

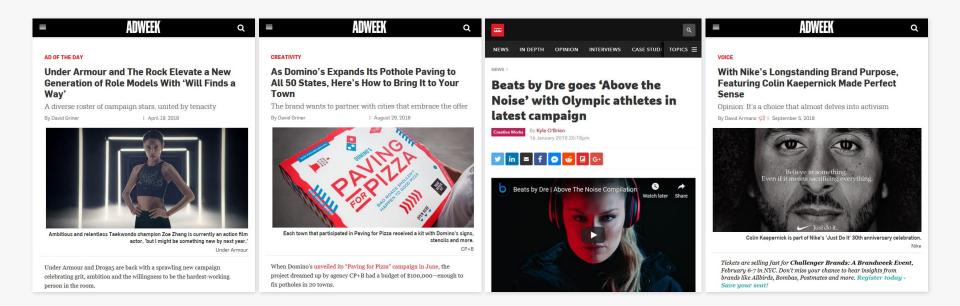
The Impact of Culture

M/GNA IPG MEDIALAB





Brands Are Becoming More Involved In Culture





What Steps Brands Can Take To Become More Relevant Today

As An

We Did Some Preliminary Research



- How should we define culture from a consumer's point of view?
- How do consumers think about culture in relation to the brands they interact with?



- 4 webcam-based mini-groups were conducted for online discussion (90 min each)
- Pre-group assignment to find a digital ad they thought was culturally relevant, which were shown and discussed in the groups



 Brands that are culturally relevant are brands that align well with cultural events, promote trends that define today's culture, and support social issues that benefit everyone*

Next, We Used A Two Pronged Research Approach

Survey on
Brands + Culture

Objective:

Uncover what consumers think about brands' involvement in culture

Method:

Online survey

2 Ad Effectiveness Testing

Objective:

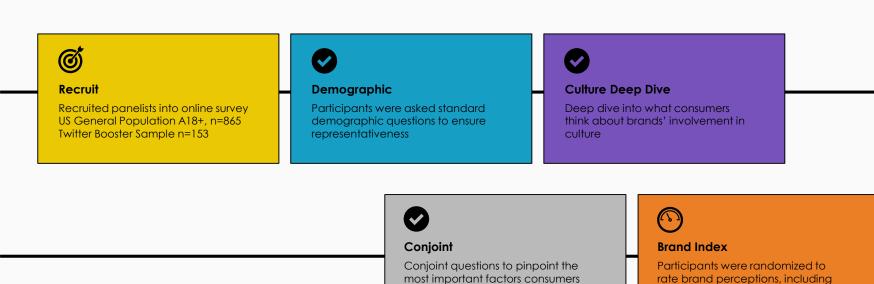
Measure the branding impact of culture focused strategies

Method:

Mobile testing on MAGNA's Twitter app



Survey On Brands + Culture / Methodology



decisions

consider when making purchase

cultural relevance, for a range of

brands across 6 industry verticals

Ad Effectiveness Testing / Methodology

Participants

Recruited participants on mobile devices from a representative online panel

US General Population A18+ n=785

Twitter Booster Sample n=591

Survey

Initial survey with demographic and media consumption questions

Media Experience

Participants were randomized into a test cell and asked to view their Twitter feed. Note that additional testing was conducted with skippable pre-roll on premium websites

Post Survey

Post exposure survey to measure traditional brand metrics (ad recall, perceptions, etc.) and qualitative feedback



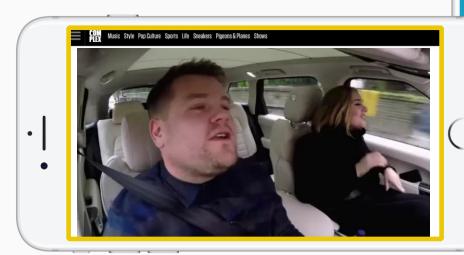
Ad Effectiveness Testing/Media Experience

