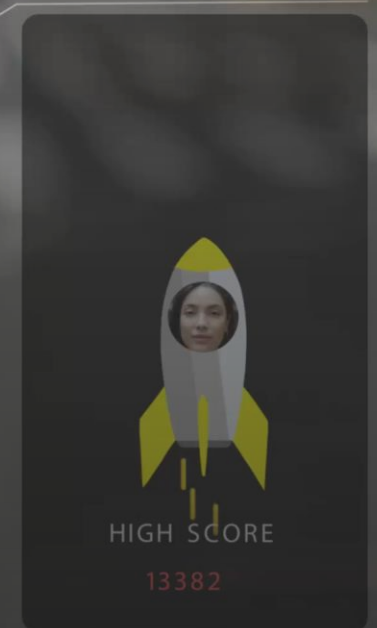




THE AUGMENTED REALITY PLAYBOOK

UNDERSTANDING THE ROLE OF AR IN THE PURCHASE JOURNEY



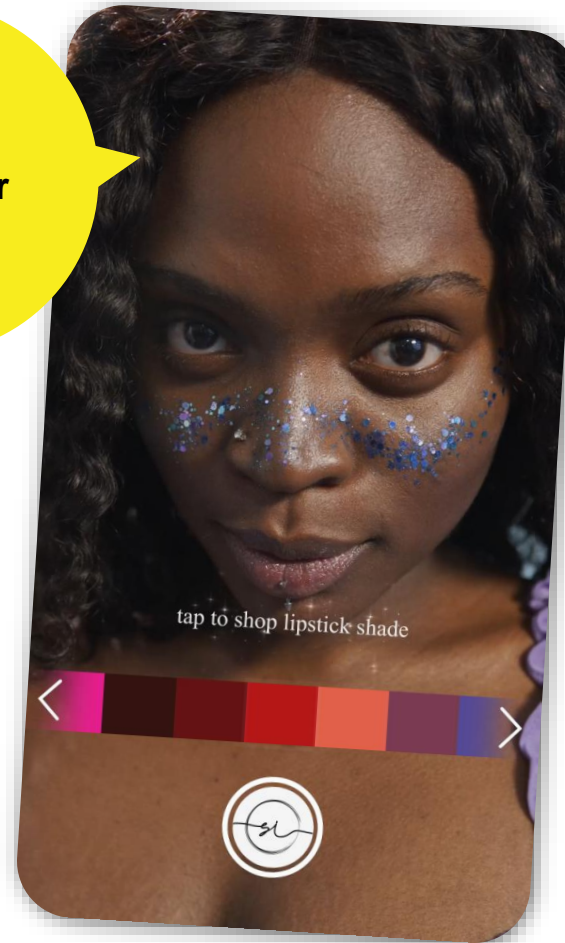
AR IS UNDENIABLY UNIQUE

AR allows
consumers to...

See what new
furniture
looks like in
their living
room



Try on
makeup
from their
home



Playfully interact
with brands



**BUT
WHERE
EXACTLY DOES**

AR

**FIT IN A
MARKETER'S
TOOLKIT?**

WHO WE TESTED AND WHERE

RAN EXPERIMENTS TO UNCOVER...

- 1 The true capabilities of AR ads
- 2 The role of AR ads in the consumer purchase journey

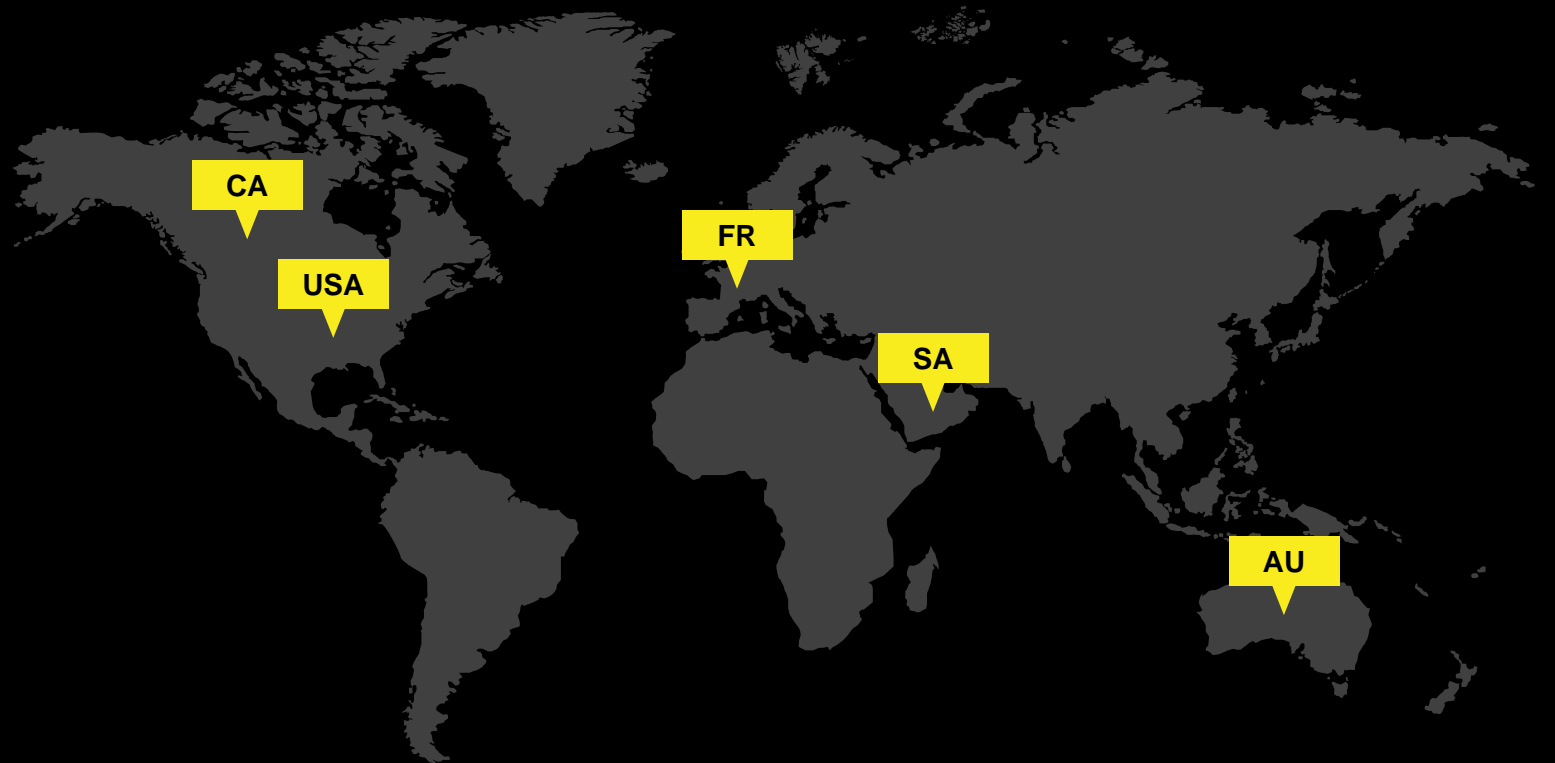
VERTICALS

- | | |
|--|--|
|  Auto: Car |  Retail |
|  Clothing |  Toys |
|  Telecommunications |  Candy |

