THE INFLUENCE OF CONTEXT

PREMIUM CONTENT, USER EXPERIENCE & BEYOND

USA
DIGITAL VIDEO IS HERE TO STAY

DIGITAL VIDEO AD SPEND BY YEAR - $ BILLION

BUT ADVERTISERS ARE FACED WITH COUNTLESS VIDEO OPTIONS
WITH $18B ON THE LINE
NEXT YEAR WE MUST UNDERSTAND...
THE ROLE OF CONTEXT IN VIDEO AD EFFECTIVENESS
CONTEXT IS COMPLEX

CONTENT ADJACENCY
The content your video ad appears in front of.

VIDEO USER EXPERIENCE
The way the video is consumed. In a feed? In a full-screen video player?
HOW WE DID IT

WHAT
Controlled testing of pre-roll video ads before various types of content across in-feed and non-feed environments. Unique control groups were used for each content type and environment. Impact on branding metrics compared.

3 PLATFORMS
Non-Feed On Video Aggregator
In-Feed On Twitter
Non-Feed On Publisher Sites

3 CONTENT TYPES
Premium Content
Broadcast quality, brand safe verified content created by premium publishers

High Produced User Generated Content
High quality content created by content creators/users

Low Produced User Generated Content
Low quality content created by users
DATA COLLECTION

THE WHO
Recruited participants from a representative mobile panel.
Total n=4,776

GETTING TO KNOW THE USER
Initial demographics and screeners, along with media consumption habits.

NATURAL VIDEO EXPERIENCES
Participants were randomized into a test cell and driven to relevant platform to consume video content of their interest. Relevant behaviors were tracked.

THE RESPONSES
Post-exposure survey to measure impact on branding metrics.
CONTENT MATTERS

How people feel about the content, in terms of quality and trustworthiness, impacts how they feel about the brand.

IMPACT OF CONTENT PERCEPTIONS
Delta Due to High Content Perception Based on Modelling

- High Quality
- Trustworthiness

HIGH TRUST in the content leads to a +10% increase in brand favorability

BRAND FAVORABILITY

All Content: Exposed n=2,044.
Values are modelled using logistic regressions to determine the impact of content perceptions on high/low brand favorability. All regression coefficients significant at >= 90% confidence.
CONTENT MATTERS

How people feel about the content, in terms of quality and trustworthiness, impacts how they feel about the brand.

IMPACT OF CONTENT PERCEPTIONS
Delta Due to High Content Perception
Based on Modelling

- High Quality
- Trustworthiness

PURCHASE INTENT

HIGH TRUST in the content leads to +12% increase in intent to purchase the brand.

12%
9%

All Content: Exposed n=2,044.
Values are modelled using logistic regressions to determine the impact of content perceptions on high/low purchase intent. All regression coefficients significant at >= 90% confidence.
HOW DO DIFFERENT TYPES OF CONTENT PERFORM?

**PREMIUM CONTENT**
Broadcast quality content created by premium publishers

**HIGH PRODUCTION UGC**
High quality content created by verified content creators/users (high followers, high views, verified)

**LOW PRODUCTION UGC**
Low quality content created by users
PEOPLE SEE PREMIUM CONTENT DIFFERENTLY

Premium content is particularly interesting, higher quality and more trustworthy.

PERCEPTIONS OF CONTENT

Q: How much do you agree or disagree with the following statements about the video from [publisher]?
All Premium Content n=2,356; All UGC n=1,811

PEOPLE SEE PREMIUM CONTENT DIFFERENTLY

Premium content is particularly interesting, higher quality and more trustworthy.
POSITIVE OPINIONS TRICKLE DOWN AND BRANDS BENEFIT

IMPACT ON BRAND METRICS
Deltas (Exposed – Control)

ADS IN ________.

