what we do.

**Ad Avoidance**

There is no doubt that people avoid ads online (Cho & Cheon, 2004; Tang, Zhang & Wu, 2015). Reasons for doing so may be that Internet users have a goal in mind when using the Internet. Cho and Cheon (2004) found that when users feel that their purpose for being online will be stymied or thwarted, they often avoid ads. Likewise, Tang, Zhang and Wu (2015) found that users would either approach or avoid ads. Most users try ways to eliminate the ad. In their online survey of 261 respondents, 35% of responses to an advertisement were active avoidance. Of the 35% of responses, 52% of the responses were actively looking for ways to get rid of the advertisements (Tang, Zhang, & Wu, 2015). This is bad news for publishers. If

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3 Number removed after defense to protect proprietary information.
people are constantly avoiding ads, what is to stop them from a one-time fix of downloading an ad blocker?

Professionals in the industry are also concerned. Mike Donahue, ad agency veteran and former executive vice president of the American Association of Advertising Agencies said, “Ad blocking is not something we control; it’s something the consumer controls” (Cheyfitz, 2016, para. 1). Cheyfitz related that ad blocking is just another sign of the “popular rebellion” against advertising. “Such signs suggest irrelevance is where much of the ad business has been headed for the past 20 years” (Cheyfitz, 2016, para. 4). Therefore, even before ad blockers, the exposure advertisers were used to receiving was in jeopardy.

Technology-information giant, Tech Crunch, wrote a little more about the “rebellion” and ad blockers in particular. It maintains that there are four reasons users would employ an ad blocker: performance, privacy, security, and a better experience (Gandham, 2016). They indicated that the average Web page loads hundreds of tags, images, megabytes of video, etc., and that all of these decrease the loading time of the content the user went there to see (Gandham, 2016). Also, Internet users may be concerned about privacy. A benefit of an ad blocker is that Internet marketers and analysts are blocked from seeing the users’ information (Gandham, 2016). Another benefit is that ad blockers provide a measure of security. They stop ads with malicious code from loading that may harm a user’s computer with viruses or malware (Gandham, 2016). And sometimes, users just want to have a good experience online and are annoyed at the intrusion of ads.
As technology has advanced, the intrusiveness of ads has risen. Some advertisers just want all the intention, and they'll pay the publisher handsomely to jump their ad up and down in front of the eyeballs of users. Of course, this ruins the experience for everyone, including publishers, as their hard work is no longer viewed. The users have made a hasty retreat.

Some publishers have attempted to rebuild relationships and trust with users who have already downloaded ad blockers. Leading the charge was forbes.com (DVorkin, 2016). This may have surprised people because it is difficult to believe that people will actually stop their quest for gratification and turn off their ad blocker for the website before going back to receive the gratification. Why would a user go through the trouble? Why would they not just find ad-free gratification elsewhere?

At the end of 2015, Forbes found that 13% of its viewers were using ad blockers. For a website with 43 million domestic visitors, it added up quickly (DVorkin, 2016). They determined to experiment with cutting the amount and intrusiveness of ads and to simply ask people to turn off their ad blocker to use their site. On December 17, 2015, Forbes sent the following message to ad block users on its site: “Thanks for coming to Forbes. Please turn off your ad blocker in order to continue. To thank you for doing so, we’re happy to present you with an ad-light experience” (DVorkin, 2016). This example clearly explains the difficulties online publishers face with ad blockers and the proactive approach they are undertaking to continue to earn revenue. The example will be explored further in the Methods section.
Uses and Gratifications

It was important to use a theory that was user-centric for this project. I chose Uses and gratifications theory (UGT), which is a theory communication scholars use to understand why people take certain actions with media. In essence, it is why people use various media and the “gratifications” they obtain from doing so (Palmgreen, Wenner & Rayburn, 1980). I used this theory to understand our audience and to prepare myself for finding an appropriate response to the ad blocking apocalypse. I found that our audience is information-driven. This is explained at length in the Literature Review section.

Explanation of sections

The literature review will go over UGT as well as the why I chose the solutions that I did. The Method section will go over the solutions and how much they cost to implement. The conclusion will summarize the findings. There is an appendix with screenshots of the types of ads sold as well as an appendix with the promotional material we send out to advertisers regarding our new ad products and solutions.

Literature Review

The literature review section covers “why” people consume content from publishers online and why they wish to avoid advertising. It goes over UGT in detail, and how it was used to come up with ad solutions for Progressive Publishing.

The Internet is a mass medium because information is available to a large audience simultaneously. Uses and Gratifications Theor(ies) (UGT) was developed to study the motivations behind media selection (Palmgreen & Rayburn, 1979).
Therefore, by understanding why people seek certain content and the gratifications they receive from consuming it, we may get close to understanding why Internet users want to block ads and what publishers can do to keep their businesses viable with fewer ads being viewed.

