THE ACCELERATED PURCHASE JOURNEY

Efficiently guiding consumers through to purchase
MARKETING 101

BEFORE PURCHASING YOUR BRAND, THE PERSON MUST...

- Be in-market for the product
- Be aware of your brand
- Include your brand in consideration set
CAN THE “RIGHT CREATIVE” AT THE “RIGHT TIME” MORE EFFICIENTLY GUIDE PEOPLE THROUGH TO PURCHASE?
THE TEST

We worked with 2 brands to see if we could optimize the creative executions to more efficiently guide consumers closer to purchase.

CONTROL
No creative executions for test brand; ads for non-competitive brands.

NON-OPTIMIZED
Creative executions delivered randomly, regardless of where the consumer is in the purchase journey.

OPTIMIZED
Creative executions delivered based on where the consumer is in the purchase journey.
THE OPTIMIZATION

Brands: Foundation & Sulfate-Free Shampoo

OPTIMIZATION BASED ON POSITION IN PURCHASE JOURNEY
All are open to buying product in next 6 months

BEGINNING
Not immediately open to buying product

MIDDLE
Intend on buying product soon & test brand is NOT yet in consideration set

END
Intend on buying product soon & test brand is in consideration set

CREATIVE EXECUTION

Awareness Focused Ads

Perception Focused Ads

Purchase Focused Ads

• Images on the slide are examples and not the actual creatives that were used in the study
• Each person was assigned to a single product. Each exposure was a different creative even if they stayed in the same position in the purchase journey to avoid repetitive ad exposures.
THE METHOD

WHO
Recruited from a representative panel
n=878 per brand

REQUIREMENTS
• Fit the brand’s key audience demographic
• Open to buying product from category in next 6 months

RANDOMIZATION
Randomized into a test cell:
• Control
• Non-Optimized
• Optimized

YOUTUBE SESSIONS OVER 2+ WEEKS
Users visit YouTube testing platform 3-5 times to watch content based on their interests. Pre-roll ads play prior to content

BOOST SAMPLE - SESSIONS 4 & 5

RESPONSES
Post-exposure survey to measure impact on branding metrics
A PLAN BEATS NO PLAN
OPTIMIZING AD DELIVERY WORKS

After 3 optimized ad exposures, 14% of people were closer to purchase.

PROGRESSION THROUGH PURCHASE JOURNEY AFTER 3 EXPOSURES
Delta (Test – Control)

NON-OPTIMIZED

OPTIMIZED

0%
Delivering 3 ads at random didn’t progress people through the purchase journey at all.

↑ = significant difference between Control and Non-Optimized/Optimized ad at >=90% confidence

All Brands; 3 Exposures; Those Who Started At Beginning or Middle of Journey: Control n=357, Non-Optimized n=338, Optimized n=323
OPTIMIZED AD DELIVERY CAN DRIVE ACTUAL PURCHASES

PARENT BRAND PURCHASES
AFTER 3 EXPOSURES
Delta (Test – Control) Based on % of Self-Reported Purchases

Non-Optimized

Optimized

At Brands; 3 Exposures; Those Who Started At Beginning or Middle of Journey; Control n=357, Non-Optimized n=338, Optimized n=323
↑ = significant difference between Control and Non-Optimized/Optimized ad at >=90% confidence
OPTIMIZATION WORKS EVEN HARDER AT HIGHER FREQUENCY

PROGRESSION THROUGH PURCHASE JOURNEY AFTER 5 EXPOSURES
Delta (Test – Control)

At Brands; 5 Exposures; Those Who Started At Beginning or Middle of Journey: Control n=106, Non-Optimized n=85, Optimized n=94
↑= significant difference between Control and Non-Optimized/Optimized ad at >=90% confidence

NON-OPTIMIZED

BEGINNING MIDDLE END

OPTIMIZED

BEGINNING MIDDLE END
Shifts occur from the beginning and middle of the purchase journey

Position in Journey
% Incidence

**Control**

**Beginning**
28%

**Middle**
30%

**End**
41%

**5 Optimized Exposures**

**Beginning**
25%

**Middle**
26%

**End**
49%
OPTIMIZED OR NOT, ADS DRIVE BRAND METRICS

But brand metrics alone don’t tell the full story

IMPACT ON BRAND METRICS AFTER 3 EXPOSURES
Deltas (Test - Control)

AIDED BRAND AWARENESS

Non-Optimized

Optimized

+19%†

+21%†

PURCHASE INTENT

Non-Optimized

Optimized

+8%†

+7%†
THE DIFFERENCE IS TRIGGERING ENOUGH INTEREST TO TAKE THE NEXT STEP

IMPACT ON SEARCH INTENT BY FREQUENCY
Deltas (Test - Control)

