DIVERSIFYING AD FORMATS TO ACHIEVE MORE

MIXING IT UP
NOW MORE THAN EVER,

ADVERTISING BUDGETS

ARE FIXED
LEAVING ADVERTISERS WITH A CHOICE

SPEND MORE ON A SINGLE AD FORMAT?

SPREAD BUDGET ACROSS MULTIPLE AD FORMATS?
WE CONDUCTED RESEARCH

1. TO DETERMINE IF AD FORMAT SYNERGY IS REAL

2. AND, IF SO, EXPLORE HOW ADVERTISERS SHOULD LEVERAGE IT TO MAKE BUDGETS GO FURTHER
Research was conducted in two parts

**Eye Tracking**
Test eyes on-screen across different ad formats and ad mixes

**Ad Effectiveness**
Test impact on brand metrics across different ad formats and ad mixes
4 AD TYPES
6 VERTICALS
136 TEST CELLS
1,725 EYE-TRACKING MINS
4,200 CONSUMERS
<table>
<thead>
<tr>
<th>AD EFFECTIVENESS METHODOLOGY</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>RECRUITMENT</strong></td>
</tr>
<tr>
<td>Recruited Twitter users from a nationally representative panel for participation on mobile devices. N=4,200</td>
</tr>
<tr>
<td><strong>SCREENERS</strong></td>
</tr>
<tr>
<td>Initial survey with demographics and screeners</td>
</tr>
<tr>
<td><strong>FIRST TWITTER EXPERIENCE</strong></td>
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<tr>
<td>Participants signed into a controlled Twitter experience with test/control ads</td>
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<tr>
<td><strong>FILLER MEDIA EXPERIENCE</strong></td>
</tr>
<tr>
<td>Participants viewed premium websites with text and video content to increase the time between Twitter ad exposures and ensure a realistic overall media experience</td>
</tr>
<tr>
<td><strong>SECOND TWITTER EXPERIENCE</strong></td>
</tr>
<tr>
<td>Participants returned to Twitter to view their feed again. Here they were served additional test/control ads</td>
</tr>
<tr>
<td><strong>BRANDING METRICS</strong></td>
</tr>
<tr>
<td>Post-exposure survey to measure the branding impact of the ad mix</td>
</tr>
</tbody>
</table>
Recruited Twitter users to visit MAGNA’s San Francisco Lab (n=69 Twitter users)

Participants put on eye-tracking glasses; calibration process; warm-up activities

Participants were routed through various media experiences which they viewed with eye-tracking glasses on in MAGNA’s living room lab space

Media experiences included:
- Twitter feed
- Premium websites
AD MIXES TESTED

ONE FORMAT
Three exposures of a single ad format across multiple Twitter visits

TWO FORMATS
Three exposures of two ad formats across multiple Twitter visits

  e.g. First View - First View - Pre-Roll; Pre-Roll - Promoted Video - Promoted Video

THREE FORMATS
Three exposures of three ad formats across multiple Twitter visits
**AD TYPES USED**

**PRE-ROLL**

In-stream video ad that plays before video content. Can be skipped if ad is longer than 6 secs

**TRADITIONAL PROMOTED VIDEO**

Standalone video ad that is displayed in feed

**FIRST VIEW**

One day takeover of a standalone video ad that shows top of the feed

**WEBSITE CARDS**

Standalone video ad that is displayed in feed. Has Tweet text from the brand advertised with a call to action
TO MIX OR NOT TO MIX

DIVERSIFYING ACROSS AD FORMATS
ONE FORMAT WORKS HARD, BUT A MIX WORKS HARDER

AD FORMAT MIX

Deltas (Exposed - Control)
Frequency of exposure for each = 3

- Single Format (A)
- Multiple Formats (B)

+58% Δ

+46% Δ

AIDED AD RECALL

Ad Effectiveness
Single format: Exposed n=606, Control n=603; Multiple format: Exposed n=1,505, Control n=1,515; Two formats: Exposed n=303, Control n=311; Three formats: Exposed n=1202, Control n=1204
Δ= Statistical significance between exposed and control groups at >95% confidence level.
A/B/C= Statistical significance between one format and multiple format deltas at >90% confidence level.
Note: Each format mix had 3 exposures.
SAME VIDEO AD IS AMPLIFIED WHEN SEEN ACROSS MULTIPLE FORMATS

Ad Effectiveness
(Exposed Only): Single format n=606; Multiple format n=1,505
A/B= Statistical significance between one format and multiple format deltas at >=90% confidence level.
Note: Each format mix had 3 exposures

Ad “Stood Out To Me Among Other Tweets” | % Strongly or Somewhat Agree

Frequency of exposure for each = 3

- Single Format (A)
- Multiple Formats (B)