Marketers capitalize on users’ need for content in order to build brand awareness or sell something. There are so many venues to craft a message to reach people, but the message will only make an impact if it resonates with the user. That is why UGT is not just a theory to be used by academia. Knowing what your audience wants to consume is key to any marketing program. For example, LEGO has a diverse audience of all ages. However, Lars Silberbauer, Global Director of Social Media and Search at LEGO, was able to break down what his audience wants and then deliver content that would fulfill those gratifications. He said, “There are two very important parts to [building relationships with the LEGO audience]: People like to build LEGOs together — parents and kids, or kids and other kids. Second, people take pride in their creations. They want to share what they have built with someone else. When we engage based on those two social needs (as we call them) then it takes off” (McDermott, 2016, para. 4). This situation is a real-world example of companies coming to understand the gratifications their audience is seeking and then reaching out to them successfully based on that knowledge. Therefore, understanding Progressive Publishing’s audience through UGT helped me to know the best ways to earn alternative revenue.
Uses and Gratifications (UGT)

Uses and gratifications theor(ies) (UGT) explains what needs people seek to fulfill by using a certain mass medium and if those needs are gratified. In essence, it is why people choose certain media over others. Flanagin (2005) said, “each medium provides a unique combination of features that makes it suitable for gratifying certain needs. Objectives of uses and gratifications research are to explain how media satisfy needs, to understand media use motives, and to explore outcomes stemming from use” (p. 177).

In the 1950s and early 1960s there was disappointment over the hypodermic needle model and later the short-term effects model (Palmgreen & Rayburn, 1979) on explaining what happens to people when they use mass media. These two models posited that media consumers have little to no choice on the effects of their media consumption and are passive media users. Around this time, UGT was designed to see the audience as a more active consumer of media (Blumler, 1979).

It sought to replace the image of the audience member as a passive victim, thought to be implicit in effects studies, with one of a person who could actively bend programs, articles, films, and songs to his own purposes. It rested on the assumption that interesting and important differences of orientation to mass media fare obtained between different audiences (p. 10).

This theory had a rocky time being developed (Palmgreen & Rayburn, 1979). There were several critics of the theory because a specific uses and gratifications theory was not widely accepted as the only way to use the approach (Blumler, 1979; Palmgreen & Rayburn, 1979). As Blumler (1979) put it, “There is no such thing
as...the uses and gratification theory, although there are plenty of theories about uses and gratification phenomena, which may well differ with each other over many issues” (p. 11). Therefore, scholars do not say that there is one uses and gratifications theory. Rather it is an approach to looking at why people consume media based on their specific desires to do so.

There are some basic elements that are the foundations of this approach. The foremost of these characteristics is that the “audience is characterized as active, discerning, and motivated in their media use” (Quan-Haase & Young, 2010, p. 351). Because the audience is active, discerning, and motivated to consume the media, they also may be active in approaching or avoiding online ads they see while consuming online media. Understanding UGT helped me to understand our audience members and why they approach or avoid online ads. Knowing common traits of the online media audience helped me to ascertain the best methods for generating revenue versus those that may be a waste of time and resources. This education will help me weed out implausible revenue venues and select more profitable possibilities.

UGT has been broadly used to understand most types of media, including the Internet. Strafford (2004) explained that UGT is “helpful for understanding consumer motivations for media use, and has been applied to scenarios ranging from radio to television, to cable TV, TV remote controls, and now the Internet” (p. 266).

Ruggiero (2000) also used UGT to study media online. He postulated that the Internet “possesses at least three attributes not commonly associated with
traditional media: interactivity, demassification, and asynchronicity” (p. 15). In short, UGT is perfect for studying audience behaviors online. UGT is especially well fitted for the study of interactivity between consumers and content creators. As Sheldon (2008) says, “the Internet places stronger emphasis on interpersonal conversations” as well as the relationship “between mass and interpersonal communication” (p. 40). Therefore, understanding UGT helps publishers develop best practices for communicating with their audiences. It may be a means to refine the interpersonal relationship of publishers and consumers so that neither is annoyed at the presence of ads or the absence of eyeballs.

Given the variety of activities offered by the online media, consumers have a choice of where they spend their time and what gratifications they seek from certain media. If publishers annoy a consumer, he or she has the option to leave and find that gratification some place else. Risking offending consumers is not an option for Progressive Publishing.

I am not alone in choosing UGT to understand my audience. Researchers have used UGT to recommend revisions to websites as far back as the 1990s. Eighmey and McCord (1998) used UGT to examine online consumers’ experience with websites. They found that those surveyed preferred information formats that spoke to them in a more personalized voice, but also had entertainment value. From these findings, the authors made recommendations on organizational concepts and design efficiency in the development of websites that would attract repeat visitors.

These researchers were successful in using UGT to understand online audiences and could then offer recommendations about websites to academic and
industry professionals. Therefore, understanding UGT is integral to finding effective revenue venue recommendations for Progressive Publishing.