- Premium Content
- User-Generated Content

Brand Favorability

Brand Is “Interesting”

+5%↑

+2%

↑ = significant difference between control and exposed ad at >=90% confidence
All Premium Content: Control n=1377, Exposed n=1,395; All UGC Content: Control n=928; Exposed n=924)
WHEN SEEN AS HIGH QUALITY, BOTH DRIVE PURCHASE INTENT BUT PREMIUM HAS THE BRAND FAVORABILITY HALO

AD IMPACT BY PERCEIVED CONTENT QUALITY
Deltas (Exposed – Control)

ADS IN _________ RATED HIGH QUALITY BY USERS.
- Premium Content
- User-Generated Content

Purchase Intent
+9%↑ +7%↑

Brand Favorability
+7%↑ +3%

Brand Is Interesting
+6%↑ +3%

<table>
<thead>
<tr>
<th>Significance</th>
<th>Ads in Premium Content Rated HQ: Control n=984, Exposed n=975; Ads in UGC Rated HQ: Control n=378 Exposed n=355</th>
</tr>
</thead>
<tbody>
<tr>
<td>↑</td>
<td>Significant difference between control and exposed ad at &gt;=90% confidence</td>
</tr>
</tbody>
</table>
ADS IN FRONT OF PREMIUM CONTENT THAT GET COMPLETED = AMPLIFIED IMPACT

IMPACT OF CONTENT COMPLETION ON BRAND METRICS

PREMIUM CONTENT

Deltas (Exposed – Control)

- Completed All Of The Content
- Did Not Complete Content

[Diagram showing the impact of content completion on brand metrics with completed content highlighted in blue and did not complete content highlighted in red.]

|= significant difference between control and exposed ad at >=95% confidence

(Premium Content) Finished: Control n=701, Exposed n=688; Did not Finish: Control n=676, Exposed n=707
THE INS AND OUTS OF
USER GENERATED CONTENT
UGC ENCOURAGES INTENT TO TAKE ACTION

This may be related to the “learn more” nature of UGC.

IMPACT ON BRAND METRICS
Deltas (Exposed – Control)

<table>
<thead>
<tr>
<th>ADS IN _________</th>
<th>Premium Content</th>
<th>User-Generated Content</th>
</tr>
</thead>
<tbody>
<tr>
<td>Research Intent</td>
<td>+3%↑</td>
<td>+5%↑</td>
</tr>
<tr>
<td>Website Intent</td>
<td>+2%↑</td>
<td>+7%↑</td>
</tr>
</tbody>
</table>

↑ = significant difference between control and exposed ad at >=90% confidence
All Premium Content: Control n=1377; Exposed n=1,395; All UGC Content: Control n=928; Exposed n=924
...AND HIGH PRODUCTION UGC IS PARTICULARLY RELEVANT

Combination of high production quality + nicheness of user-generated feels most relevant to users.

RELEVANCE OF USER CHOSEN CONTENT

- **61%** “Felt Relevant to Me”
  - PREMIUM CONTENT

- **67%** “Felt Relevant to Me”
  - HIGH PRODUCTION USER-GENERATED CONTENT

- **52%** “Felt Relevant to Me”
  - LOW PRODUCTION USER-GENERATED CONTENT
HIGH PRODUCTION UGC IS SUPERIOR TO LOW PRODUCTION ACROSS THE BOARD

PERCEPTIONS OF USER CHOSEN CONTENT

ABOVE

High Production UGC Indexed To Low Production UGC (100)

116
120
123
130

The content is...
Entertaining
Interesting
Trustworthy
Shareable

Q: How much do you agree or disagree with the following statements about the video from [publisher]?

High Production UGC Content: Control n=471; Exposed n=458; Low Production UGC Content: Control n=307; Exposed n=310
HIGH PRODUCTION UGC WORKS, BUT LOW PRODUCTION CAN STIFLE AD IMPACT

Both premium content and high production UGC drives positive brand perceptions, but lack of impact when appearing in low production UGC.