61% A

51%

Ad “Stood Out To Me Among Other Tweets”
A MIX ISN’T JUST MEMORABLE...CONSUMERS SEE A STORY

**AD FORMAT MIX**

Ad Opinions | % Strongly Or Somewhat Agree

Frequency of exposure for each = 3

- One Format
- Multiple Formats

**OFFERED NEW INFORMATION (+6% Δ)**

**WAS TRUSTWORTHY (+5% Δ)**

**IMPROVED MY OPINION OF THE BRAND (+5% Δ)**

**AD TOLD A COMPELLING STORY (+6% Δ)**

Note: Each format mix had 3 exposures.
ULTIMATELY, DIVERSITY IN FORMATS MAKES AD DOLLARS WORK HARDEST

AD FORMAT MIX

Deltas (Exposed - Control)
Frequency of exposure for each = 3

- One Format (A)
- Two Formats (B)
- Three Formats (C)

Re: Statistical significance between exposed and control groups at >=90% confidence level.
A/B/C: Statistical significance between one format and multiple format deltas at >=80% confidence level.
Note: Each format mix had 3 exposures.
THE IDEAL ORDER

WHAT TO USE WHEN
INCLUDE FIRST VIEW IN THE FIRST EXPOSURE FOR HIGHEST ATTENTION AND AWARENESS

1

INCLUDE A VISUALLY DIFFERENT AD FORMAT LIKE PRE-ROLL IN BETWEEN SIMILAR FORMATS LIKE FIRST VIEW AND PROMOTED VIDEO FOR HIGHER BRAND FAVORABILITY AND OPINION

2
FIRST VIEW CAPTURES & SUSTAINS THE MOST ATTENTION

97% notice First View, which is the first ad in the feed

AD MIX SEQUENCE

% of People That Saw The Ad Vs. Total Fixation Duration By Ad Type

- First View
- Pre-Roll
- Promoted Video

PERCENTAGE SEEN (%)

AVERAGE FIXATION DURATION (SECONDS)

Eye-tracking data
Sample sizes: First View n=51, Pre-roll n=54, Promoted video n=54
IN FACT, ATTENTION IS FOCUSED ON THE VIDEO ITSELF

Attention is split between Tweet text and ad for formats lower in the feed

**AD FORMAT**

*Fixation Duration By Ad Type*

**FIRST VIEW**
Located: Top of feed

**PROMOTED VIDEO - STANDARD**
Located: 10th spot in feed or lower

**PRE-ROLL**
Located: 10th spot in feed or lower

Eye-tracking data
Sample sizes: First View n=51, Pre-roll n=54, Promoted video n=54
Total Fixation Duration (secs) By Ad Type And Exposure Order

While subsequent ads always result in less fixation, First View still captures the same fixation in the 2nd exposure as other formats do in their 1st exposure.
ANY EXPOSURE TO FIRST VIEW DRIVES AWARENESS, BUT 1ST EXPOSURE DRIVES PERSUASION

**AD MIX SEQUENCE**

First View – 1st Exposure

First View – 2nd Exposure

Deltas (Exposed - Control)

- **AIDED RECALL**
  - +67%\(\Delta\)
  - +64%\(\Delta\)

- **BRAND FAVORABILITY**
  - +8%\(\Delta^B\)
  - -1%

- **RESEARCH INTENT**
  - +9%\(\Delta\)
  - +2%

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Ad Effectiveness
Sample sizes: First View 1st Exposed n=350, Control n=413, First View 2nd Exposed n=401, Control n=459

\(\Delta\): Statistical significance between Exposed and control groups at >=90% confidence level.

\(\Delta^B\): Statistical significance between one format and multiple format deltas at >=90% confidence level.
FIRST VIEW AS 1ST EXPOSURE OUTPERFORMS OTHER FORMATS IN SAME POSITION

AD MIX SEQUENCE

Deltas (Exposed - Control)

- First View 1st (A)
- Pre-Roll 1st (B)
- Promoted Video 1st (C)

Ad Effectiveness
Sample sizes: First View 1st Exposed n=350, Control n=413, Pre-Roll 1st Exposed n=385, Control n=436, Promoted Video 1st Exposed n=351, Control n=407

Δ: Statistical significance between Exposed and control groups at >=90% confidence level
A/B/C= Statistical significance between one format and multiple format deltas at >=90% confidence level.

