THE SENTIMENT DRIVEN CONSUMER JOURNEY

Brand Impact With Intelligent Video Advertising

M/GNA

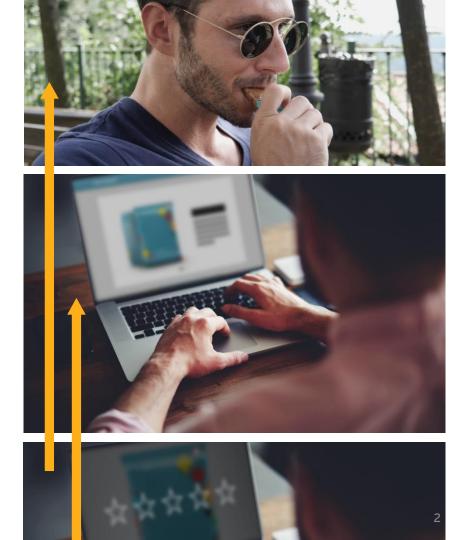


IPG MEDIA LAB

♦ VIRALGAINS

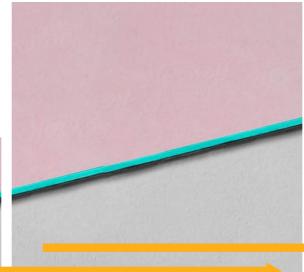


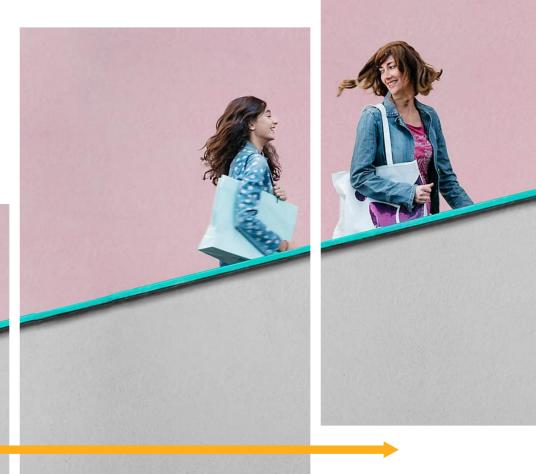
Marketers know that relevant brand stories can propel audiences through the consumer journey.





How can we more effectively engage consumers and move them forward in their journey with relevant ad exposures?













This Is Where Artificial Intelligence Comes In...

In advertising, sometimes a computer works best. Machine learning can take the guesswork out of ad sequencing.







How AI Drives Optimized Consumer Journeys



AD EXPOSURE

Consumers are exposed to an ad

POLL

After video ad, subset of consumers are asked a single attitudinal or behavioral question to assess their engagement

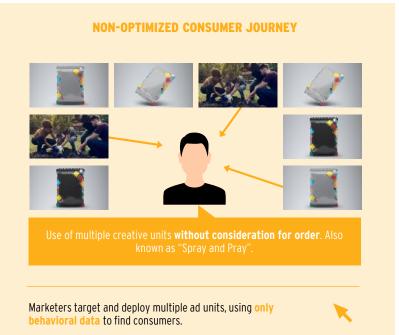
MACHINE LEARNING

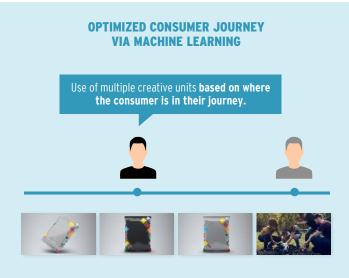
Attitudinal and behavioral data power machine learning to determine which ad each individual should see next, at scale

THE "RIGHT" NEXT AD IS DELIVERED

The right next ad exposure is optimized for each individual to drive them through the consumer journey

What We Tested: Today's Consumer Journey Options





Machine learning targets and deploys ad units using both behavioral and attitudinal data to engage consumers.



Our Methodology

PARTICIPANTS

Participants recruited from nationally representative online panel across Desktop/Laptop. Total n=5,921



1st AD EXPOSURE & POLL

Participants **randomized** into test cells and selected a video to view based on personal preference. Prior to video playing, a pre-roll test ad and five star poll rating were given to gauge receptivity to test ad.