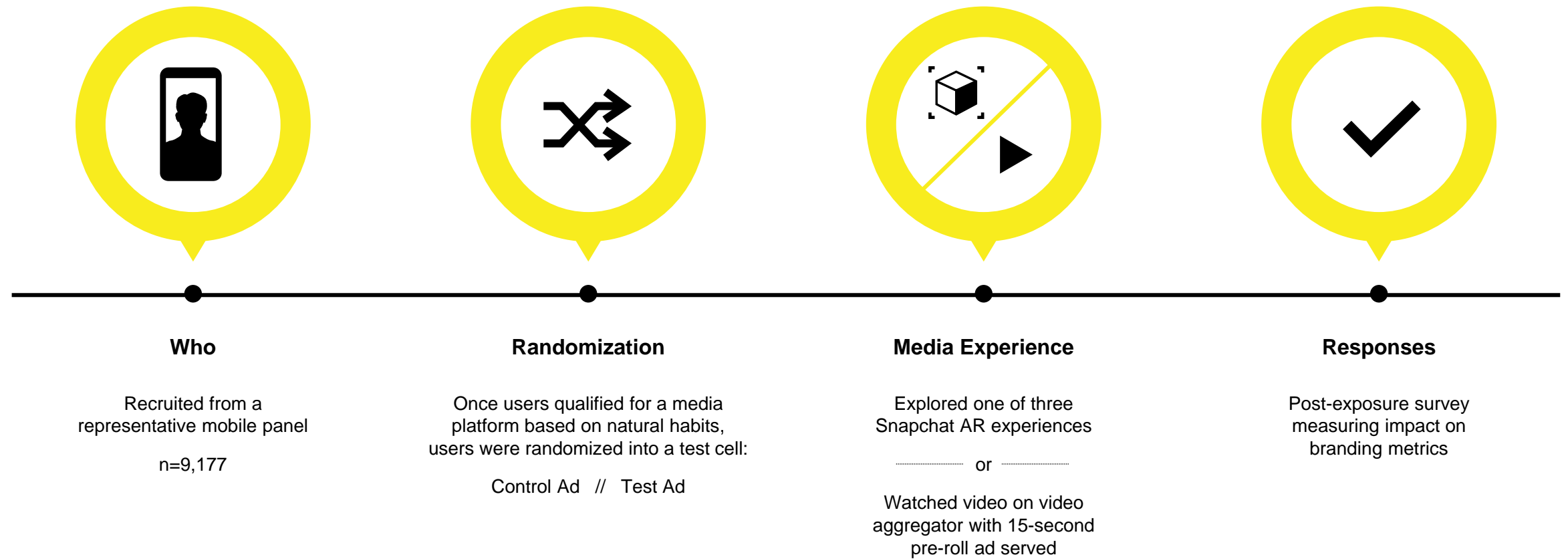
BRANDS



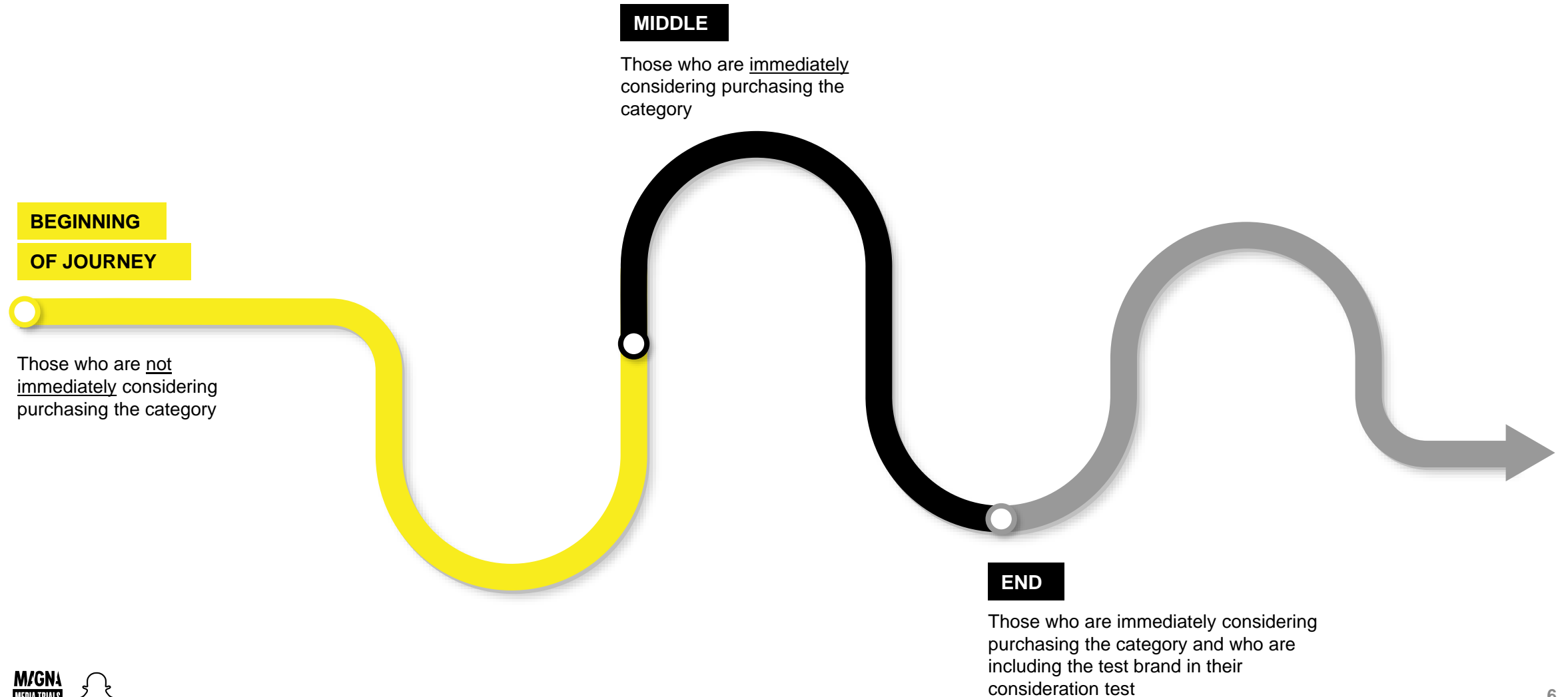
TESTED IN 5 COUNTRIES:



