Contextual Advertising in Numbers — High Click-Through Rates in a Competitive Market

Tech platform Compado marked 2023 with a substantial leap in contextual advertising, securing 2.7 million new customers for brands like HelloFresh, outperforming with a 19% ad click-through rate.



In 2023, Compado reinforced its position as a leader in contextual advertising, delivering millions of customers to renowned brands like HelloFresh, Babbel, and WeightWatchers. Notably, Compado's focused approach on relevancy and efficiency has seen an increase in ad click-through rates (CTR), soaring from 15% (2022) to 19% (2023), far exceeding the 2023 industry average of 4-6%.

Efficiency and Profitability

Compado's commitment to delivering not just leads but sales has been the cornerstone of its 2023 strategy. CEO Andreas Hoogendijk emphasizes this shift, stating, "2023 was a year where profitability was paramount. Our focus was on delivering real customers, not just numbers."

This approach has resulted in an industry-leading Conversion Rate (CVR) of 9%, a figure that surpasses the <u>industry's 2023 average</u> of 2-3% — an achievement that underlines Compado's commitment to quality over quantity and targeted, contextual, customer-centric advertising.

Contextual Advertising KPIs (2023)

For the fiscal year 2023, contextual advertising platform Compado reported the following Key Performance Indicators (KPIs):

- Over 600 million contextually-targeted brand impressions were displayed.
- Over 150 million users were looking at Compado's contextual advertising.
- Over 30 million users followed Compado's contextual brand recommendations.
- 2.7 million contextually-targeted new customers were delivered to partnering brands.
- The average ad CTR of Compado's contextual advertising is 19%.
- The average ad CVR of Compado's contextual advertising is 9%.

Embarking on 2024: Compado's Continued Innovation

As Google Chrome moves to eliminate third-party cookies in 2024, Compado is an industry standout for its effective cookie-independent customer acquisition strategies. Hoogendijk said, "The transition to a cookieless future validates our approach. We're committed to delivering customers to brands, regardless of the presence of cookies." In 2023, Compado's innovative strides in artificial intelligence (AI) and machine learning were acknowledged with a <u>research grant from the German government</u>, reflecting the tech platform's leadership in the field.

Additionally, the launch of Compado's brand-protection suite in 2023 has been pivotal in ensuring brand safety on search engines, safeguarding brands against negative associations and unauthorized bidding. "With a dozen satisfied pilot customers already on board, we're gearing up to broaden our brand-protection solutions in 2024," Hoogendijk notes. Looking ahead, Compado plans to test various AI-driven solutions in the coming months to further refine contextual customer acquisition, with Hoogendijk teasing, "More advertising innovations are on the way."

About Compado

<u>Compado</u> is a B2B tech platform for contextual advertising and content monetization. Founded in 2016, the platform provides cookie-free contextual advertising to consumer brands and cookie-free content monetization to publishers. The platform's proprietary contextual advertising puts brands in front of shoppers — and helps publishers to monetize their content through contextually targeted brand recommendations.

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