2nd AD EXPOSURE

Participant asked to select second video to watch based on preferences. Participant is served second pre-roll ad:

- Control ad (public service announcement)
- Ad optimized for consumer journey
- Ad not optimized for consumer journey

3



MEASUREMENT

Post exposure survey used to measure traditional brand metrics and qualitative feedback.

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The Brands We Tested



We Tested Two 'Consumer Journey' Optimization Strategies

STRATEGY 1

Path To Purchase

When your primary campaign KPI is to drive **product purchase**

STRATEGY 2

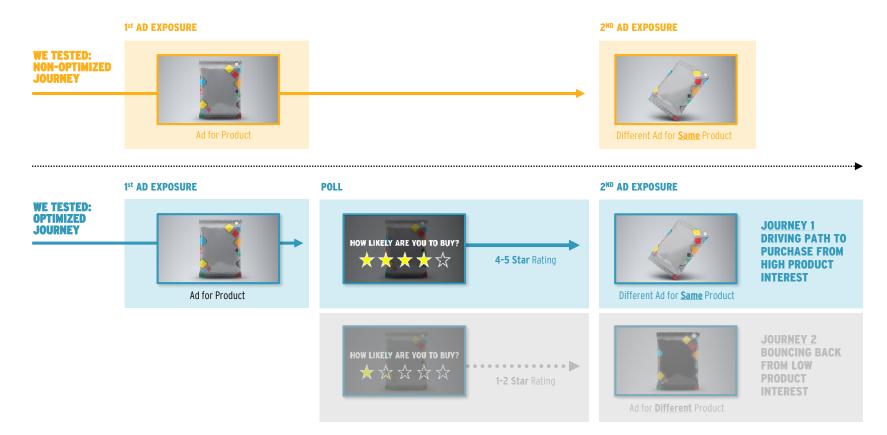
Brand Health

When your primary campaign KPI is to build **brand health**

Path to Purchase

STRATEGY 1

Path To Purchase: Journey 1



Optimized Ad Sequencing Works 2x As Hard In Improving Trust

Impact of 2nd Exposure on Brand Trust Driving Purchase From High Product Interest | Delta (Test - Control)





Optimized Journey Delivered different ad for same product because of high interest +9%^ **BRAND TRUST**

▲ : significant difference between double and single ad exposure at p<=0.1. Significance testing not done between optimized and not optimized group. Path to Purchase - Driving Purchase from High Product Interest: (Non-Optimized Control n=565, Non-Optimized Test n=508, Optimized Control n=250, Optimized Test n=226) C: Please Indicate how much you agree or disagree with each of the following statements about (Pranol). +49

Improved Ad Experiences Show The Right Ad Is Being Delivered To The Right Person

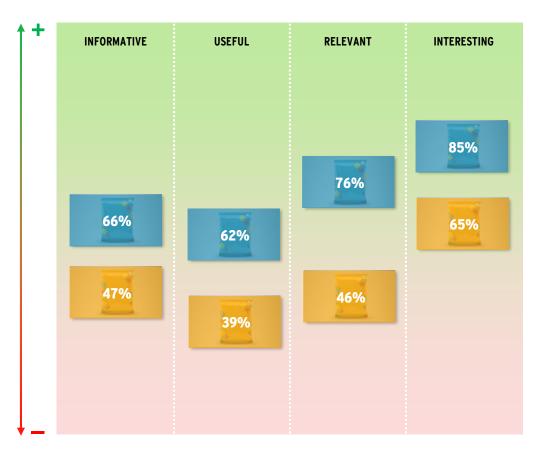
Ad Opinions Driving Purchase From High Product Interest | % Who Agree



Non-Optimized Journey Delivered different ad for same product regardless of interest



Optimized Journey Delivered different ad for same product and were interested in product



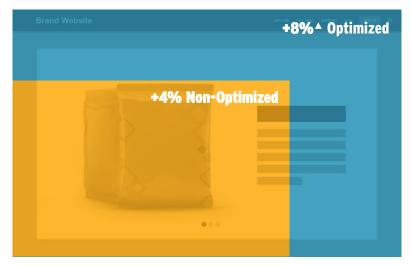
Path to Purchase - Driving Purchase from High Product Interest: (Non-Optimized Control n=565, Non-Optimized Test n=508, Optimized Control n=250, Optimized Test n=226) Q: Please indicate how much you agree or disagree with each of the following statements about this ad.