OUR METHOD

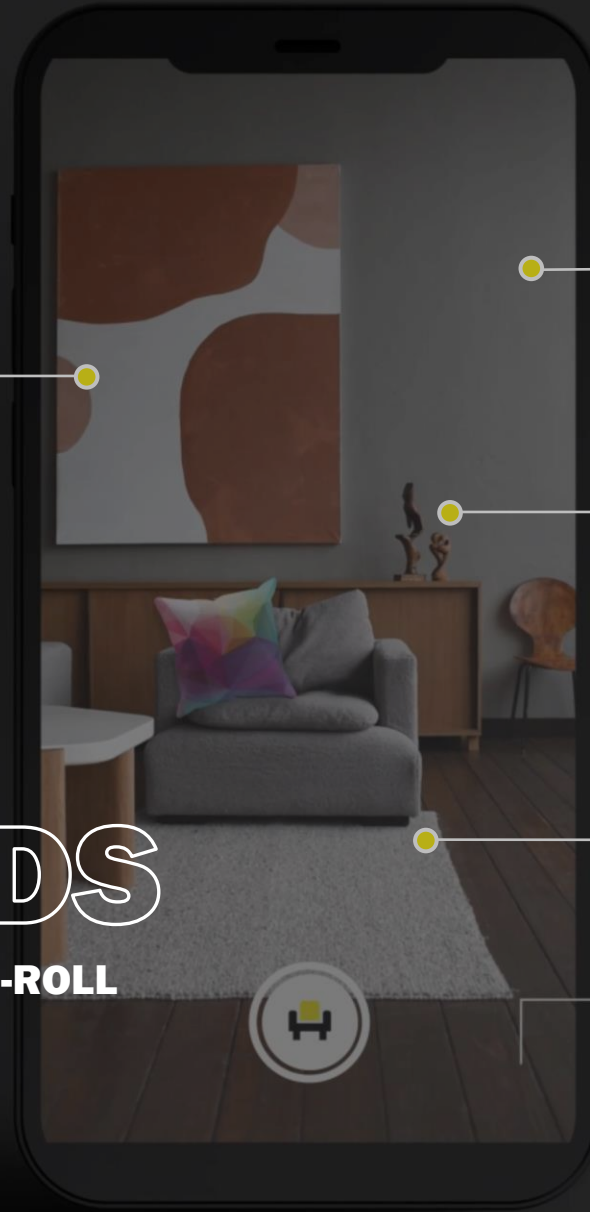


THE PURCHASE JOURNEY, DEFINED.



THE TRUTH ABOUT AR ADS

HOW AR COMPARES TO TRADITIONAL PRE-ROLL



AR ADS ARE MORE THAN FUN. AR PROVIDES UTILITY AND INFORMS ABOVE AND BEYOND PRE-ROLL ADS

Ad Opinions | All Brands

Deltas (AR – Pre-Roll)

■ AR Ads ■ Pre-roll Ads



+8%[↑]



+6%[↑]



+5%[↑]

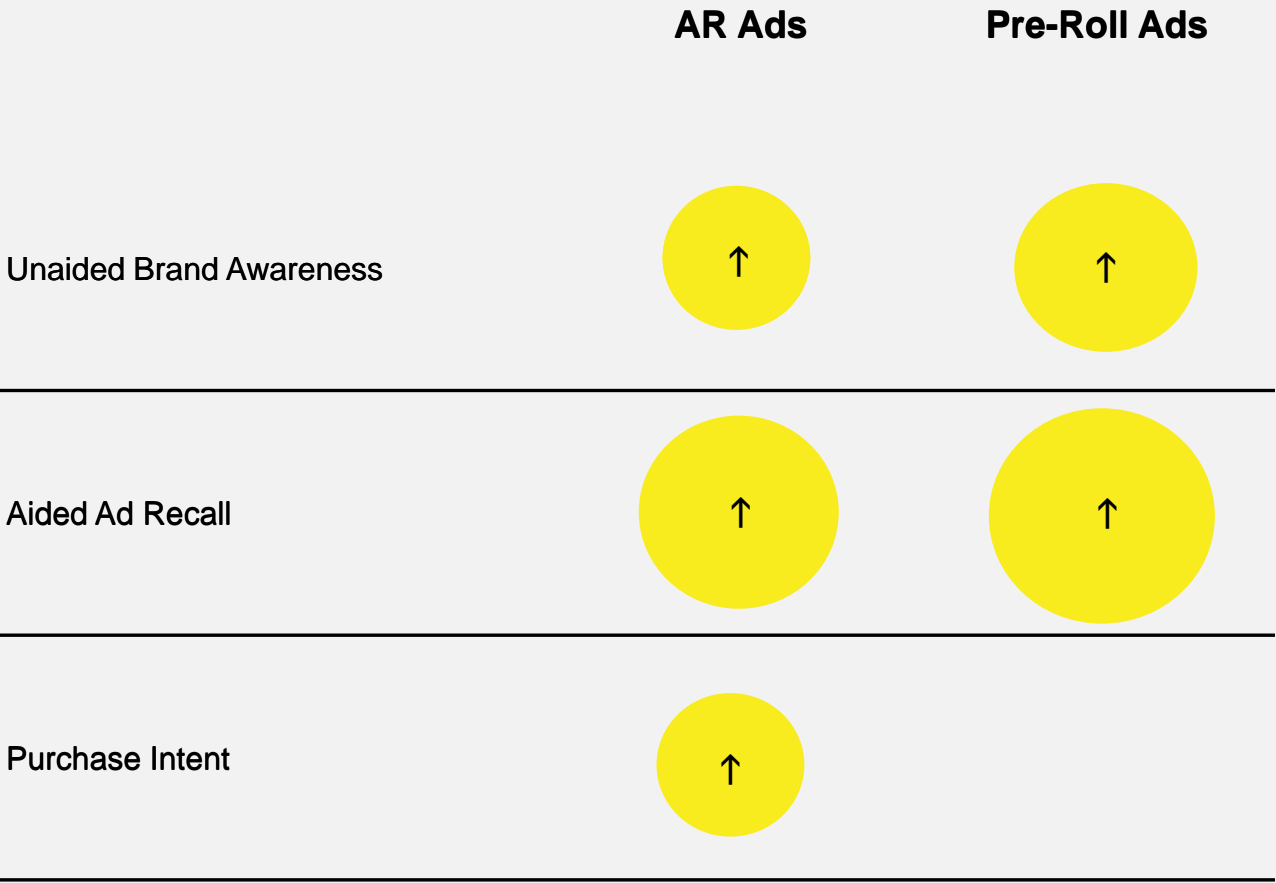


+6%[↑]

Exposed only, AR Ad N=3271, Pre-roll Ad N=1363
[↑] = Statistical significance between Exposed and control groups at >=90% confidence level

AR ADS PERFORM JUST AS WELL AS PRE-ROLL IN ACHIEVING BRAND OBJECTIVES

Impact of Ads
● Deltas (AR – Pre-Roll)



AR, Exposed n= 3268, Control N= 3187; Pre-roll, Exposed N= 1359, Control N= 1363
↑: Statistical significance between AR ad and Video ad at >=90% confidence level



AR'S PERSONALIZED EXPERIENCES HELP BUILD DEEPER CONNECTIONS

Ad Opinions | All Brands

Deltas (AR – Pre-Roll)

Pre-roll Ads

AR Ads, **+14%[↑]**

The ad...