The first key to understanding an audience is to know which gratifications they are seeking to fulfill on a website. UGT typically uncovers many gratifications sought. However, at its outset, information was a key gratification. Herta Herzog was the first published researcher to provide an in-depth look into why people use media (West & Turner, 2010). She found three reasons why women listened to radio soap operas and defined the gratifications as emotional, informational, and life-lessons (Herzog, 1944).

The information gratification is broadly studied in UGT studies (Eighmey & McCord, 1998; Ko, Cho & Roberts, 2005; Park, Kee & Valenzuela, 2009). The following are just a few studies that explored the information gratification. Park, Kee, and Valenzuela (2009) found that college students who seek the information gratification from Facebook political groups were more likely to participate in civic and political action. Ko, Cho and Roberts (2005) found that consumers who have high information motivations engage with human-message interaction on a website. Eighmey and McCord (1998) found that designing websites to appeal to the desire users have for information is important to the success of the website.

In a time where computer mediated communication (CMC) was just beginning, scholars were curious if it led to more feelings of isolation and aloneness or if it led to interaction and building relationships (Eighmey, 1998). One of these researchers used UGT to find why students used a university computer bulletin board (Raefeli, 1986). Along with the gratifications of recreation, entertainment, and
diversion, he found that students skipped factual and informative messages least. Consequently, he concluded that students have a strong pull toward factual information (Eighmey, 1998). Along with seeking socialization, academic scholars have also proven that seeking information is a primary motive to use social media (Cheung, Chiu & Lee, 2011).

Given that the mission of Progressive Dairyman is to “regularly deliver relevant industry news, cow health and dairy management info to [consumers] at no cost” (Progressive Dairyman, 2016), it is safe to say the primary focus of Progressive Publishing is to provide information and is the branded reason for consumers to seek out its content. Therefore, the venues selected need to provide information.

Since Progressive Dairyman is the flagship publication of Progressive Publishing, I will focus on that audience. Dairy producers have a few options available to learn about dairying: grow up on a dairy, go to college and major in dairy or animal science, consume information distributed by university extension agents, attend dairy expos, and read trade magazines and websites. On a dairy, there are multiple pressures and challenges that are unique to the trade. For example, profit on a dairy is subject to a 3-year milk price cycle. It is often predictable that a year of high milk prices will be followed by a slump three years later after producers have had time to increase their herd and milk production, which results in an oversupply of milk (University of Wisconsin-Extension, 2014). Navigating the volatile market and keeping a pulse on what is happening with milk prices are reasons people read Progressive Dairyman. It doubles as a real-time news source about the market as well as a how-to guide on addressing current challenges.
Therefore, the audience that reads it is seeking the information gratification. This need to be “in the know” will always be present. Changing technology for the dairy industry and its cyclical market make it imperative for dairy professionals to know what to do on their farm and how to do it in order to keep up.

It is important that any additional revenue we seek to earn play to the gratification that users come to fulfill: information. Therefore, any new products or advertising venues we sell cannot be seen to take anything away from the user, such as blocking their search for information or being overly annoying so as to repel them. An example of a publisher blocking the search of a user could be when a user lands on an article and then the top banner ad expands to push the article down. Then a few seconds later, the banner retracts and users lose their place in the article and have to skim to find it again. Our products cannot detract from the user experience. They must blend in with the other content so as to avoid annoying users. Also, the products in and of themselves need to be informational, in keeping with the reason users are on the website in the first place.

**Ad Avoidance**

The academic term for a user actively fleeing from ads is called ad avoidance (Cho & Cheon, 2004; Tang, Zhang & Wu, 2015). Ad avoidance may include blocking ads, closing ads without looking at them, or circumventing a website with many ads over those that offer an ad-light experience. However, ad avoidance is not exclusive to the Internet and has been going on for decades. At the advent of remote control devices (RCDs), Walker and Ballamy (1991) surveyed 455 undergraduate communication students who owned RCDs to see how the tool played a part in the
uses and gratifications of television watching. Of note was the concern of scholars over "zapping," "zipping" and "grazing." They found even back then that users would avoid advertisements by rapidly switching channels (zapping), by fast-forwarding videotapes past unwanted content (zipping), and by using a combination of the two to “graze” the programming that they wanted.

Unfortunately for the advertising industry, competition for viewer attention has only increased in our present-day, media-saturated society, especially since there is only so much brain capacity to retain ads and be influenced by consuming them. Like the class clown in a junior high math class, advertisers will do almost anything to disrupt others from gathering information and thereby gain attention for themselves. The behavior can include placing expanding and retracting banner ads and other irritating advertisements, which inevitably annoy users trying to gain information or be entertained. Instead of zapping, zipping, and grazing, as mentioned above, users can simply do a one-time fix and download an ad blocker.

As mentioned previously, Internet users go online to obtain a gratification. Li, Edwards and Lee (2002) explained that Internet users are more goal-oriented when they consume Internet content over other media. They also found that Internet ads are more disruptive and annoying than other types of media advertisements.