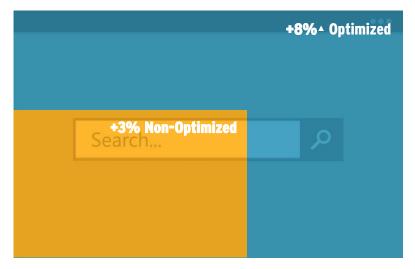
Because The Right Next Ad is Delivered, Consumers are Persuaded to Take Action

Impact of 2nd Exposure on Intent Metrics Driving Purchase From High Product Interest | Delta (Test - Control)

LIKELY TO VISIT BRAND WEBSITE



LIKELY TO SEARCH FOR BRAND ONLINE



▲: significant difference between double and single ad exposure at p=01. Significance testing not done between optimized and not optimized group. Path to Purchase - Driving Purchase from High Product Linerest. Non-Optimized Control n=566, Non-Optimized Test n=506, Optimized Control n=250, Optimized Test n=226) C: In general, how likely are you to visit the following brand websites? How likely are you to go online to search for the following brand, sense of its products, online?

Without Optimization, Many Consumers are Bound to Be Served an Ad that Doesn't Make Sense for Them



Interested, But Not Driven To Purchase

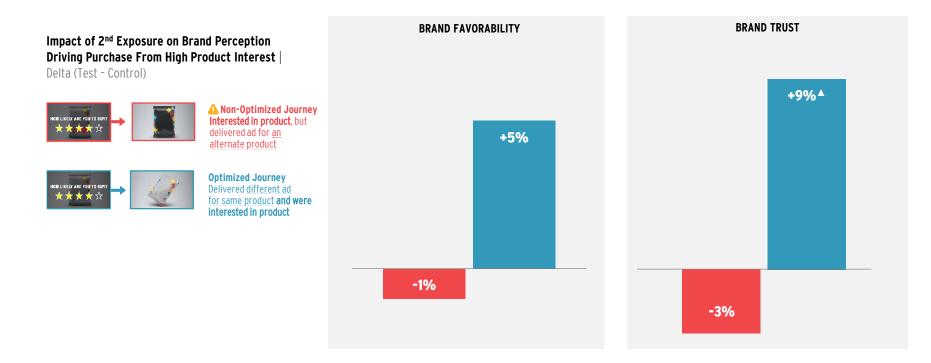
Consumers that are interested in the product could be delivered an ad for an <u>alternative</u> <u>product</u>

Not Interested, But Attempt To Drive Purchase

Consumers that are <u>not interested</u> in the product and are delivered an ad to encourage purchase



What Happens When Consumers Receive The "Wrong" Ad?



▲ : significant difference between double and single ad exposure at p<=0.1. Significance testing not done between optimized and not optimized group. Path to Purchase - Driving Purchase from High Product Interest: (Optimized Control n=250, Optimized Test n=226, Mismatched Control n=113, Mismatched Test n=112)