**Helps me feel
closer to the brand**

Pre-roll Ads

AR Ads, **+9%[↑]**

The ad...

**Gets me excited
about the brand**

AR CONSISTENTLY BUILDS DEEPER CONNECTIONS COMPARED TO PRE-ROLL ACROSS MARKETS

Ad Opinions | By Market

 Significant Deltas (AR – Pre-Roll)

	USA	CANADA	FRANCE	AUSTRALIA
Ad Was Informative		✓	✓	✓
Ad Was Useful		✓	✓	✓
Ad Helped Me Feel Closer to Brand	✓	✓	✓	✓
Ad Got Me Excited About The Brand	✓	✓	✓	✓

AR ADS DIFFERENTIATE BRANDS WHEN IT MATTERS MOST

As people are closer to making a purchase, AR ads position brands as “unique”

Impact of Ads | By Purchase Journey

	Beginning of Journey	Middle of Journey	End of Journey
AR Ads		Brand is Unique Significant Increase (Exposed – Control)	Brand is Unique Significant Increase (Exposed – Control)
Pre-roll Ads			

KEY FINDING

AR ads provide utility and help brands build deeper connections with consumers. Marketers should leverage this to differentiate their brand when it matters most.

INSIDE THE PURCHASE JOURNEY

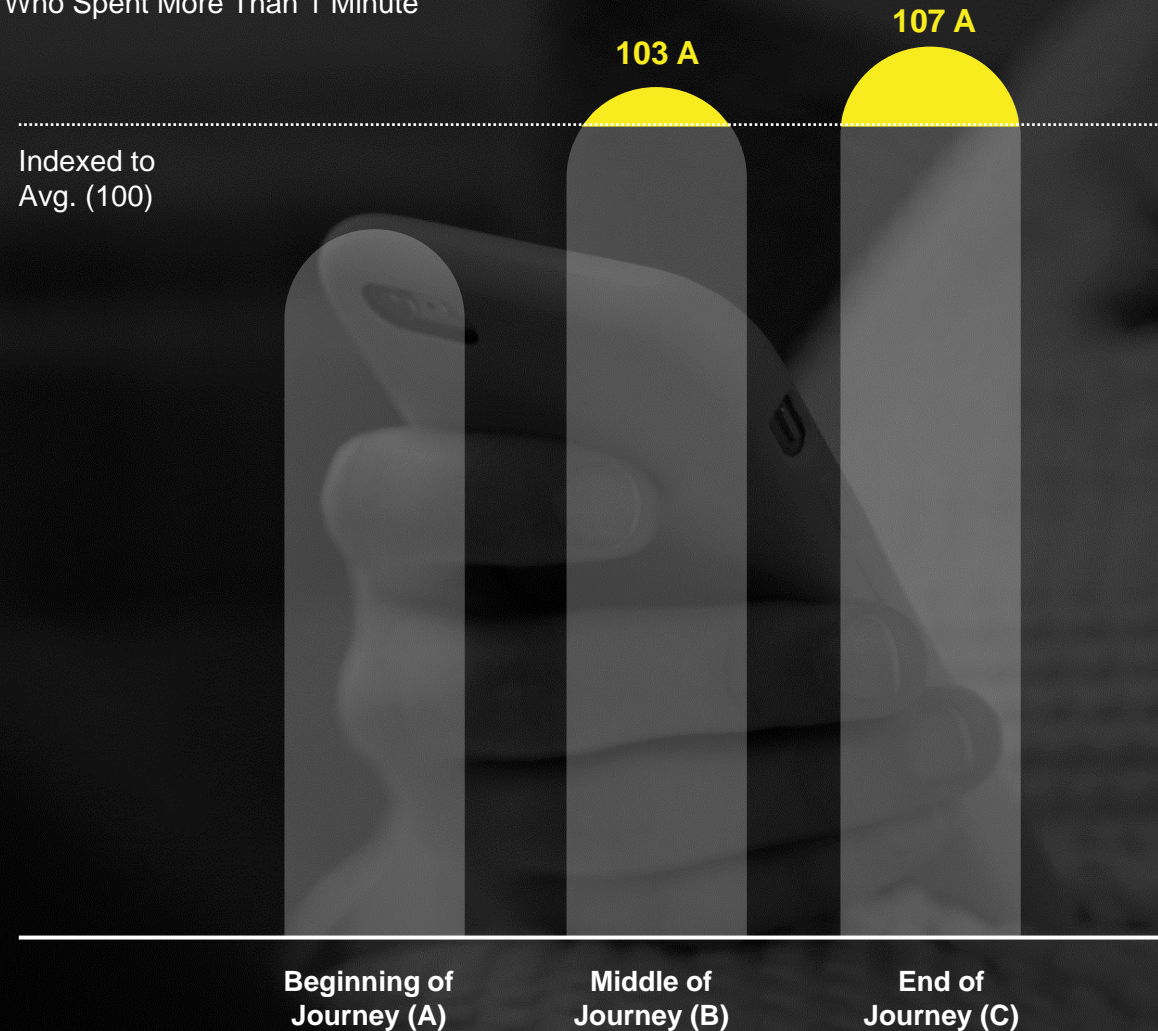
THE ROLE OF AR IN THE PURCHASE JOURNEY



AR ALLOWS THOSE READY TO PURCHASE TO GO DEEPER

People in the middle and end of the purchase journey spent more time with AR ads

Time Spent With AR Ads
Those Who Spent More Than 1 Minute



All AR, Beginning N=1279, Middle N=2097, End N=3076
Beginning: Those who are not immediately considering purchasing the category
Middle: Those who are considering purchasing the category soon
End: Those who are considering purchasing the category soon and the test brand is in their consideration set
A/B/C: Statistical significance between each journey group at >=90% confidence level
Self-reported time spent

FOR THOSE CLOSER TO PURCHASE, AR ADS BUILD MORE UTILITY & STRONGER PERSONAL CONNECTIONS

AR Ad Opinions
% Strongly or Somewhat Agree

- Beginning of Journey (A)
- Middle of Journey (B)
- End of Journey (C)