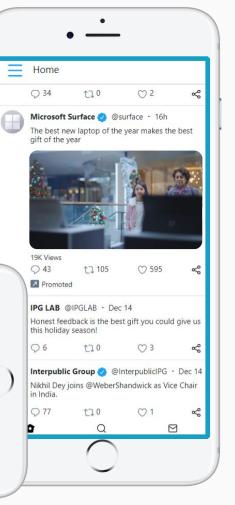
Personal Twitter Feed

Participants logged into their own Twitter page and saw real time content from their feed, along with test ad: 15 sec promoted video

Skippable Pre-roll On Premium Websites

Participants selected which content they wanted to watch. Participants could skip the 15 sec video after 5 seconds





Consumer POV

Brands + Culture



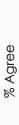
There's **Much More To Culture Than** You'd Think

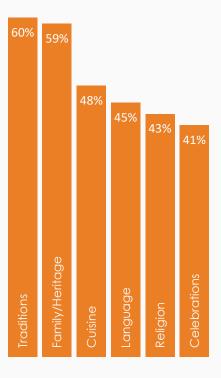
When You Think About Culture In Your Own Life, What Comes To Mind?

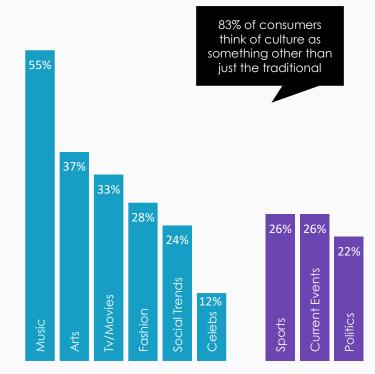




Current Affairs









Importance Of Brand Involvement In Culture - % Very Important/Important

38%

Events & Trends

Includes pop culture events such as the Oscars or the Super Bowl, as well as smaller cultural events, such as #TacoTuesday or National Dog Day



47%

Social Issues & Movements

There's A Desire For Brand Involvement In What Consumers Are Most Passionate About

Passion for Cultural Events, Trends & Issues - % Very Passionate/Passionate

Social Issues & Movements**

32% Events & Trends*



Consumers Also Feel More Informed About Social Issues

Informed on Cultural Events, Trends & Issues - % Very Informed/Informed

41% Events & Trends*

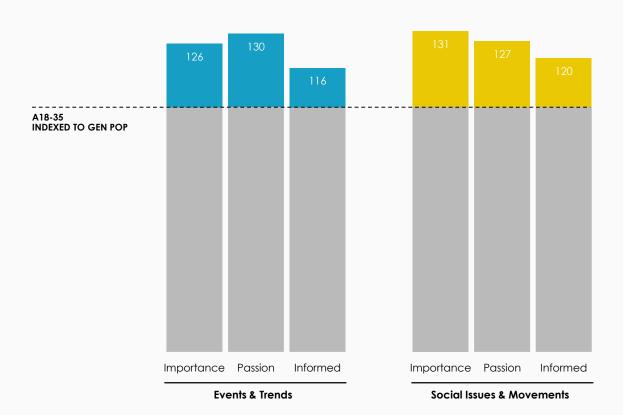
*Includes pop culture events such as the Oscars or the Super Includes social movements such as gender equality and fair

Q: How informed are you when it comes to events, trends or issues releven



Emerging Generations Feel **Even More Strongly About Brand** Involvement

Perceptions of Cultural Events, Trends & Issues - Adults 18-35, Indexed

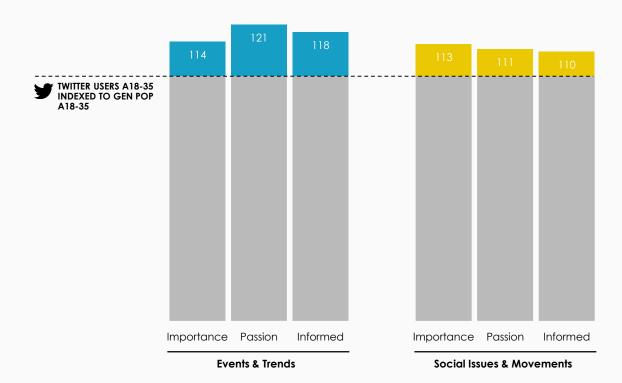


U.S. general population, n=865, A18-35, n=292

Q: How important is it for a brand to be involved in each of the following? Q: How passionate are you in following cultural events, trends, and issues?