IMPACT ON BRAND ATTRIBUTES

<table>
<thead>
<tr>
<th></th>
<th>PREMIUM CONTENT</th>
<th>HIGH PRODUCTION UGC</th>
<th>LOW PRODUCTION UGC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Good Quality</td>
<td>+3%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I Want To Hear More From</td>
<td>+3%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interesting</td>
<td>+5%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Has Something Unique To Offer</td>
<td>+5%</td>
<td>+6%</td>
<td></td>
</tr>
<tr>
<td>Innovative</td>
<td></td>
<td>+7%</td>
<td></td>
</tr>
<tr>
<td>Knows How To Get My Attention</td>
<td>+4%</td>
<td>+7%</td>
<td></td>
</tr>
<tr>
<td>Makes Me Feel Good</td>
<td></td>
<td></td>
<td>+6%</td>
</tr>
<tr>
<td>Is Relevant To Me</td>
<td>+4%</td>
<td></td>
<td>+5%</td>
</tr>
<tr>
<td>I Prefer</td>
<td></td>
<td></td>
<td>+6%</td>
</tr>
</tbody>
</table>

* Significant difference between control and exposed ad at >=90% confidence.

All Premium Content: Control n=1,377, Exposed n=1,395; High Production UGC Content: Control n=471; Exposed n=458; Low Production UGC Content: Control n=307; Exposed n=310.
VALUE OF THE IN-FEED UX
CONSUMERS FEEL LESS FORCED TO WATCH IN-FEED ADS

‘I FELT FORCED TO WATCH THE AD’
Deltas (Non-feed – In-feed)

NON-FEED ADS
By nature, non-feed ads feel forced because they stand in the way of the intended purpose of being on the site.

IN-FEED ADS

+14%

Ad Effectiveness
All Twitter ads met their viewability standard and all other ads met MRC standard
↑= significant difference between control and exposed ad at >=90% confidence
In-feed (Twitter), n=452; Non-feed (Video Aggregator + Publisher), n=1401
In-feed includes premium content; Non-feed includes premium content and high quality UGC
IN-FEED ADS FIT IN A PERSONALLY CURATED FEED – HENCE FEEL MORE RELEVANT

IN-FEED ADS...

Consumer POV
Survey Q: You mentioned you use [platform] at least once a week. Which of the following describe why you use [platform]?
In Feed (Twitter), n= 2566; Non-Feed (Video Aggregator), n=4387

- Are Relevant To Me*
- Fit In With The Experience

In-feed Ads Indexed To Non-feed Ads (100)

138
160
IN-FEED ADS THAT APPEAR BEFORE CONTENT REAP A HOST OF BENEFITS – INCLUDING TRUST AND QUALITY

IMPACT ON AD OPINIONS
Deltas (In-Feed % – Non-Feed %)

- In-Feed Ads
- Non-Feed Ads

↑ +11%
↑ +9%
↑ +9%
↑ +9%

HIGH QUALITY
INTERESTING
FELT RELEVANT
TRUSTWORTHY
CULTURALLY RELEVANT

Ad Effectiveness:
All Twitter ads met their viewability standard and all other ads met MRC standard
↑ = significant difference between control and exposed ad at >=95% confidence
In-feed (Twitter), n=452; Non-feed (Video Aggregator + Publisher), n=1401
In-feed includes premium content; Non-feed includes premium content and high quality UGC
BRANDS BENEFIT DIRECTLY CURATED UX = POSITIVE BRAND OPINIONS

IMPAKT ON BRAND ATTRIBUTES
Deltas (Exposed - Control)

I want to hear more from
Makes me feel good
Is relevant
I prefer
Is good quality

In-Feed Ads
Non-Feed Ads

All Twitter ads met their viewability standard and all other ads met MRC standard
↑ = significant difference between control and exposed ad at >=90% confidence
In-Feed (Twitter) Exposed n=311 Control n=368
Non-Feed (video aggregator + Publisher Websites) Exposed n=1401 Control n=1398
In-feed includes premium content, Non-feed includes premium content and high quality UGC
POSITIVE EFFECT FOR TRADITIONAL BRAND KPIS ON IN-FEED ADS