23
FIRST VIEW IN FIRST EXPOSURE = DOLLARS SAVED

COST EFFICIENCY

% Difference In Cost Per Person

Frequency of exposure for each = 3
VARIATION ACROSS TOUCHPOINTS

AMPLIFYING THE MIX
MAXIMIZE VARIATION ACROSS AD EXPERIENCES

More positive brand opinions when Pre-Roll is placed in between brand Tweets

**AD MIX SEQUENCE**

Deltas (Exposed - Control)

- **First View - Promoted Video - Pre-Roll (A)**
  - +13%\(\Delta\)
  - +4%

- **First View - Pre-Roll - Promoted Video (B)**
  - +15%\(\Delta\)
  - +2%
  - +15%\(\Delta\)
  - +15%\(\Delta\)
  - +4%

Ad Effectiveness

Sample sizes: FV-PV-PR: Exposed n=134, Control n=160. FV-PV-PR: Exposed n=155, Control n=177

\(\Delta=\) Statistical significance between Exposed and Control groups at >=90% confidence level.

\(\Delta\)A= Statistical significance between one format and multiple format deltas at >=90% confidence level.
DIFFERENTIATION ACROSS AD EXPERIENCES DRIVES ROI

Place Pre-Roll in between two visually similar ad formats to drive intent to purchase the brand

**AD MIX SEQUENCE**

*Delta (Exposed - Control)*

- **First View – Promoted Video – Pre-Roll (A)**
- **First View – Pre-Roll – Promoted Video (B)**

Ad Effectiveness
Sample sizes: FV-PV: Exposed n=134, Control n=160, FV-PR-PV: Exposed n=155, Control n=177

△= Statistical significance between Exposed and Control groups at >=90% confidence level.

A/B= Statistical significance between one format and multiple format deltas at >=90% confidence level.
THE MESSAGE WITHIN

UNDERSTANDING THE FORMAT TO OPTIMIZE STORYTELLING
WHILE THE MOST RELEVANT AUDIENCES OPT TO COMPLETE BOTH AD TYPES...

**AD FORMAT PERFORMANCE**

% In-market For Advertised Product Among Those Who Completed Ad, Indexed

Promoted Video

Pre-Roll

117

(100) INDEXED TO TOTAL % IN-MARKET

119

PROMOTED VIDEO

PRE-ROLL

IN-MARKET FOR ADVERTISED PRODUCT
EACH AD TYPE ATTRACTS AUDIENCES WITH DIFFERENT BRAND RELATIONSHIPS

AD FORMAT PERFORMANCE

% of Past Brand Purchasers Among Those Who Completed Ad, Indexed

- Promoted Video
- Pre-Roll

Promoted Video: Includes Traditional Promoted Video and Website Cards.

Pre-Roll reaches a broader audience less likely to have purchased before because they are incentivized by the content.

Those who choose to complete Promoted Video are more likely to have purchased it before.

(P100) INDEXED TO TOTAL% PAST PURCHASERS OF BRAND

114

90

PROMOTED VIDEO

PRE-ROLL

PAST PURCHASER OF BRAND

Ad Effectiveness
All Brands (Any Mix, Exposed Only): Pre-Roll n= 843, Promoted Video n= 754
Promoted Video: Includes Traditional Promoted Video and Website Cards.
PRE-ROLL

CONSIDER
ACQUISITION
MESSAGING

PROMOTED VIDEO

CONSIDER
"NEXT-STEP"
FOCUSED
MESSAGING
Ads That Connect on a Cultural Level Resonate Strongly With The “Hard To Convince”

Campaign Type

Ad Opinion Among Those With Negative Pre-Existing Brand Opinion | % Strongly Or Somewhat Agree

Connect Messaging (A)
Campaign designed to build relevance by being part of the conversation

Launch Messaging (B)
Campaign designed to build awareness and interest for something new

<table>
<thead>
<tr>
<th></th>
<th>Interesting</th>
<th>Relevant To Culture</th>
<th>Trustworthy</th>
<th>Was Relevant</th>
<th>Told A Compelling Story</th>
</tr>
</thead>
<tbody>
<tr>
<td>Connect A</td>
<td>51%</td>
<td>44%</td>
<td>50%</td>
<td>46%</td>
<td>32%</td>
</tr>
<tr>
<td>Launch B</td>
<td>27%</td>
<td>24%</td>
<td>32%</td>
<td>33%</td>
<td>20%</td>
</tr>
</tbody>
</table>

Ad Effectiveness
Launch n = 671 Connect n = 427
A/B: = Statistical significance between one format and multiple format deltas at >=90% confidence level.
CONSIDER CONNECT MESSAGING, ESPECIALLY WHEN REACHING BROADER AUDIENCES
MARKETER TO-DO’S

**AD MIX:**
- When in doubt, diversify the ad mix. It almost always makes ad dollars work harder.

**AD SEQUENCE:**
- Start off with the ad format that casts the widest “attention net” - in this case, First View.
- Provide consumers with variation, by breaking up visually similar ad formats with those that offer a different look/feel/experience to make the biggest impact.

**AD MESSAGE:**
- Understanding who is being reached/completing ads is crucial for planning effective storytelling.
- Continue researching ad sequencing for effective storytelling.
THANK YOU