Due to the interruption of online advertising, Cho and Cheon (2004) found that “perceived goal impediment” was the most significant predictor of users avoiding online advertisements. They asserted:

When Internet ads are a significant source of noise or nuisance, hindering consumer efforts to browse Web content, they can disrupt consumer Web
page viewing, distract viewers from the Web page’s editorial integrity, and intrude on their search for desired information (p. 90).

Choe and Cheon (2004) go on to say that a consumer may avoid ads by navigating away from ads. Of course, a user actively seeking information is one who is using the medium to find the information gratification. Therefore, when a user is prevented or disrupted from obtaining a gratification, UGT implies that it is more likely for the user to abandon seeking that gratification in that medium or to go about obtaining it in a different manner. Consequently, navigating away from ads is a primary means of avoiding them.

Another reason why users may avoid advertisements is because of perceived ad clutter or the belief of the media consumer that there are too many ads in the content (Cho & Cheon, 2004). Progressive Publishing limits advertisements to five or six per web page and the ads are always on the periphery, the right side bar and the top and bottom of the web page. However, if a user becomes so disenchanted with other websites that do not offer an ad-light experience, the ad blocker may already be downloaded and Progressive Publishing may not have the opportunity to prove to its visitors that our ads are limited and do not clutter the page.

The final reason that Cho and Cheon (2004) found significant for why users may avoid online advertising is prior negative experiences. They asserted that consumers’ attitudes and behaviors are often influenced by previous experiences. A negative experience may, in fact, lead consumers to avoid another one, such as avoiding Internet advertising.
The three reasons (perceived goal impediment, perceived ad clutter and prior negative experience) may play an active role in users downloading ad blockers. In their study of Internet ad avoidance, Cho and Cheon (2004) found that “the three constructs accounted for 55.8% of the variance explained in the ad avoidance construct” (p. 94). The variance is far greater than for ad avoidance studied in other media (29.3% magazine, 26.5% television, 26.4% newspapers, and 37.3% radio). The greater variance implies that media consumers are more fed up with disruptive Internet ads than with ads on any other medium. Progressive Publishing often receives praise for its relevant print ads, but has never received such for our online advertisements.

In fact, Tang, Zhang and Wu (2015) found four behaviors Internet users put forth when ads appear online: active approach, passive approach, active avoidance, and passive avoidance. They found that Internet users are sometimes active towards ads: They will actively click on an ad or they will actively avoid it. Likewise, users will also either passively view an ad or passively avoid it. The passive behavior requires little effort on the part of the consumer. For example, the passive approach to an ad is to simply let it appear and do nothing to stop it. People passively avoid an ad when they look away and simply wait for it to go away. Of the four behaviors, the one most alarming to advertisers is active avoidance. In this category, consumers are putting forth effort to flee from the advertisement, such as closing the browser window or clicking to get away from an ad. Obviously, this active behavior comes about when advertisers are forcing consumers to pay attention to their ad and not giving them the choice to acknowledge the
advertisement on their own. Therefore, publishers who are serious about building a
favorable relationship with their audiences should not consider intrusive
advertisements, such as popups, expanding banners, and pre-roll videos.

Instead, as Cho and Cheon (2004) suggest, less intrusive advertisements and
using ad-formats that are unexpected could be a way to reach one’s audience
without stimulating them to actively avoid one’s ad or, for that matter, one’s
website. There are two advertising formats that could be adopted at Progressive
Publishing that meet these criteria: native advertising and sponsorships. The
Method section will go into these two formats in more detail.

**Method**

Before we get into the new ad products employed, we felt it was important to
put forth a simple request to our users: please turn off your ad blocker. This was
Solution 1. Rather than new products that must be continually sold and improved on
and may not, in fact, offer the reader gratification, sometimes the simplest solution
is to ask. In the event requesting did not work, we decided to err on the side of
cautions and create ad products there were immune to ad blockers.

For these products we looked at what our reader would appreciate. When
we’re lucky, readers will tell us outright what they like. Occasionally, we receive
positive comments about the advertisements in our print magazine. It appears that
people appreciate receiving information from companies in that venue. The
advertisers know a lot about their niche and some of them are trusted. We even
have representatives from their companies who write for us about their section of
the industry. Because they work in their chosen niche, these writers are considered
experts in the industry and are valued by our readers. To keep the articles objective, they are not allowed to talk about their company or products in the articles we solicit from them.

However, if companies paid to have their information on our website, they could then talk about their products and services. This type of content is called native advertising or sponsored content. To maintain journalistic integrity, these articles are clearly marked as being purchased. This was solution 2.