Among The Young, Twitter Users Are Particularly **Ardent About Brand Involvement**

Perceptions of Cultural Events, Trends & Issues - Twitter Users 18-35, Indexed



A18-35, n=292, Twitter users 18-35, n=158

Q: How informed are you when it comes to events, trends or issues relevant to culture?

Q: How important is it for a brand to be involved in each of the following?

Q: How passionate are you in following cultural events, trends, and issues?

Many Ways Brands Can Become Culturally Relevant – But 'Giving Back' Is Key

Ways Brands Can Become More Culturally Relevant - % Strongly Agree/Agree





*e.g. Race, gender

Twitter Users Are Especially Receptive Towards Brands Becoming More Culturally Relevant

Ways Brands Can Become More Culturally Relevant - Δ (Twitter Users – Gen Pop)





^{*}e.g. Race, gender

^{***}e.g. Organic foods, natural
***e.g. Super Bowl, Oscars

U.S. general population, n=865, Twitter users, n=397 Q: In your opinion, what can a brand do to become more



Fringe Benefits

What's the impact for brands?

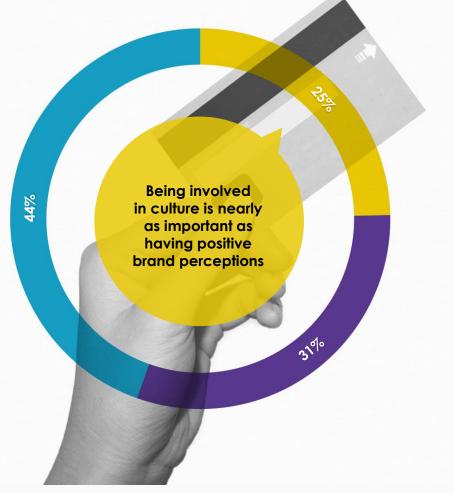
To Understand What Consumers Value Most When Making Purchases...

We asked consumers to rank a range of attributes based on...









When It Comes To Making Purchase Decisions, Being Involved In Culture Is Surprisingly Important

Influence on Purchase Decisions - Relative Importance (%)

- Brand Cultural Involvement
- Brand Perceptions*
- Price and Quality



Support Of Social Issues & Movements Have The Most Impact When Making Purchasing Decisions

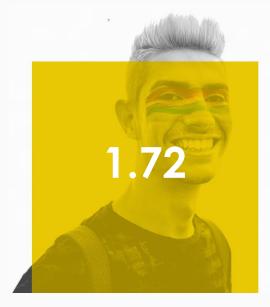
Influence of Types of Cultural Involvement on Purchase Decision - Importance Ranking



Brands That Sponsor Cultural Events (e.g. Super Bowl)



Brands That Promote Trends That Define
Today's Culture
(e.g. Organic Foods, Natural Beauty)



Brands That Support Social Issues That Benefit Everyone (e.g. Gender Equality, Fair Trade)



What Are The **Key Factors That** Make Up An Optimal Brand?

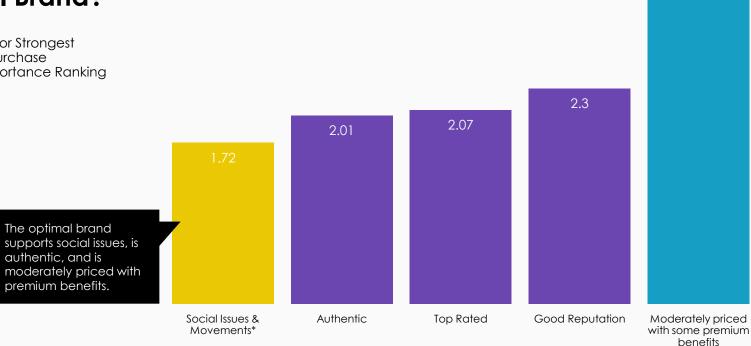
Top Attributes for Strongest Influence on Purchase Decisions - Importance Ranking







