

# Study Finds Two In Three Consumers Trust Branded Content More Than Traditional Advertising

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## Commentary

by [Tobi Elkin](#), Staff Writer [@tobiElkin](#), June 21, 2017

The findings of a new study by Time Inc. reveal that two in three consumers trust branded content more than traditional advertising. For the study, the publisher sought to understand how GenZ, Millennials, and GenX consumers respond to and engage with branded native and branded content and referred to both as “custom content”.

Specifically, the study found that GenZ is quite open to custom content, with 93% of respondents in that demographic saying they want to see brands do something new, unique, or creative to get their attention; 88% indicating that custom content feels like a good way for new brands it hasn’t heard of to reach them; 84% agreeing that custom content is a way for brands to engage them, and 72% wanting video and infographics to better explore a story or data. GenZ respondents are “a visual bunch. When they see content that matters and that’s relevant, they want to use all the components of storytelling to get into it,” said Chris Schraft, president, enterprise content sales and agency development for The Foundry, Time Inc.’s content studio.

In addition, 57% of respondents said they feel brands put more thought into being creative and interesting in custom content; 56% like that brands aren’t just trying to sell, but are sharing something “cool” or teaching them; and 56% appreciate brands that partner with sources they trust. “The study shows that consumers are very open to custom content as a more interesting way to connect,” said Schraft.

The study analyzed the attitudes of Gen Z, Millennial, and Gen X consumers. Time Inc. hosted online communities of about 200 “Auto Buffs,” “Fashionistas,” “Foodies,” and “Finance Gurus” and also conducted surveys of about 17,000 U.S. consumers in these categories to get their take on if and how custom content resonates, best practices for it, and what consumers want to see from brands based on over a dozen campaigns. The research was conducted over the last six months in conjunction with Millward Brown and Latitude.

Online community members offered insights into their thinking: “I feel like the native ads are more engaging. They have more entertainment value, are thought-provoking, and I perceive a more memorable and lasting connection than with traditional click ads.” --Nicholas, 33, Finance Guru

“Native can be more relatable because of the content the source is offering...it’s better as it integrates into content that you’d enjoy anyway.” --Myranda, 20, Auto Buff

“Custom content must be honest. It can’t be rainbows and unicorns 100% of the time.” --Carolyn, 37, Fashionista

In addition, the study found that 90% of those polled like the idea of custom content as a way for brands to engage them, 89% believe custom content is a great way for brands to break through the clutter, 93% like brands sharing interesting things they may not have otherwise seen, and 92% believe brands have expertise on topics and add value to content.

Furthermore, Time Inc. used the study to crystalize its own best practices where custom content is concerned. To that end, it created a proprietary framework it calls “B-cubed” which Schraft distilled to “Be Relevant, Be Distinct, and Be on Brand.” The framework aims at helping brands offer valued content in order to improve the performance of their campaigns. Schraft said that being relevant is the most important thing for a branded content campaign: “You have to know your audience and create a content experience that offers value, utility, and entertainment. It’s important to understand the wants and needs of consumers and how to create a brand narrative,” he said.

The study’s findings also showed Time Inc. that consumers are willing to engage with brands online “but more than ever, they want a value exchange -- something for their time and attention,” Schraft said.

When it comes to trust, 57% of study respondents felt that when brands put more thought into being creative and interesting, the ads resonated, while 56% of all respondents placed value on how trusted the sources are partnering with brands, and 59% of GenZ respondents.

Schraft said the study’s findings offer validation in a sector where there is not a lot of data. The study exposed respondents to a variety of different branded content experiences including native, which Schraft described as a mashup between Time Inc. and an advertiser’s brand for a product that is contextually native, and branded content, or storytelling that is done in the voice of the advertiser. In that case, Time Inc. experts create the content but it doesn’t carry the Time Inc. brand.

The Foundry, Time Inc.’s content studio and lab, is two years old. Schraft said it’s worked with 400 advertisers in its first year, and implemented 600 unique campaigns in its first year.