Without An Optimized Journey, 59% of Impressions Could Be Wasted

Likelihood of Delivering the Appropriate Ad

- Delivered the wrong ad
- Delivered the "right" ad

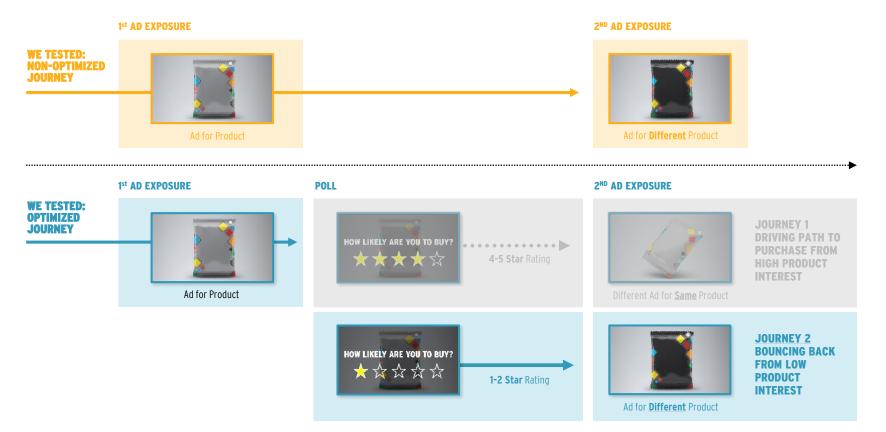
416

Path to Purchase: (Delivered the Wrong Ad n=993, Delivered the Right Ad n=690).

19910



Path To Purchase: Journey 2

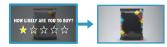


When A Consumer **Isn't Interested, An Alternative Product From The Same Brand May Not Be The** Answer

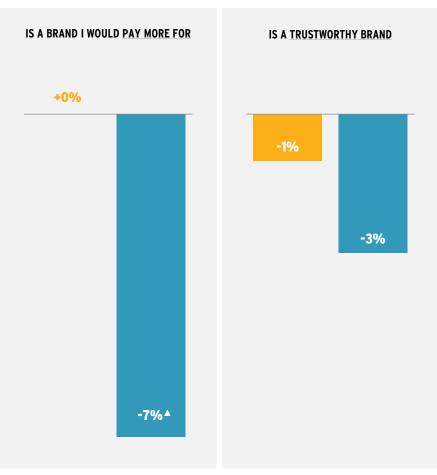
Impact of 2nd Exposure on Brand Attributes Transforming Non-fans Into Fans | Delta (Test - Control)



Non-Optimized Journey different product regardless of interest



Optimized Journey Delivered different ad for different product because of low interest in product



▲: significant difference between double and single ad exposure at p<=0.1. Significance testing not done between optimized and not optimized group. Path to Purchase - Bouncing Back from Low Product Interest: (Non-Optimized Control n=565, Non-Optimized Test n=350, Optimized Control n=103, Optimized Test n=116)



If Recapturing Interest Doesn't Work...

What Now?

Suppress uninterested audiences and reallocate impressions to those who are:

\$100K CAMPAIGN = \$59K IN SAVINGS*

*Based on % of those uninterested Path to Purchase: (Interested n=993 Uninterested n=69

'Path To Purchase' Strategy Summary



Driving Purchase From High Product Interest

Consumers were efficiently moved through the buyer journey by being persuaded to take important next steps in purchasing the brand visiting the website and searching for the brand online.

Bouncing Back From Low Product Interest

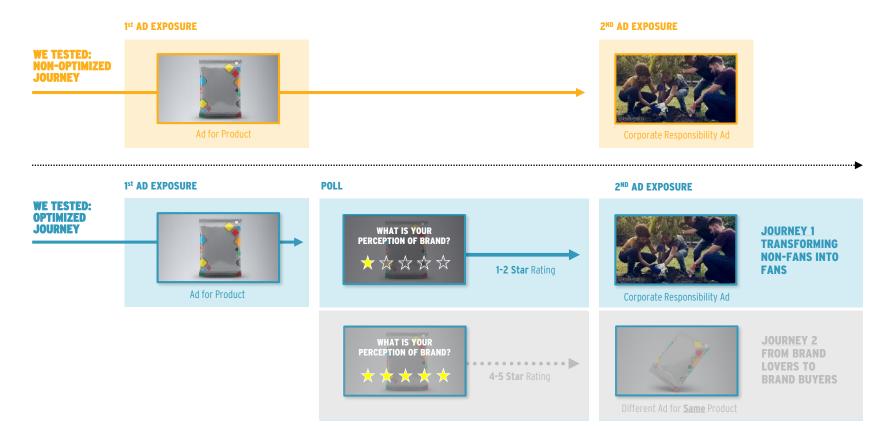
Those not interested to begin with were not persuaded to consider a different product from the brand. While different creative approaches could be useful, marketers could also re-allocate impressions.