3.57





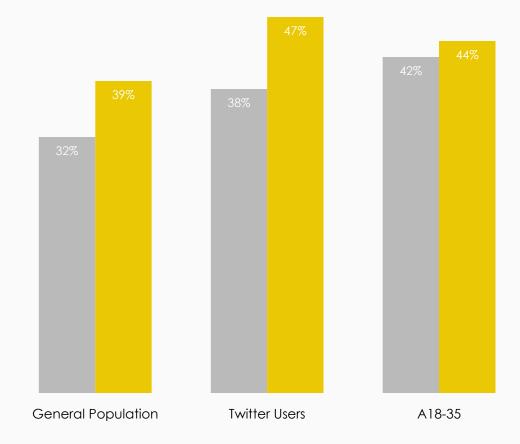
Consumers Prefer Brands That Are Culturally Relevant

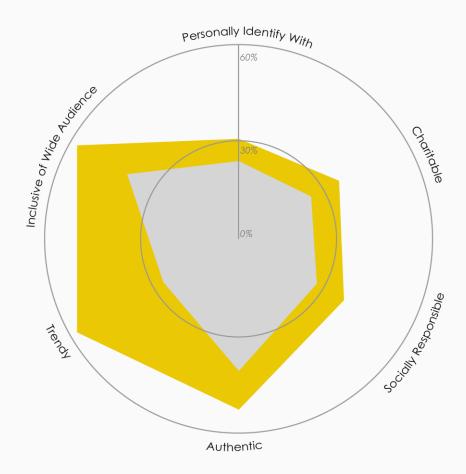
"Is A Brand I Prefer" by Cultural Relevance - % Agree

- Low Cultural Relevance (Bottom 20% Of Brands)
- High Cultural Relevance (Top 20% Of Brands)

Brand Index

Consumers were randomized to rate brand perceptions, including cultural relevance, for 24 brands





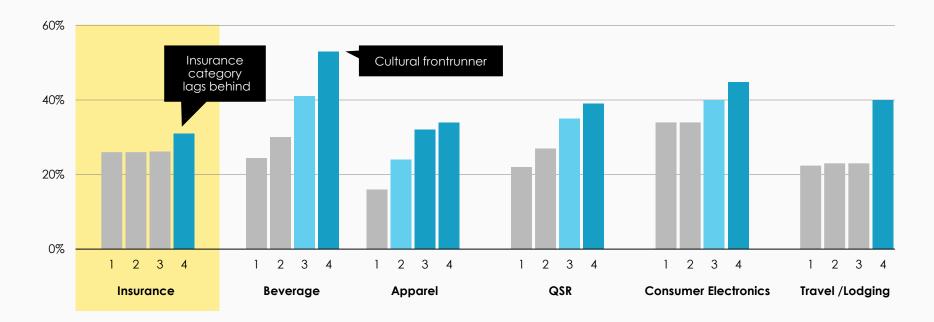
In Fact, Brands With High Cultural Relevance Reap A **Whole Host Of Benefits**

Brand Attributes by Cultural Relevance - % Agree

- Low Cultural Relevance (Bottom 20% Of Brands)
- High Cultural Relevance (Top 20% Of Brands)

Leaders Exist In Every Vertical... But So Do Opportunities For Competition

Culturally Relevant Brands by Vertical - % Agree Front Runner Middle of the Pack Lagging Behind



Opportunities In Each Category To Be Culturally Relevant

Range of Cultural Relevance by Vertical - % Strongly Agree/Agree





We Tested Three Types Of Video Ads

Control Ad



- Public Service Announcement
- Allows measurement on brand perceptions among those not exposed to the test ad

Standard Ads



- Typical ad
- · Product-centric
- · Appeals to individual

Culture Focused Ads

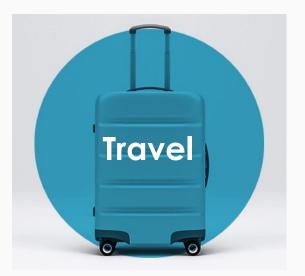


- · Atypical ad
- · Culture-centric
- Appeals to community/society
- Integrates current events, trends, & issues