IMPACT ON BRAND METRICS
Deltas (Exposed – Control)

All Twitter ads met their viewability standard and all other ads met MRC standard
<table>
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<tr>
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<th>In-Feed Ads</th>
<th>Non-Feed Ads</th>
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<tbody>
<tr>
<td>Brand Favorability</td>
<td>+11%↑</td>
<td></td>
</tr>
<tr>
<td>Purchase Intent</td>
<td>+10%↑</td>
<td>+5%↑</td>
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In-Feed (Twitter) Exposed n=311 Control n=368; Non-Feed (video aggregator + Publisher Websites) Exposed n=1401 Control n=1398
In-feed includes premium content, Non-feed includes premium content and high quality UGC
IN-FEED ADS BEFORE PREMIUM CONTENT = DOLLARS SAVED

COST EFFICIENCY
PREMIUM ONLY
% Difference In Cost Per Person

BRAND FAVORABILITY
2.3x More Cost Efficient
PURCHASE INTENT
1.7x More Cost Efficient

IN-FEED ADS

NON-FEED ADS

All Twitter ads met their viewability standard and all other ads met MRC standard
Premium Only, In-Feed (Twitter) Exposed n=311 Control n=368; Non-Feed (video aggregator) Exposed n=927 Control n=943
VALUE OF THE NON-FEED UX
NON-FEED VIDEO IS INTENTIONAL VIEWING

POV ON PLATFORM UX
% Agree

“TO LOOK UP SOMETHING SPECIFIC”

INDEXED
To In-feed Ads (100)
PURPOSEFUL VIEWING REACHES A BROADER AUDIENCE

More people with a negative pre-existing opinion of the brand met the viewability standard.

VIEWABILITY AMONG THOSE WITH NEGATIVE PRE-EXISTING BRAND OPINION
% of Ads 100% in View for +3 Seconds

96% Non-Feed Ads

59% In-Feed Ads
**NON-FEED ADS YIELD MORE TIME WITH CONSUMERS**

Likely because most people are on a non-feed platform to consume that piece of content.

<table>
<thead>
<tr>
<th>% of Ads Completed</th>
<th>In-Feed Ads</th>
<th>Non-Feed Ads</th>
</tr>
</thead>
<tbody>
<tr>
<td>60%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>50%</td>
<td></td>
<td></td>
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<tr>
<td>40%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>30%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>20%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>10%</td>
<td></td>
<td></td>
</tr>
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</table>
**HIGHER COMPLETION RATE = HIGHER AD RECALL**

(All Twitter ads met their viewability standard and all other ads met MRC standard

↑ = significant difference between control and exposed ad at >=90% confidence

In-Feed (Twitter) Exposed n=311 Control n=368; Non-Feed (video aggregator + Publisher Websites) Exposed n=943 Control n=927

Both in-feed and non-feed include premium content only

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<th>AIDED AD RECALL</th>
<th>BRAND METRICS IN PREMIUM - % OF ADS COMPLETED</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>In-Feed Ads</td>
</tr>
<tr>
<td>60%</td>
<td></td>
</tr>
<tr>
<td>50%</td>
<td>![Image]</td>
</tr>
<tr>
<td>40%</td>
<td>![Image]</td>
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<tr>
<td>30%</td>
<td>![Image]</td>
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</tr>
<tr>
<td>10%</td>
<td>![Image]</td>
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KEY LEARNINGS

CONTENT ADJACENCY

Quality content is worth a premium.

- Brands appearing within premium benefit from a halo effect.
- UGC ads work, particularly when they are high production.

Marketer To-Do: Take appropriate steps to ensure your ads are appearing in the right context.

VIDEO USER EXPERIENCE

Both in-feed and non-feed video have benefits.

- People don’t feel forced to watch in-feed ads and brands benefit.
- Non-feed ads feel more forced, but they can help cast a wider audience net.

Marketer To-Do: Leverage in-feed video to take advantage of curated feed and an opt-in ad experience.