Another information option outside of paying to have content on the Web is for advertisers to sponsor a section of the website. Solution 3 was a poll sponsorship and Hay Market Report Notifications Sponsorship. On every section of our website is a poll, where we ask our audience to vote on a particular question for a month. Advertisers can send in a question that is not about their products or services. We use their logo in the poll and their name at the bottom of the box to indicate that the poll is sponsored. Then they can have their brand on every page of our website(s). They are asking for information, but they also are giving it. From the poll box, users can see in real time answers from other farmers like them. We also have an automated email sent out each time a Hay Market Report is published. We have set it up so that this notification can be sponsored. The next three sections explain these solutions in depth.

Solution 1: Ask people to turn off their ad blocker

In the introduction of this paper, I explained the hardship Forbes encountered with people using ad blockers and that they asked people to turn off their ad
blockers. At first, this approach was an experiment. A Forbes’ employee summarized the data from the experiment (Dvorkin, 2016).

1. From Dec. 17 to Jan 3, 2.1 million visitors using ad blockers were asked to turn them off in exchange for an ad-light experience.

2. 903,000, or 42.4%, of those visitors turned off their ad blockers and received a thank you message.

3. We monetized 15 million ad impressions that would otherwise have been blocked (DVorkin, 2016, paras. 11-13).

If a magazine like Forbes can ask people to turn off their ad blockers to view its content, we determined that we could do the same. Forbes gives ad blocker users a consequence for using their ad blocker. Important to note is that they did it very respectfuely. They turned off interstitial video between pages and other intrusive ads. It was true to its word in offering an ad-light experience. This kind of respect between publisher and user is important. The reason people take action to download ad blockers is because publishers were disrespectful in the first place. In the end they appealed to human nature: if you respect us, we will respect you.

In the spring of 2016, my team and I began discussing how we could ask people to turn off their ad blockers on our website. We knew it was important that when we asked people to turn off their ad blockers, we were respectful and that we reminded them that our website is ad-light. Below is a screen shot of a video and a popup I designed to ask users to turn off their ad blockers to progressivedairy.com. The video appears 30 seconds after the user has been on the page. It includes an illustrated video of a fly buzzing around a manure pile. The popup includes links to
direction on how to disable the two most common ad blockers: AdBlock and AdBlock Plus.

I know that our company measures cost of time spent on projects as $20 per hour per employee, regardless of how much we actually earn. It took me about 1.5 hours to come up with the concept: $30. It took our webmaster 10 hours to look up how to do a pop up and implement it or $20 of time. It took our production director 5 hours to do the illustration video: $100. We are confident that the first step to resolving a problem is to begin a conversation, which is what our simple request is doing. We look forward to revising the message in the near future so that it is more tailored to helping users know how to turn off their ad blocker on our websites.

**Solution 2: Native advertising**

*What is native advertising?*

The best venue for providing our readers information and still earning revenue is native advertising. Native advertising, also known as sponsored content, is when an advertiser pays for the privilege of uploading their own content to a
publisher’s website (O’Brien, 2015). It blends in with its surroundings and is essentially “pay-to-play” (O’Brien, 2015, para. 1). The concept is appealing to advertisers because it offers them a new venue beyond display advertising to reach their audience. When they write a native article, they are, in essence, building relationships with their audience in ways that cannot be done by putting a single message in a 300x250 image with a link. It gives them an opportunity to solve a problem for a reader as well as to introduce their brand. It is more of a “soft-sell” opportunity. In addition, to being a soft sell, advertisers are keen on native advertising because it does not have a common ad domain recognized by ad blockers; therefore, it is not easily blocked.

*How native advertising should be done*

Important to note is journalistic integrity. Native advertising content has an agenda and therefore should be clearly marked as such. In addition to journalistic integrity, publishers must be hyper sensitive to losing the confidence of their readers. Due to the “native” nature of sponsored content, people may quickly lose trust with the advertiser and the publisher if they click on an ad only to discover later that it was purchased space and not really from the publisher at all (O’Brien, 2015). O’Brien (2015) points out that “losing someone's trust is more harmful than never having it in the first place” (para. 10).

The website of the New York Times, nytimes.com, has taken the transparency principle to heart. On its home page, NYT clearly marks sponsored content as being from advertisers (see below).
Even once a user clicks on an article, the URL plainly explains that it is a paid post. And in case readers did not catch it the first two times, NYT labels it “Paid and posted by” under the NYT header (see below; The New York Times, 2016).

How Progressive Publishing implemented native advertising

In addition to positive comments about the information we provide, we also receive positive comments about the advertisements in our print magazine. It appears that people appreciate receiving information from companies in that venue. The advertisers know a lot about their niche. We even have representatives from their companies write for us about their industry. Therefore, we believe native advertising will be well received by our readers.
The first step we took to implementing native advertising was to build within our websites an automated system that clearly marked paid content as such and clearly separated it from house articles. Our Webmaster created a way to tag the article so that it highlighted the paid content blue, red, or green on our homepages as well as on any index pages. In addition, the word “-sponsored” appeared above the content title or in the author alias.