Ads From A Range Of Industries Were Included



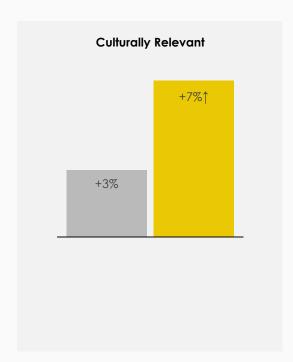


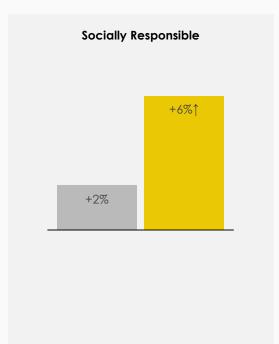


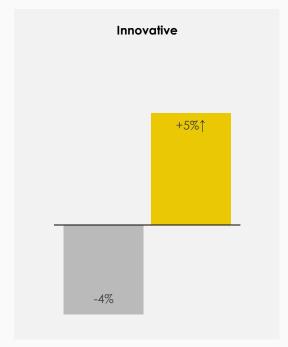


Culture Focused Ads Succeed In Positioning Brands As Relevant

Impact of Ad Strategy - Δ (Test - Control) \blacksquare Standard Ads \blacksquare Culture Focused Ads





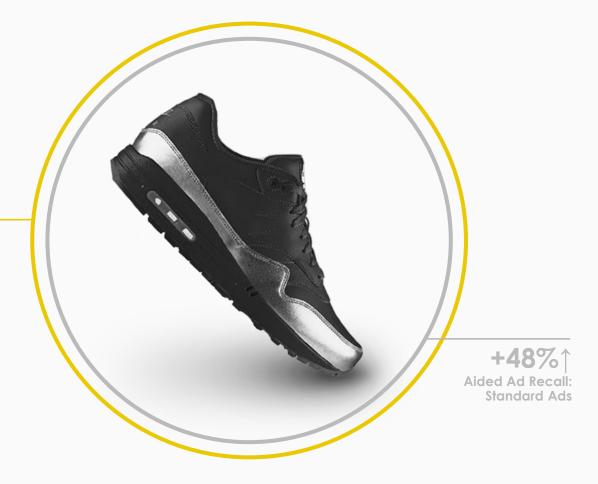


In Fact, Cultural Ads Create More Memorable Brand Experiences

Impact of Ad Strategy - Δ (Test - Control)

+56%

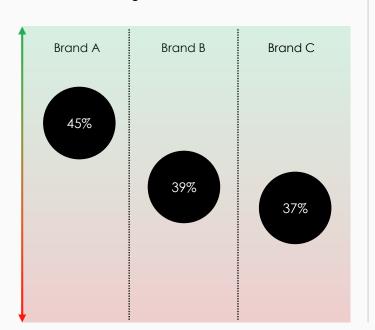
Aided Ad Recall:
Culture Focused Ads



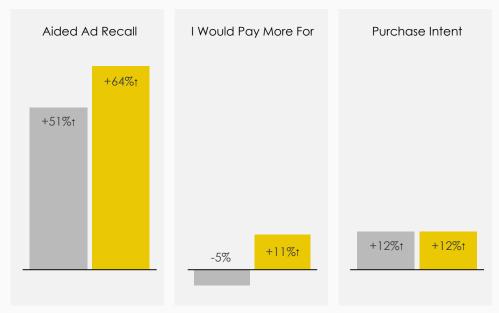
Even The Least Culturally Relevant Brand Made Great Strides

Impact for Least Culturally Relevant Brand - Δ (Test - Control) Standard Ads Culture Focused Ads