Helps Me Feel Closer to the Brand



Brand is Informative

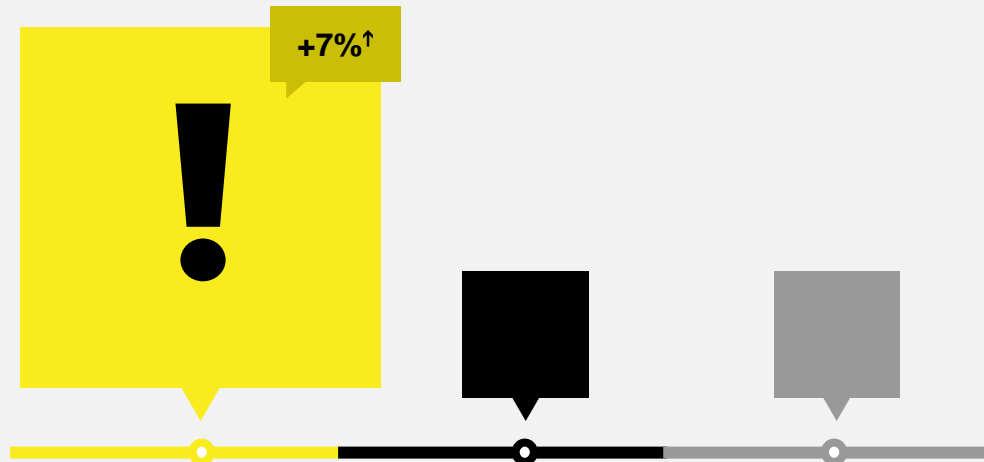


Brand is Useful



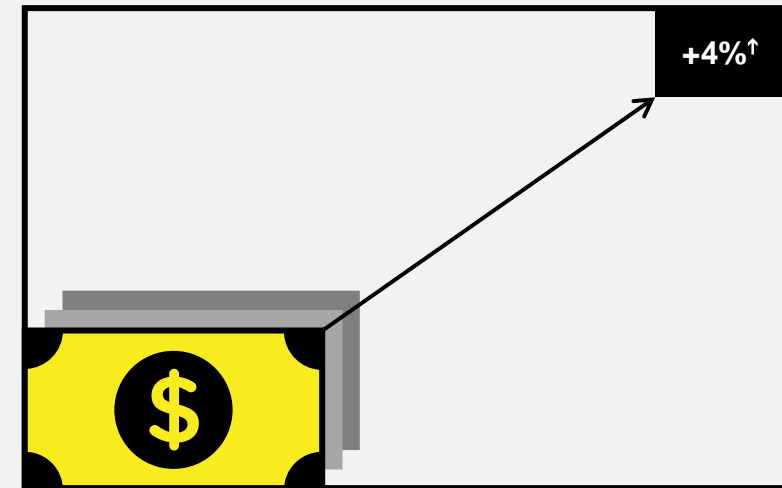
AR ADS CAPTURE THE ATTENTION OF BROAD AUDIENCES EARLY IN THE PURCHASE JOURNEY

Aided Ad Recall
Deltas (Exposed - Control)



...AND PROPEL SOME TO DESIRE PURCHASING SOONER.

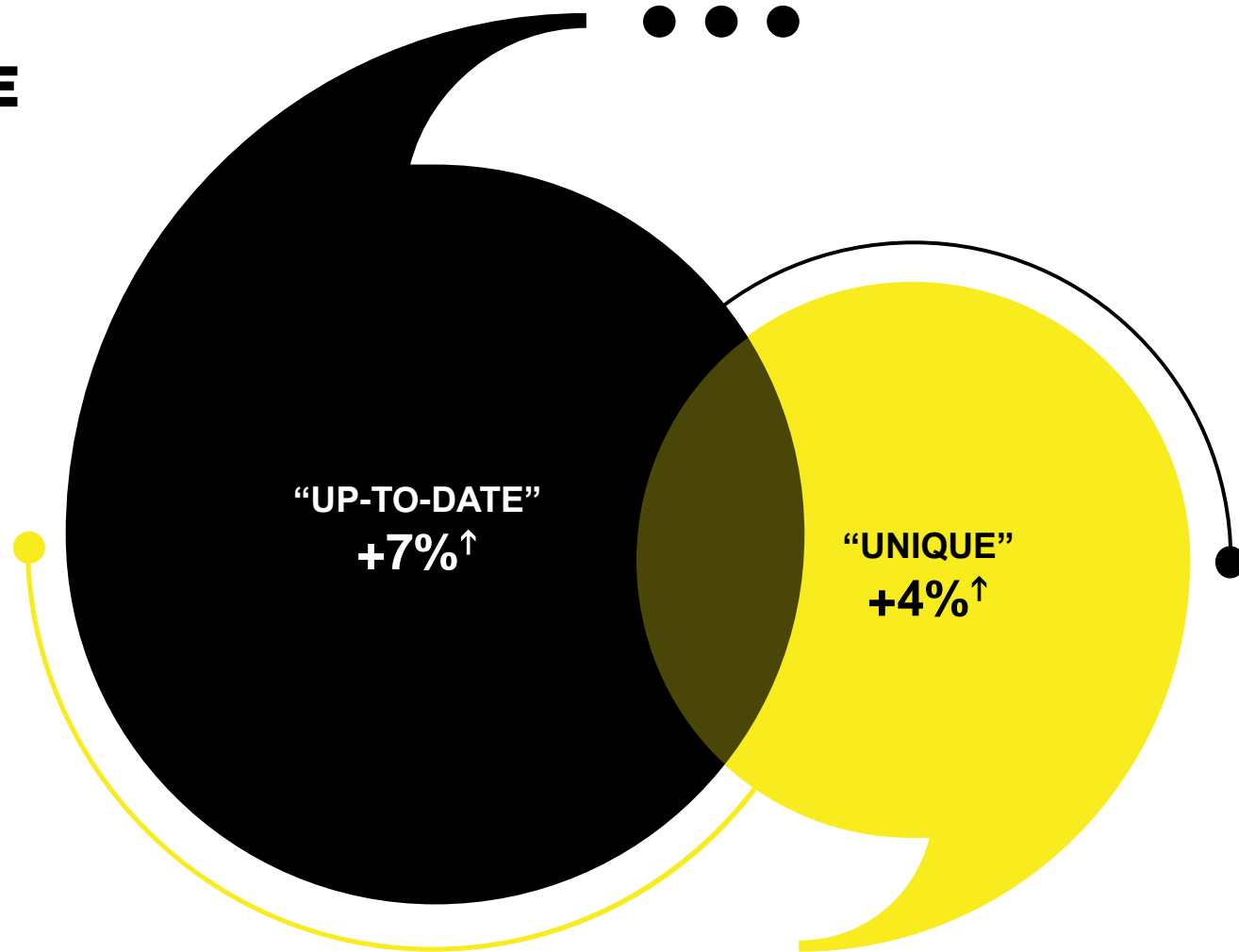
Purchase Intent
Deltas (Exposed - Control)