Second, we needed to figure out logistics, such as the value of native advertising product and how much we should charge. To figure out the cost of one month of native advertising, we took the lowest number of page views the home page receives for a month and multiplied it by $x$. So on progressivedairy.com, we have at least \( y \) page views per month. We multiplied that by $x$, which equaled $x$. We then rounded up to $x$.

In the logistics plan we outlined the parameters of the product, such as how long it would appear on our website and where it would be placed. We created ground rules, such as which types of content we will accept and which types will be sent back to the advertiser for revision should any rule be broken. After 25 years of working with guest contributors from major companies submitting articles, the company had a steady idea as to what to outline as acceptable and unacceptable (Appendix B).

Third, we typed this out into a document that the sales staff could distribute to advertisers who may be interested. Included in the document was the format we expected the content to come in as well as best practices for creating content.

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4 The numbers were deleted after the defense to protect proprietary information.
(2016) provided the reference points for the best practices. Also included in the sales document was what the advertisers could expect from their experience and the measurement tools we would provide to gauge their success (Appendix B). Fourth, we trained sales on what native advertising is and impressed upon their minds its value.

**Solution 3: Sponsorships**

The next venue we tried also had to play to users’ information gratification. We did not want to spend an inordinate amount of resources coming up with new online products resistant to ad blockers, so we considered having companies sponsor some of our content that we publish regularly. These sponsorships would include brand mentions and displaying their logo. Also, the advice of Cho and Cheon (2004) to use less intrusive and unexpected advertising formats, as a means to prevent ad avoidance, seemed to apply well with a sponsorship venue.

A sponsorship can be defined as “advertising that seeks to establish a deeper association and integration between an advertiser and a publisher, often involving coordinated beyond-the-banner placements” (MarketingTerms.com, n.d., para. 1). Sponsorships vary from situation to situation because they are meant to deliver more than just impressions to the advertiser. They are designed to appeal more toward relationships than other forms of advertising (MarketingTerms.com, n.d.; Kokemuller, n.d.). Therefore, some sponsorships may be as simple as a logo on a trade show poster or as massive in scale as sponsoring the Taco Bell Arena. Essentially, in a sponsorship, the advertiser is aligning its name with the sponsored entity (“Sponsorship,” n.d.).
Fortunately, by having advertisers align their name with products that already exist, we are building relationships with the advertiser and with our audience, who (hopefully) may have good feelings about that advertiser, without spending resources we do not have on an ad blocking solution. For our purposes, we decided on two venues for sponsorship: polls and hay market report notifications.

**Poll Sponsorship**

On each page of our websites is a poll question (See example below). The poll is housed in the same sidebar as our ads; however, the ad server does not serve it and, therefore, ad blockers do not recognize it as an ad. The poll venue has been on our websites almost from the beginning in 2009. They are fairly well known and people participate to varying degrees on all of our websites. Therefore, it would be a simple transition to add the logo of the advertiser and to use a question provided by the advertiser.

Below is an example of the first poll purchased by Purina in September 2016. To start the poll sponsorship, my supervisor and I came up with what would be on the poll and the value that it would give readers. Then I came up with guidelines for the question and sent this off to a salesperson who already had an interested advertiser. During this time, our Webmaster researched how to insert the logo and “sponsored by” tag at the bottom of the poll. This took him 2 hours and equaled $40. After the poll was sold, I came up with a sales sheet that detailed why advertisers should purchase the sponsorship and what our guidelines were for submitting the ad materials. In total, I spent about four hours on the project or $80 worth of time.
The new product was presented to the sales staff during annual sales meetings in October.

**Hay Market Report notifications**

The Hay Market Report is produced monthly using numbers by the National Agricultural Statistics Service, which lets us know how much alfalfa hay and other hay was bought and sold domestically as well as exported. It also gives the profit or lack thereof. Our editor details weather conditions and extraneous factors that affected hay prices in varying regions of the United States. Consistently, it is one of our top traffic-driving articles monthly.

In the summer time, we decided to notify people via email when the latest report was available. While the concept seems rather simple, it was more difficult to
execute. It took our Webmaster a few months to integrate our email marketing platform with our website and automate the notifications within an hour of the report being published. The logistics were finished last month. In all, it took him approximately 75 hours to figure out and implement or $1,500 worth of time. The fee we pay our email marketing platform was already covered with our e-newsletters, so there was no additional cost there.

For my part, I met with Production and came up with various images and logos to be used at different steps in the process. I sent ideas to Production for the hyperlinked image we would use in the notification. I told them to use the concept for a Web ad as well to be loaded on progressiveforage.com. I also commissioned and approved the illustration that would go along with the article that introduced the notifications. Then I came up with the text for the email and the subscription form. The Production staff member who assisted with images estimates her time spent to be 5 hours or $100 worth of time.