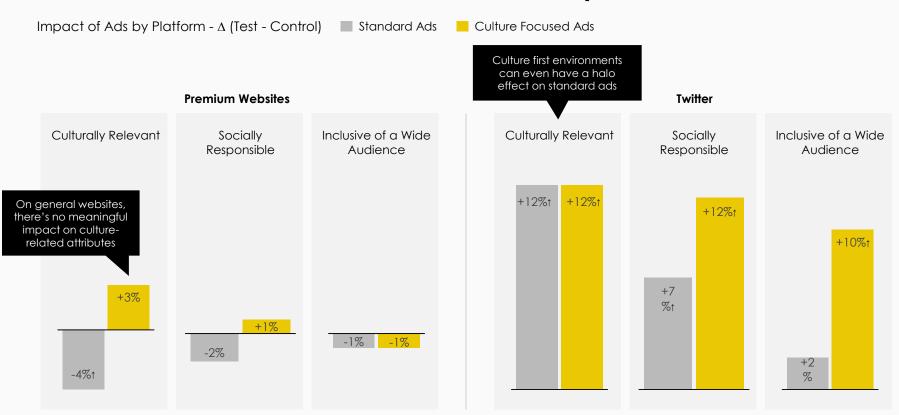
Pre-existing Cultural Relevance Score

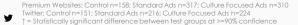


Metrics For Least Culturally Relevant Brand



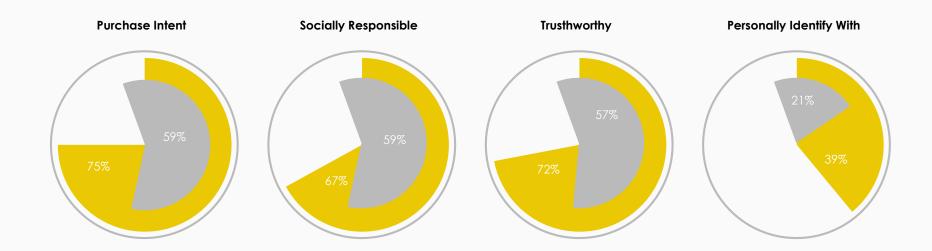
Cultural Ads Perform Best In Culture Friendly Environments





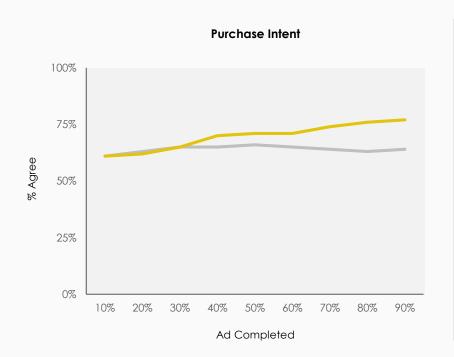
At Higher Completion Rates, Cultural Ads Speak To Consumers On A Personal Level And Drive Purchase Intent

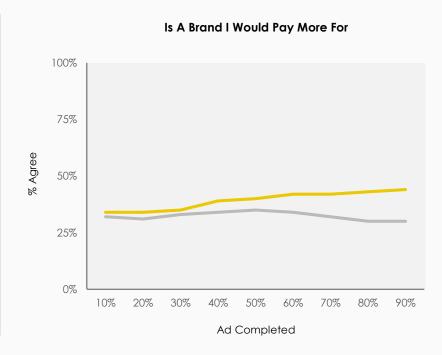
Impact of Ads on Twitter (75%+ Complete) - % Agree Standard Ads Culture Focused Ads



The Higher The Ad Completion, The Harder Culture-Focused Ads Work Compared To Standard Ads

Impact of Ad Completion - % Agree — Standard Ads — Culture Focused Ads





Inclusivity And Charity Are Strong Ways To Become Culturally Relevant

Consumer Opinions on Culturally Relevant Tweets



Charitable

"It is helping the community that it does business in. Very admirable!"

"I think taking action in our own community is a hot topic at the moment!"

Modern

"It touched on modern living and the importances [sic] the turns in our culture is [sic] taking."

Inclusive

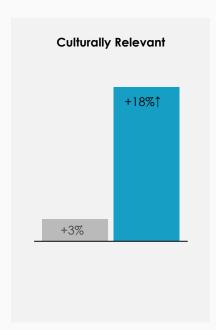
"It represented everyone's differences and called for acceptance and equality."

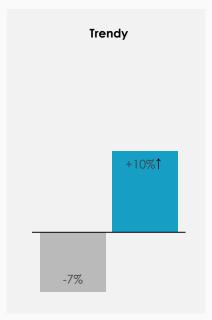
"We are all important and matter. We all deserve happiness and opportunity."