FOR THOSE IN THE CONSIDERATION PROCESS, AR ADS SHAPE BRAND OPINIONS

Impact of AR Ads

Deltas (Exposed - Control)

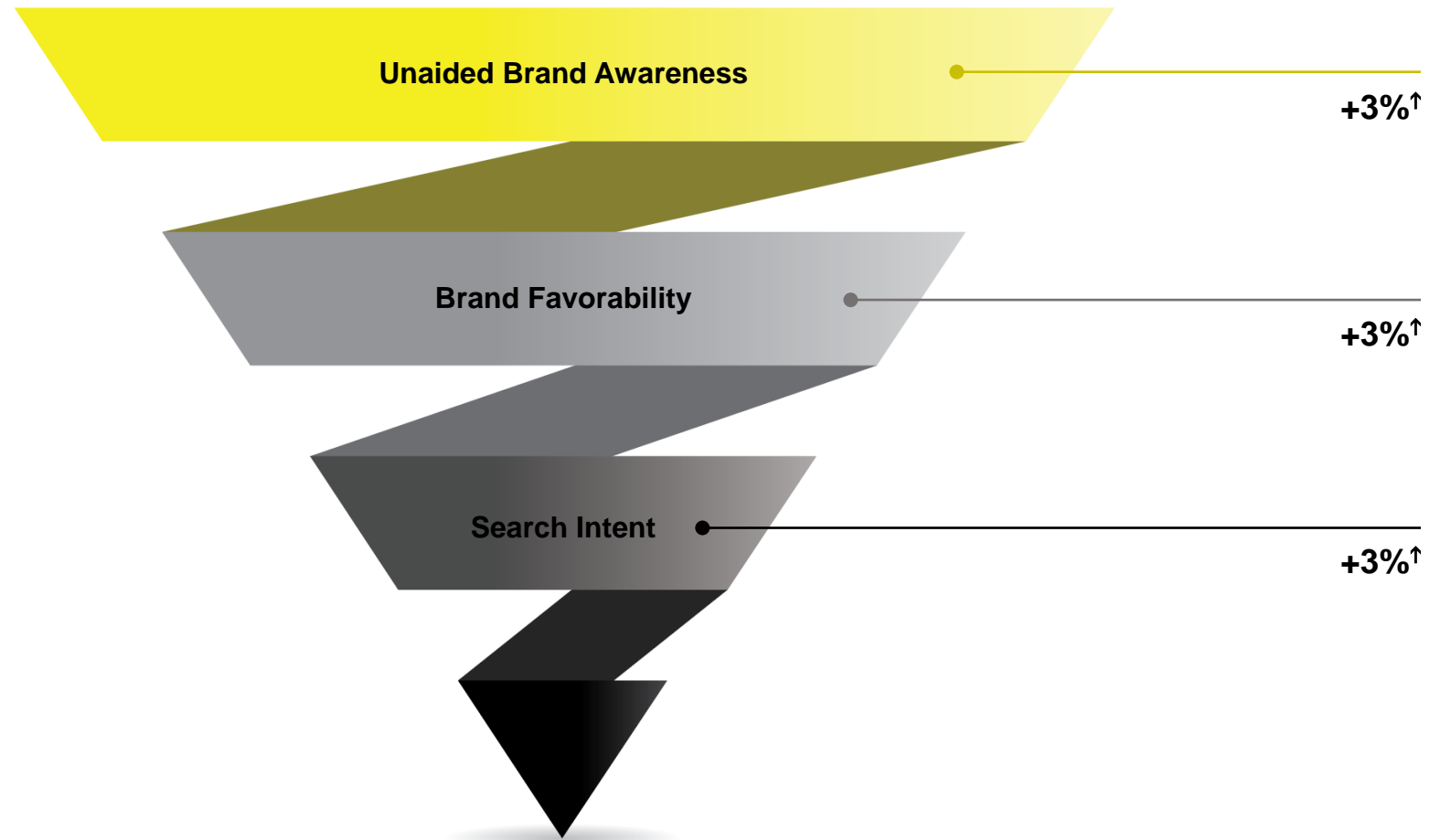


FOR THOSE CLOSEST TO DECISION-MAKING, AR ADS INFLUENCE METRICS ACROSS THE BRANDING FUNNEL

AR brings the brand top-of-mind, solidifies overall brand opinions, and drives people to take the next step

Impact of AR Ads

Deltas (Exposed - Control)



KEY FINDING

AR ads play a unique role in each phase of the purchase journey. Hence marketers shouldn't view AR as an add-on but rather use them to build and amplify the brand by matching the right goals with the right target audience.