In addition, my supervisor wanted to do a popup to inform people already on a hay market report that they could subscribe for instant notifications. I researched the average time readers spent on a notification so we could time the popup to appear only when the reader would be most likely to want the subscription. Again, I feel very passionate about an ad-light experience. We timed the popup to appear after the reader had been on the article for two minutes. Then I designed the popup and its text. In total, the Hay Market Report Notifications took approximately 15 hours or $300 worth of time. At this time, we have not sold a notification. We do not have a price for it or how long it will take for us to recoup any loss.
Conclusion

At the writing of this report, it is too early to see if the products we created were effective. These solutions are more likely to be purchased by advertising agencies. In the fall we pitch our products to the agencies. They give us their ad buy in the spring when they have finalized their campaigns. We will not know until January or February if our new ad products are attractive enough for them to purchase.

In addition, we migrated to a new Web platform in October 2015. We saw a major drop in ad impressions after the migration. We are just now being able to form a baseline of “normal” ad impressions to help us determine whether asking people to turn off their ad blockers is effective. We should know more this time next year.

However, we do know that we have taken a hit for placing a barrier on our websites preventing people who use ad blockers to view the information. What has been fascinating is to watch the reaction of our readers. Mike Young, a moderator for the forum haytalk.com, regularly uploads links to our website onto the forum. Many members of the forum use ad blockers because the ads on it are superfluous (Young, 2017). Therefore, when readers click on the link to progressiveforage.com, they need to turn off their ad blocker in order to read the information. This makes them angry sometimes (Young, 2017). Young has been very patient in teaching the readers how to turn off their ad blocker and has repeatedly and consistently championed our site. Young (2017) related the below:
The vast majority of our members really enjoy reading PFG [Progressive Forage]...you have some of the very best articles on the net and you are nearly 100% focused on our interests. I understand exactly what your [sic] saying as far as ads and advertisers. It takes that relationship to make these websites like Haytalk work well....The thing with PFG is that your ads are with folks in our industry so that they don't seem as nearly intrusive....and the numbers of ads that your website displays is very very acceptable. You certainly cannot please everyone, but I do think that the vast majority of our members that use adblock will gladly turn it off for your particular website....which generates a lot of interest for our members. You folks are at the very top of the list of organizations that make Haytalk so enjoyable and appealing (para. 16).

This comment and other comments on the forum prove that our request for readers to turn off ad blockers has made a difference in their online experience. Some have chosen to do so, while others have not. This comment thread shows that respect between publisher and user must be maintained at all times. As long as there is disrespect between publisher and user, users will seek out ways to view content for free and publishers will continue to lose money. Since we are developing methods to show users we respect them, we hope to build better relationships with our users. We are not the “bad guys.” We want them to have a good and informative experience. Through our new products of native advertising and sponsorships, we hope to increase value to our users, and give them the information that they need without sacrificing revenue to ourselves. And by simply asking them to pause their
ad blocker on our websites, we hope to show that we are respectful and will continue to give them an ad-light experience.

My hope is that this report educates you on the relationships that we are attempting to foster with readers online as well as further explains why we invested resources where we did in response to ad blockers. We are optimistic that the measures we took will have a positive impact—not only with ad impressions—but with the relationships we are fostering with readers. Many challenges lie ahead as we attempt to educate our readers on our need to earn revenue while giving them the information that they need to be profitable. We appreciate your support and trust as we make this journey. Thank you.
References


https://doi.org/10.1111/j.0011-7315.2004.02524.x


https://doi.org/10.1177/107769909106800313

Appendix A

Examples of advertising opportunities at Progressive Publishing beginning 2016

Digital Edition notification with advertisement outlined in red:

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Digital Edition Now Available

View the Progressive Dairyman issue 18 2016 digital edition, now available online.

And in case you missed it, the most recent Progressive Dairyman Extra newsletter can be viewed here.

To view other Progressive Dairyman digital editions, please visit http://www.progressivedairy.com/magazine

Issue Highlights

The Matsche family maximized efficiency with the addition of an 80-cow rotary milking parlor. Read more about their operation, and see more photos of the new parlor in this slideshow.

PLUS
Most multi-generational businesses fail. See how you can beat the odds and transition your farm successfully.

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Advertisement
Understanding the feeder cattle basis, price slide and what these mean for producers

Brian Williams for Progressive Cattlemen

For most cattle producers, it is common knowledge that lighter weight cattle bring higher prices per hundredweight than heavier cattle. This phenomenon is known as

Similarly, the difference between the cash price for cattle of a certain weight at a certain location and the nearby feeder cattle futures contract is known as the “basis.” The basis can be influenced by a variety of factors on both the demand side and the supply side.

Find advice on when to sell cattle in the current market here.

NEWS

American Angus Association elects new board officers, members

Election 2016 – What does it mean for the cattle markets?

Poll: Most readers voting for Donald Trump

Land O’Lakes Inc. to purchase Southern States Cooperative Inc.’s animal feed business
Section of the *Progressive Dairyman* home page with two of six advertisements outlined in red:
Appendix B

Examples of sheets given to advertisers to educate them about new ad opportunities

This is the design I sent to Production to give them an idea of how to do the promotional sheet for native advertising (also known as sponsored content).
This is the promotional sales sheet that Production finished.