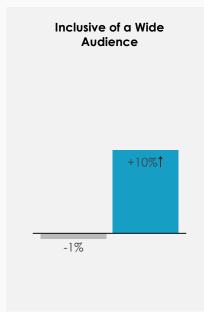
Culture Driven Ads Resonate Most Strongly With Those Passionate About Culture To Begin With

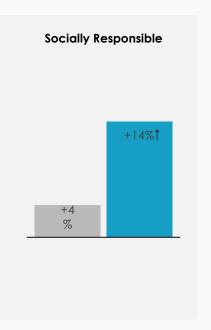
Impact Of Cultural Passion On Twitter - Δ (Test - Control)

Twitter Users Not Passionate About Culture Twitter Users Passionate About Culture





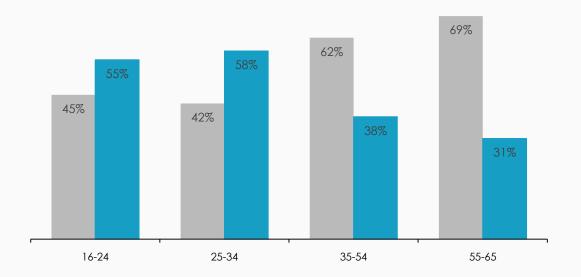




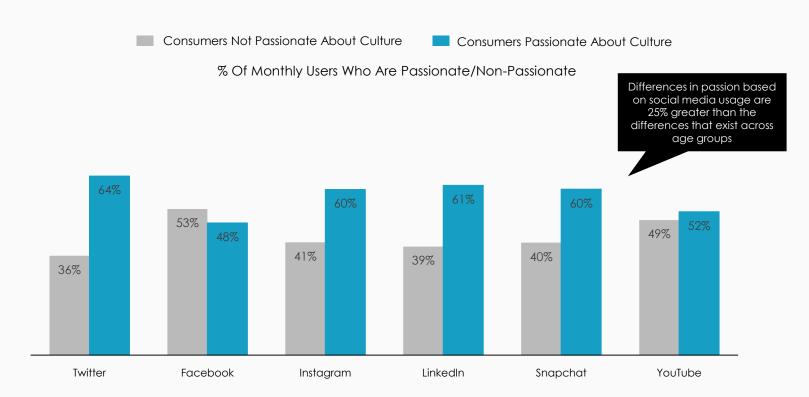
Passionate Consumers Tend To Be Younger

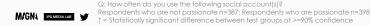
Consumers Not Passionate About Culture Consumers Passionate About Culture

% Of Age Group Who Are Passionate/Non-Passionate



But Media Habits Are What Truly Set Them Apart









In A Time When Politics Is Everywhere, Some Consumers Believe Taking A Stand Is Necessary

Consumer Opinions on Brands Taking a Political Stance

"Not taking a stance is a stance itself." "It shows they care."

"I'm more likely to support a brand that has values I agree with." "If they want to be relevant they should be willing to put what they believe in out there."

"Because brands have a platform, a humongous platform that they can use to inspire positive change. And I think they have a responsibility to do that."



On The Other Hand, Some Consumers Want Any Escape They Can Get—and Think That Brands Getting Political Are Just Trying To Curry Favor

Consumer Opinions on Brands Taking a Political Stance "Too much politics intertwined with the other aspects in life. Some separation is nice." "It would be disingenuous, hollow."

"I don't think it is a place for brands. There is already enough tension out there today without brands getting into it." "It's becoming to overwhelming, it's nice to get away from it for a while."



"No matter what stand you take the other side will always be upset and in the end just causes more strife. I feel when brands take a stand its seen more as a power move to get noticed by the media to stay relevant."



Implications: Putting Culture Into Action

1

Today, consumers expect brand involvement with culture, particularly when it comes to social issues. In order to stay relevant and keep pace with competitors, brands need to keep culture in mind.

2

While there are many ways for brands to become involved, one size does not fit all. Brands should be thoughtful in their approach to ensure authenticity and appropriate brand alignment.

3

Culturally focused advertising performs differently based on environment and audience.

Brands must tailor cultural ads to the right environment to ensure intended impact.

Thank You