STRATEGY 2

Brand Health

Brand Health: Journey 1



When Brand Perception Is Lacking, An Optimized **Journey Drives 5x Greater Impact For Low Perception Consumers**

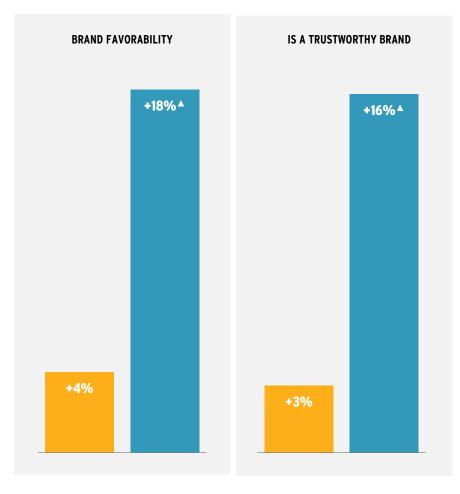
Impact of 2nd Exposure on Brand Attributes Transforming Non-fans Into Fans | Delta (Test - Control)



Non-Optimized Journey responsibility ad regardless of brand perception



Optimized Journey Delivered <u>corporate responsibility</u> ad because of low brand perception

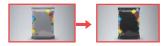


significant difference between double and single ad exposure at p<=0.1. Significance testing not done between optimized and not optimized group. Brand Health (Non-Optimized Control n=736, Non-Optimized Test n=684, Optimized Control n=70, Optimized Test n=59)



What Happens When Consumers Receive the "Wrong" Ad?

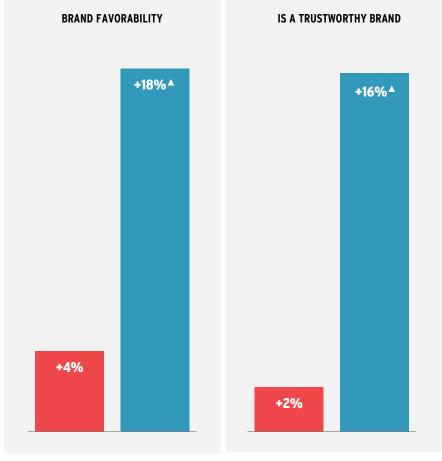
Impact of 2nd Exposure on Brand Attributes Transforming Non-fans Into Fans | Delta (Test - Control)



A Non-Optimized Journey Attempted to drive brand interest with different product ad despite low brand perception

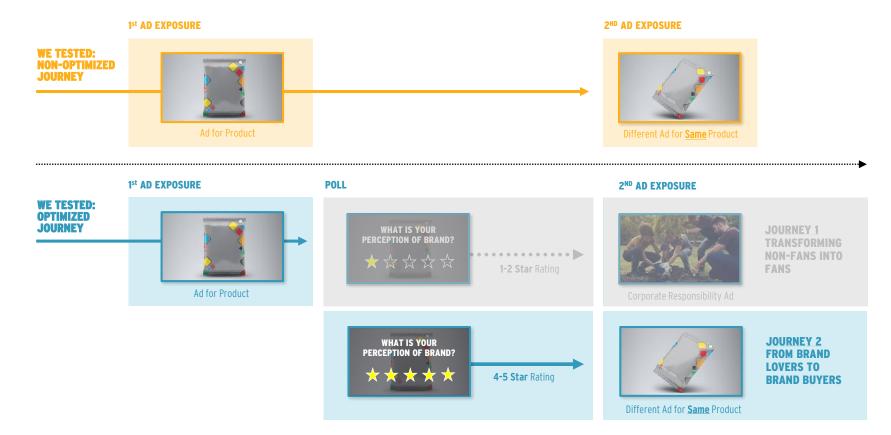


Optimized Journey Delivered corporate responsibility ad because of low brand perception



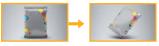
▲ : significant difference between double and single ad exposure at p<=0.1. Significance testing not done between optimized and not optimized group. Brand Health (Non-Optimized Control n=736, Non-Optimized Test n=650, Optimized Control n=495, Optimized Test n=430, Mismatched Journey Control n=70, Mismatched Journey Test n=53)