AR LENS TACTICS

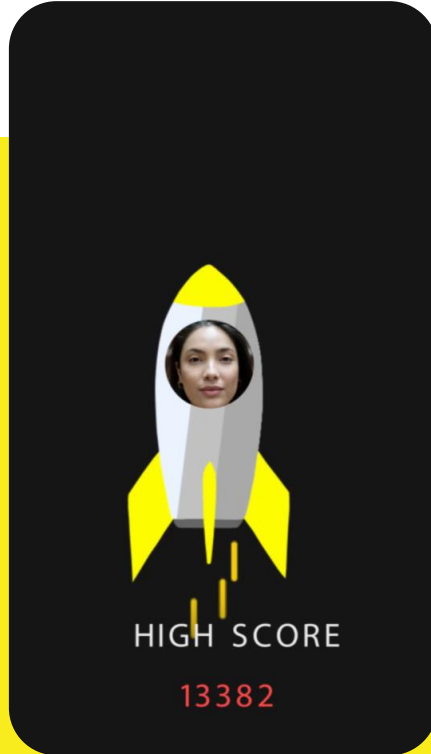
HARD AT WORK



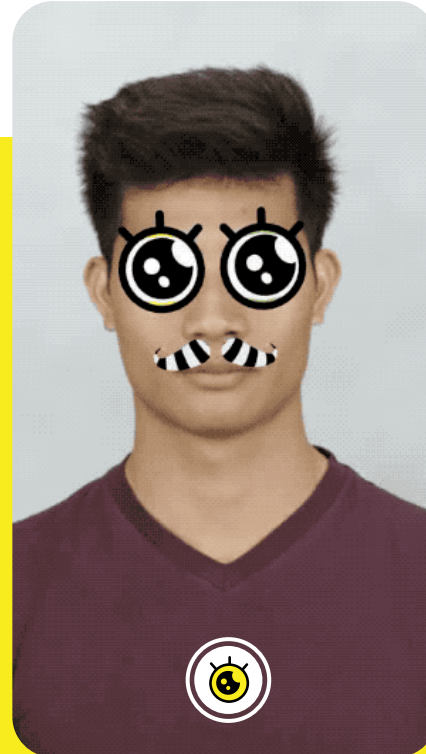
TYPES OF AR ADS & TACTICS TESTED



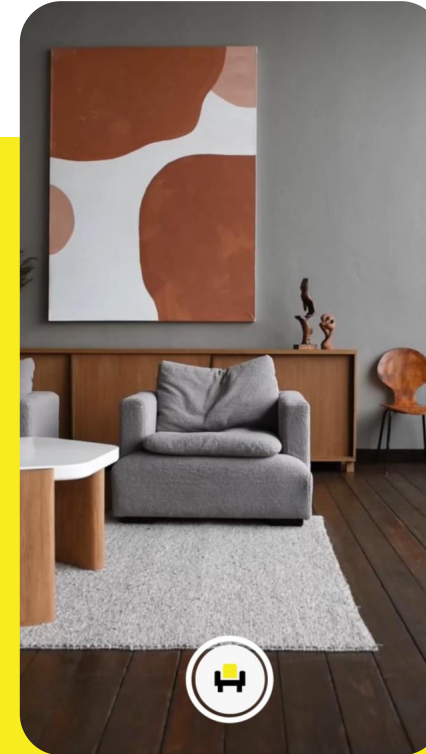
Shoppable AR



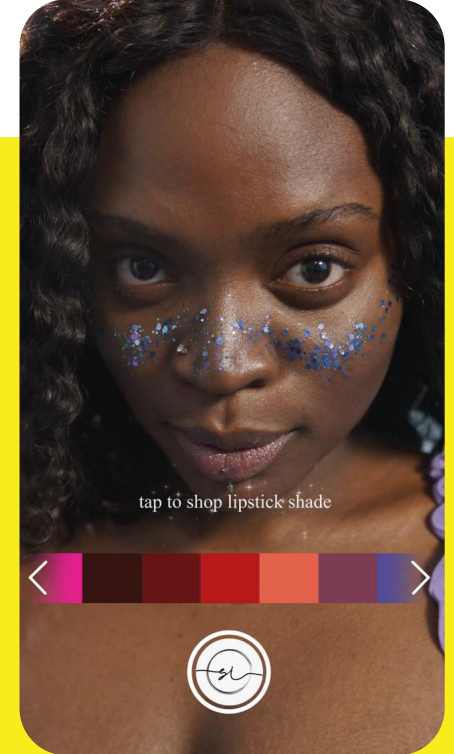
Entertainment
|| Gaming AR ||



Entertainment
|| Not Gaming AR ||



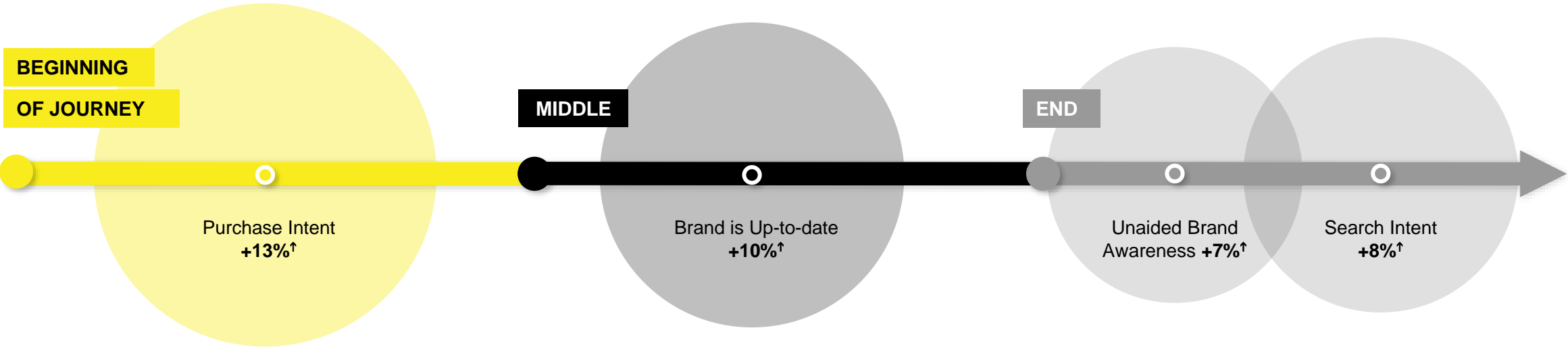
World Facing AR



Front Facing AR

WHILE EFFECTIVE THROUGHOUT, SHOPPABLE LENSES TRIGGER THOSE AT THE END OF THEIR JOURNEY TO TAKE THE NEXT STEP

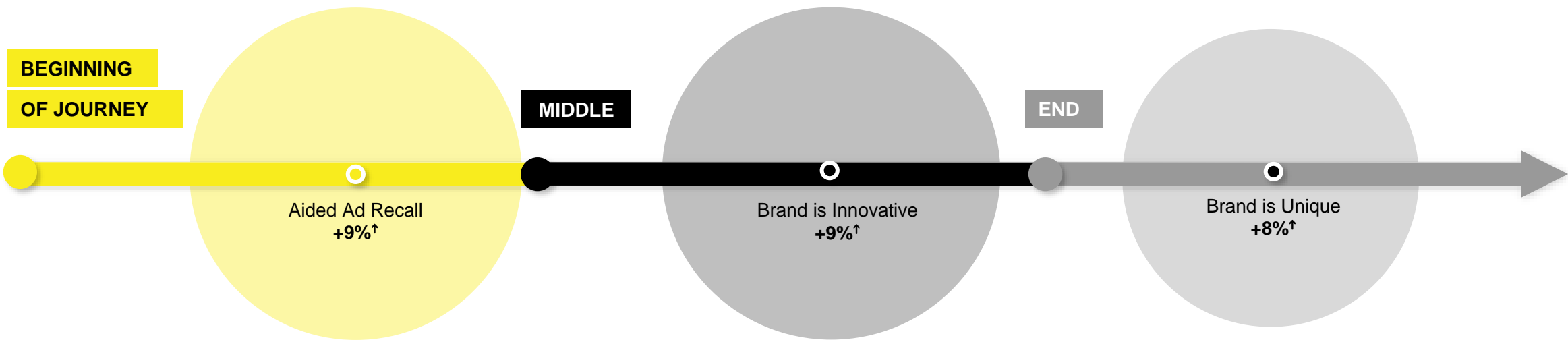
Impact of Shoppable AR
Deltas (Exposed - Control)