<table>
<thead>
<tr>
<th>SEARCH INTENT</th>
<th>Non-Optimized 3 Exposures</th>
<th>Optimized 3 Exposures</th>
<th>Non-Optimized 5 Exposures</th>
<th>Optimized 5 Exposures</th>
</tr>
</thead>
<tbody>
<tr>
<td>best foundations 2020</td>
<td>+8%</td>
<td></td>
<td>+8%</td>
<td>+15%†</td>
</tr>
<tr>
<td>liquid vs powder foundation</td>
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<td></td>
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<tr>
<td>foundation</td>
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<tr>
<td>foundation for sensitive skin</td>
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</table>
PEOPLE FELT THE DIFFERENCE.
MORE RELEVANCE, MORE INFO, MORE ENJOYABLE

Optimization clearly creates a different ad experience compared to the same creative delivered at random

AD OPINIONS AFTER 3 EXPOSURES
Deltas (Optimized – Non-optimized)  
- Non-optimized  
- Optimized

ENJOYABLE
OFFERED NEW INFO
FELT RELEVANT TO ME

Foundation Brand: 3 Exposures; Non-Optimized n=293, Optimized n=277  
↑= significant difference between Control and Non-Optimized/Optimized ad at >=90% confidence
OPTIMIZATION CAN ALSO CURB ANNOYANCE AMONG THOSE NOT YET INTERESTED

PROGRESSION THROUGH PURCHASE JOURNEY AFTER 3 EXPOSURES

% Agree

Shampoo Brand: 3 Exposures; Those starting at beginning or middle of journey; Non-Optimized n=112, Optimized n=117; ↑= significant difference between Control and Non-Optimized/Optimized ad at >=90% confidence
WE ALSO TESTED LOCATION ENABLED ADS

VIDEO AD WITHOUT LOCATION INFO ON WHERE TO BUY

VIDEO AD WITH LOCATION INFO ON WHERE TO BUY

Images on the slide are examples and not the actual creatives that were used in the study.
INCLUDING ‘WHERE TO PURCHASE’ INFO DRIVES INTENT TO TAKE THE NEXT STEP

IMPACT ON INTENT METRICS AFTER 3 EXPOSURES

Optimized with or without location messaging
- Deltas (Test - Control)

<table>
<thead>
<tr>
<th>Without</th>
<th>With</th>
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<tbody>
<tr>
<td>SEARCH INTENT</td>
<td>+4%</td>
</tr>
<tr>
<td>PURCHASE INTENT</td>
<td>+5%</td>
</tr>
</tbody>
</table>

Foundation Brand: Control n=585, Optimized with location n=290, Optimized without location n=292,
↑ = significant difference between Control and Non-Optimized/Optimized ad at >=90% confidence
HIGHER FREQUENCY FOR HIGHER CONSIDERATION
HIGHER CONSIDERATION BRANDS HAVE MORE WORK TO DO

POSITION IN JOURNEY PRIOR TO ANY AD EXPOSURE

% Incidence

**SHAMPOO**

**BEGINNING**

Not open to buying sulfate-free shampoo for next shampoo purchase

8%

**MIDDLE**

Open to buying sulfate-free shampoo for next purchase & test brand is **not** yet in consideration set

32%

**END**

Open to buying sulfate-free shampoo for next purchase & test brand is in consideration set

60%

**FOUNDATION**

**BEGINNING**

Not open to buying foundation in the next month

48%

**MIDDLE**

Open to buying the foundation in next month & test brand is **not** yet in consideration set

29%

**END**

Open to buying foundation in next month & test brand is in consideration set

23%

While the majority of people already open to the shampoo brand for their next purchase, only 23% were open to the foundation brand.
MORE OPTIMIZED EXPOSURES NEEDED TO IMPACT PRODUCTS WITH HIGHER PRICE POINT

PROGRESSION THROUGH PURCHASE JOURNEY BY FREQUENCY

% That Progressed in Purchase Journey

<table>
<thead>
<tr>
<th></th>
<th>Shampoo = $7</th>
<th>Foundation = $45</th>
</tr>
</thead>
<tbody>
<tr>
<td>NON-OPTIMIZED: Frequency 3</td>
<td>27%</td>
<td>1%</td>
</tr>
<tr>
<td>OPTIMIZED: Frequency 3</td>
<td>44%↑</td>
<td>12%</td>
</tr>
<tr>
<td>OPTIMIZED: Frequency 5</td>
<td>NA</td>
<td>28%↑</td>
</tr>
</tbody>
</table>

Shampoo Brand: Non-Optimized at 3 Exp n=113; Optimized at 3 Exp n=117
Foundation Brand: Non-Optimized at 3 Exp n=225; Optimized at 3 Exp n=206; Optimized at 5 Exp n=68
IF AT FIRST YOU DON'T SUCCEED
PEOPLE ARE MOST DISCERNING WHEN IN THE MIDDLE OF THE PURCHASE JOURNEY AS THEY NARROW THEIR CONSIDERATION SET

Purchase intent is higher at the beginning of the purchase journey compared to the middle.