Brand Health: Journey 2

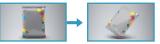


Those Who Liked the Brand Appreciate Receiving the Optimized Ad

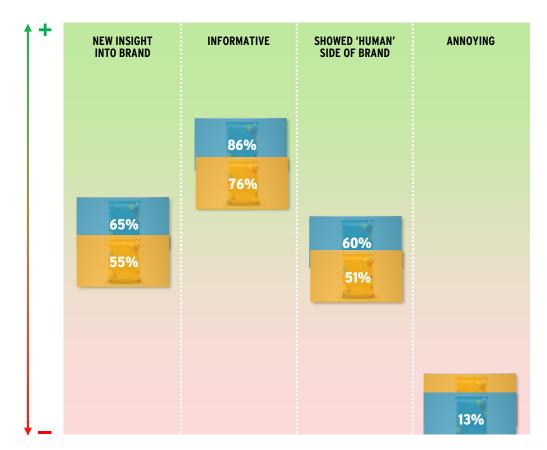
Ad Opinions From Brand Lovers To Brand Buyers | % Who Agree



Non-Optimized Journey Delivered <u>different ad for same</u> <u>product</u> regardless of interest



Optimized Journey Delivered different ad for same product because of high interest



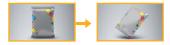
▲ : significant difference between double and single ad exposure at p<=0.1. Significance testing not done between optimized and not optimized group. Brand Health (Optimized Control n=495, Optimized Test n=430) C: Please indicate how much you agree or disagree with each of the following statements about this ad.





Driving Interest Among Those Who Already Like the Brand, May Require a Higher Frequency of **Exposure**

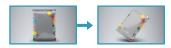
Impact of 2nd Exposure on Brand Attributes From Brand Lovers To Brand Buyers | % Who Agree



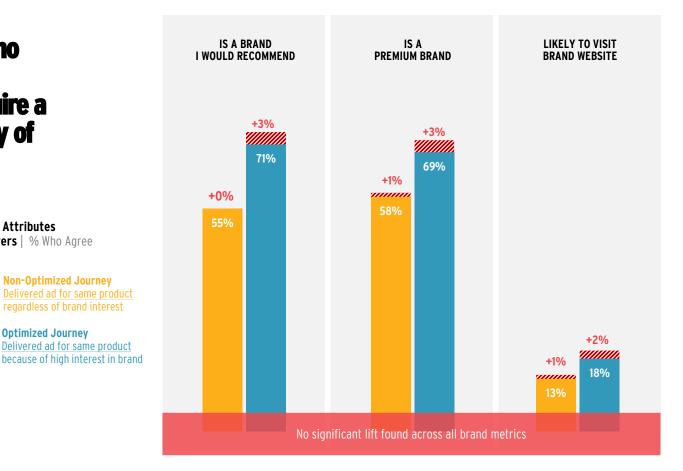
Non-Optimized Journey Delivered ad for same product

Delivered ad for same product

Optimized Journey



Ø Delta for Second Ad Exposure



▲: significant difference between double and single ad exposure at p<=0.1. Significance testing not done between optimized and not optimized group. Brand Health (Optimized Control n=495, Optimized Test n=430).

'Brand Health' Strategy Summary



Transforming Non-fans Into Fans

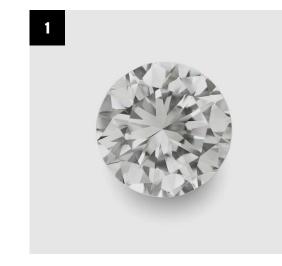
Those with negative perceptions of the brand can be turned around with a corporate responsibility ad

From Brand Lovers To Brand Buyers

It may be possible to drive interest for those who have a positive opinion of the brand. Results show potential, but it may actually require a higher frequency of exposure



Implications





In both Path to Purchase and Brand Health strategies, brands who used optimized journeys were considered more trustworthy.

Without Optimizing, Brands Run The Risk Of Hurting Brand Perceptions

2

Without optimizing, consumers feel they aren't being heard which can adversely affect brand trustworthiness.

Optimizing Saves Campaign Dollars

3

Sometimes there is no "right next ad" for an uninterested consumer, making their impressions wasted. Consider reallocating instead.