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**Sponsored Content:**

Build trust with your target audience on our websites.

Trusted experts are the ones who earn the attention of their audience. Show your audience, not merely tell, that you have what it takes to solve their industry-related problems.

Write a sponsored article solving a problem. We’ll post it on our homepage for a month and leave it on our website indefinitely so readers can find your advice for years to come.

Talk to your sales representative about this monthly exclusive opportunity today or email sales@progressivepublish.com to find out more.

progressivedairy.com
This is the sheet given to advertisers who show an interest in sponsored content to explain what it is, what we expect, and best practices for doing it well.

*Progressive Dairyman now offers sponsored content on its website*

Sponsored content (i.e., native advertising) is increasing in prevalence. For example, the *New York Times* has actively published native advertising since 2014. Reports indicate that some sponsored content on their website is as effective as the editorial content.

We now provide the chance to experience similar success with *Progressive Dairyman*. Beginning in May 2016, we began offering a monthly sponsor-exclusive opportunity to reach every person who lands on our homepage (about 5,500 viewers). Each month, one advertiser may have their content in the sponsored article block on our homepage. Advertisers are allowed to feature one article in this space at a time and promote up to three different articles per month. After the month-long homepage promotion, these articles will remain on our website but not featured on our homepage. This is a first come, first serve offer.

**Article submission guidelines:**

1. All articles will need to be submitted to emedia@progressivepublish.com by the web advertising deadline found in our media kit.
2. Articles must be 500-1,000 words
3. We encourage you to submit up to 2 images best suited to attract readers and to complement the information in your article. The cover image must be 610x405 and have a resolution of 300 dpi.
4. Articles must be submitted publication-ready and be free of grammar and punctuation errors. We can suggest capable freelancers for you to hire to assist in your content preparation.
5. Please paste any links directly into the text of the document and highlight the words to be used in the hyperlink. For example, “This dairy [Link: progressivedairy.com] is really cool.” Do not embed the URLs directly into the text of the document.
6. We reserve the right to withdraw this sponsored content opportunity in the future to advertisers who submit content not ready for publication.
7. We reserve the right to not publish submitted content that bashes other
products or individuals, contains vulgarity, makes unproven claims or misleads in any way or casts the Progressive Dairyman brand in an unfavorable light. In such instances, we will refuse the submission and provide a full refund.

**Connect with our audience. Use these tips:**

Solve a problem:
- *PD* readers are there to learn skills and gain industry knowhow that will help them dairy efficiently and profitably. Help them overcome an obstacle and you’ll gain their trust.

Be native:
- Sponsored content works best when readers trust you. Brands threaten their credibility when they try to sell instead of connect. Don’t make the article about you. Craft your article to solve a problem.
- Drop your product name at the end and leave your contact information, such as a phone number or email address. Don’t mention your name more than twice. This soft-sell, audience-first approach is more effective than focusing solely on yourself or your brand.

Be visual:
- Visuals, such as infographics, graphs and photos, usually generate 30 times more traffic than text alone.

More best practices details can be found here: https://www.clickz.com/clickz/column/2417824/best-practice-for-native-advertising

For more information, contact your sales representative or Progressive Publishing at 800-320-1424 or emedia@progressivepublish.com.
This is the sheet given to advertisers who are interested in the poll sponsorship.

Poll your audience with a Progressive Publishing poll sponsorship
Want to know what you’re audience is thinking? Progressive Publishing has strategically placed a poll on every page of its four websites with great success. Now this interactive space is available for you to poll your audience. See what they really think about ag-related topics.

Benefits:
1. Your brand reaches an ag audience who is likely to be interested in your product or service.
2. You can find out how they feel about an issue.
3. You have the opinions of your audience to put into your toolbox for future campaigns.

How it works:
1. You provide us with an ag-related question (guidelines below) and your logo.
2. We place the logo and question in our poll box on every page of the website for a month.
3. It’s promoted once in one of our enewsletters.
4. At the end of your campaign, we write up a recap of the poll, which will remain indefinitely on our website, and send you a report of impressions and clicks.

Guidelines:
1. The poll question cannot be about a specific brand, product or service. For example, “Do you like X Brand or Y Brand tractors better?” is in bad taste. The poll is a hybrid form of native advertising and social media. Being all about you violates social etiquette and may turn people off from voting. A better example is, “What features do you look for in the perfect tractor?” and then give 5 possibilities. Poll questions that disregard this guideline will be sent back for revision.
2. Send your logo as a 120x30 pixel .png file.
3. Submissions are due 2 weeks before your campaign. Send items to your sales representative. For more information, please email emedia@progressivepublish.com.

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Please note that results are not statistically significant due to uncontrolled sample size.
This is the email notification that subscribers receive when a new Hay Market Report is uploaded.