PURCHASE INTENT BY POSITION IN PURCHASE JOURNEY

BEGINNING
- 35%
- Not open to buying product soon

MIDDLE
- 20%
- Intend on buying product soon & test brand is NOT yet in consideration set

END
- 45%
- Intend on buying product soon & test brand is in consideration set
WHEN PEOPLE ARE STUCK IN THE MIDDLE...

OF THOSE WHO WERE STUCK IN THE MIDDLE AND WERE NOT BUDGING, WE TRIED SOMETHING NEW WITH A “FEEL GOOD” AD

EXPOSURE 1
Perception Ad

EXPOSURE 2
New Perception Ad

EXPOSURE 3
Non-product “Feel Good” Ad
CHANGING STRATEGY DROVE CONVERSIONS TO END OF JOURNEY

IMPACT OF CHANGING STRATEGY

Converted to End of Purchase Journey
Deltas (Test - Control)
- Non-Optimized
- Optimized

Control n=133, Non-Optimized n=129, Optimized n=107
↑= significant difference between Control and Non-Optimized/Optimized ad at >=90% confidence
MANY REFER TO “THE FUNNEL” WHEN BUILDING ADVERTISING STRATEGIES
BUT MANY SKIP STEPS IN THE TRADITIONAL FUNNEL

% THAT TOOK MULTIPLE STEPS FORWARD IN TRADITIONAL FUNNEL AFTER AD EXPOSURE
Among Those That Moved Forward

Foundation Brand: n=878; Shampoo Brand: n=878
IT’S NOT REALLY A FUNNEL. IT’S A MATRIX.

AD EXPOSURE  AWARE OF BRAND  FAVORABLE TOWARD BRAND  INTEND ON PURCHASING BRAND
PAST BRAND EXPERIENCE & RECENT SEARCHING SPUR MULTIPLE STEPS IN TRADITIONAL FUNNEL

PREDICTORS OF TAKING MULTIPLE STEPS IN TRADITIONAL FUNNEL

JUMPING TO HIGH BRAND FAVORABILITY

- Recent Search: 7%
- Past Brand Experience: 43%
- Age: 0%
- Income: 0%

JUMPING TO HIGH PURCHASE INTENT

- Recent Search: 11%
- Past Brand Experience: 8%
- Age: 0%
- Income: 0%

Estimates are % increase in likelihood of jumping to high favorability or intent given low awareness and low favorability, for intent—controlling for factors listed at left. Bars indicate 95% CI.

Foundation Brand n=878
SEARCH TERMS, A GOOD PROXY

foundation

best foundation with UV protection

where to buy sheer foundation
STRONG RELATIONSHIP BETWEEN SEARCHING & BEING FURTHER IN THE PURCHASE JOURNEY

Search retargeting strategies can be used to help reach audiences further in the purchase journey.

% THAT SEARCHED ONLINE FOR PRODUCT CATEGORY

**FOUNDATION**
- **BEGINNING**: 11%
- **MIDDLE**: 26%
- **END**: 35%

**SHAMPOO**
- **BEGINNING**: 6%
- **MIDDLE**: 22%
- **END**: 20%
VERY SPECIFIC TERMS MOST LIKELY USED AT THE END OF THE PURCHASE JOURNEY

SEARCH BEHAVIORS AT THE END OF THE JOURNEY

BROAD TERMS
- foundation
- best foundations
- shampoo
- color shampoo

SPECIFIC TERMS
- best foundations 2020
- liquid vs powder foundation
- sulfate free shampoo
- best sulfate free shampoo

VERY SPECIFIC TERMS
- best foundations for over 40
- best foundations for dry skin
- where can I buy foundation?
- best shampoo for blonde hair
- deeply moisturizing, color safe shampoo

People at the end of the purchase journey are 56% more likely to search for very specific foundation terms compared to people earlier in the journey (34% more likely for shampoo).
A PLAN BEATS NO PLAN

While testing and learning is recommended, simply using common sense to deliver messages that are most appropriate based on where consumers are in the purchase journey can be highly effective.

HIGHER FREQUENCY FOR HIGHER CONSIDERATION

Even if impact on branding metrics is strong, a higher frequency of exposure may be needed to guide consumers closer to purchase for certain categories.

SEARCH RETARGETING, A PURCHASE JOURNEY INDICATOR

Search terms can serve as an easy proxy for identifying where consumers are in the purchase journey. Consider using search retargeting.