Shoppable AR, Beginning, Exposed N= 219, Control N= 195; Middle, Exposed N=293, Control N=193; End, Exposed N=402, Control N=425
Beginning: Those who are not immediately considering purchasing the category
Middle: Those who are considering purchasing the category soon
End: Those who are considering purchasing the category soon and the test brand is in their consideration set
[↑] = Statistical significance between Exposed and control groups at >=90% confidence level

FUN & INTERACTIVE ENTERTAINMENT LENSES HELP BOOST MEMORABILITY AND BRAND PERCEPTION

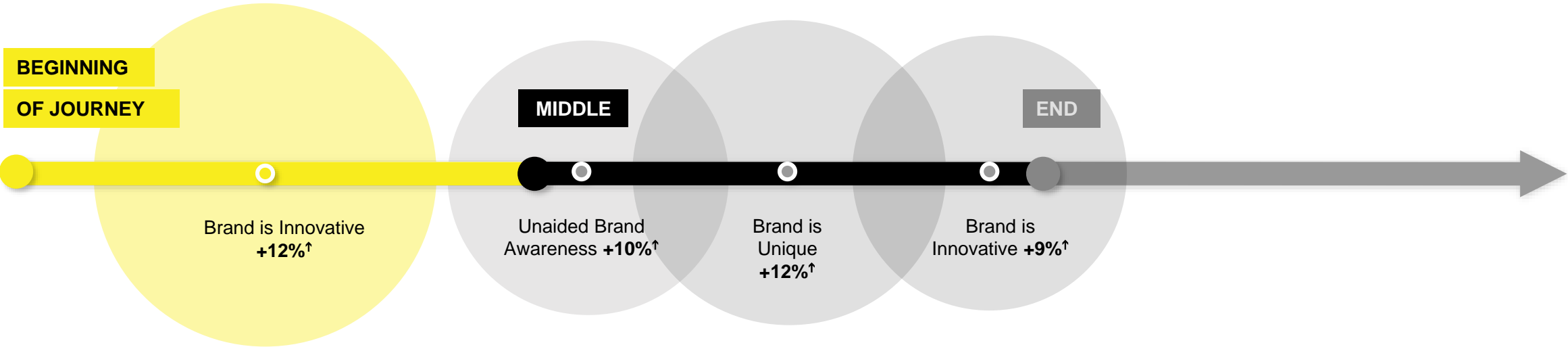
Impact of Entertainment AR | Not Game
Deltas (Exposed - Control)



Entertainment AR, Beginning, Exposed N= 216, Control N= 208; Middle, Exposed N=286, Control N=275; End, Exposed N=433, Control N=428
Beginning: Those who are not immediately considering purchasing the category
Middle: Those who are considering purchasing the category soon
End: Those who are considering purchasing the category soon and the test brand is in their consideration set
↑ = Statistical significance between Exposed and control groups at >=90% confidence level

GAMIFIED ENTERTAINMENT LENSES WORK HARDEST AMONG BROADER AUDIENCES BY SHAPING BRAND IMAGE

Impact of Entertainment AR | Game
Deltas (Exposed - Control)





ABILITY TO INTERACT WITH PRODUCT THROUGH WORLD-FACING LENSES FACILITATES MID-JOURNEY CONSUMERS MOST

Impact of World-Facing AR
Deltas (Exposed - Control)

	Beginning of Journey	Middle of Journey	End of Journey
Brand Favorability			+7% [↑]
Brand is Innovative	+9% [↑]		
Brand is Relevant		+7% [↑]	
Purchase Intent		+8% [↑]	

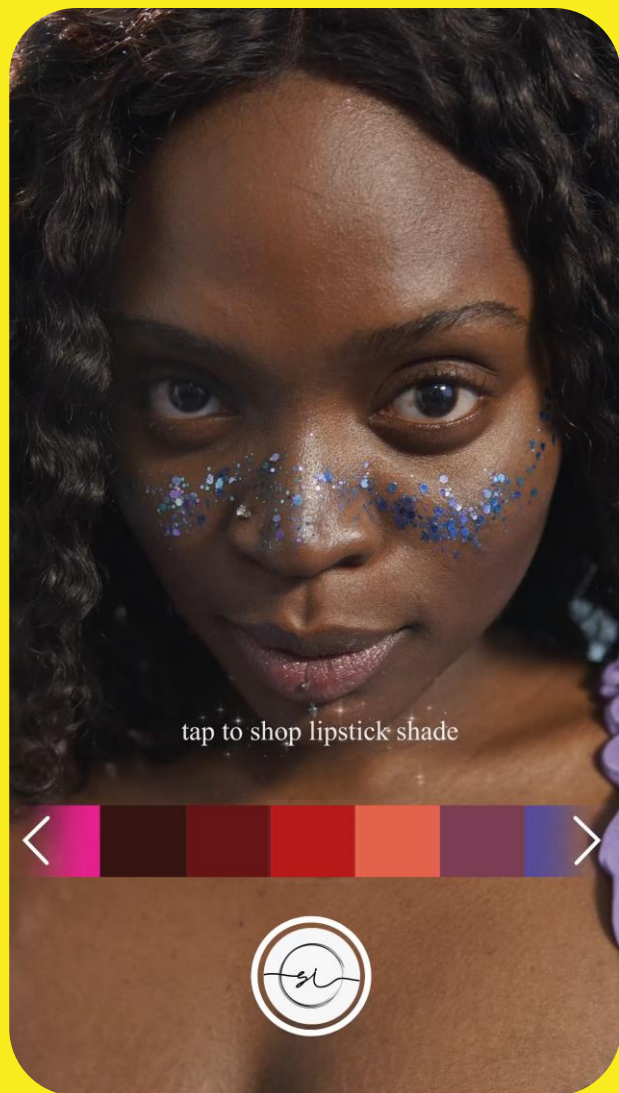
World AR, Beginning, Exposed N= 259, Control N= 293; Middle, Exposed N=282, Control N=291; End, Exposed N=405, Control N=428

Beginning: Those who are not immediately considering purchasing the category

Middle: Those who are considering purchasing the category soon

End: Those who Are considering purchasing the category soon and the test brand is in their consideration set

[↑] = Statistical significance between Exposed and control groups at >=90% confidence level



FRONT FACING AR, ON THE OTHER HAND, HELPS LIFT BRAND IMAGE AMONG THOSE CLOSER TO PURCHASE

Impact of Front Facing AR
Deltas (Exposed - Control)

	Beginning of Journey	Middle of Journey	End of Journey
Unaided Brand Awareness			+5% [↑]
Brand is Relevant			+4% [↑]
Brand I Prefer			+4% [↑]
Brand is Unique			+5% [↑]

Front AR, Beginning, Exposed N= 270, Control N= 228; Middle, Exposed N=583, Control N=581; End, Exposed N=784, Control N=786

Beginning: Those who are not immediately considering purchasing the category

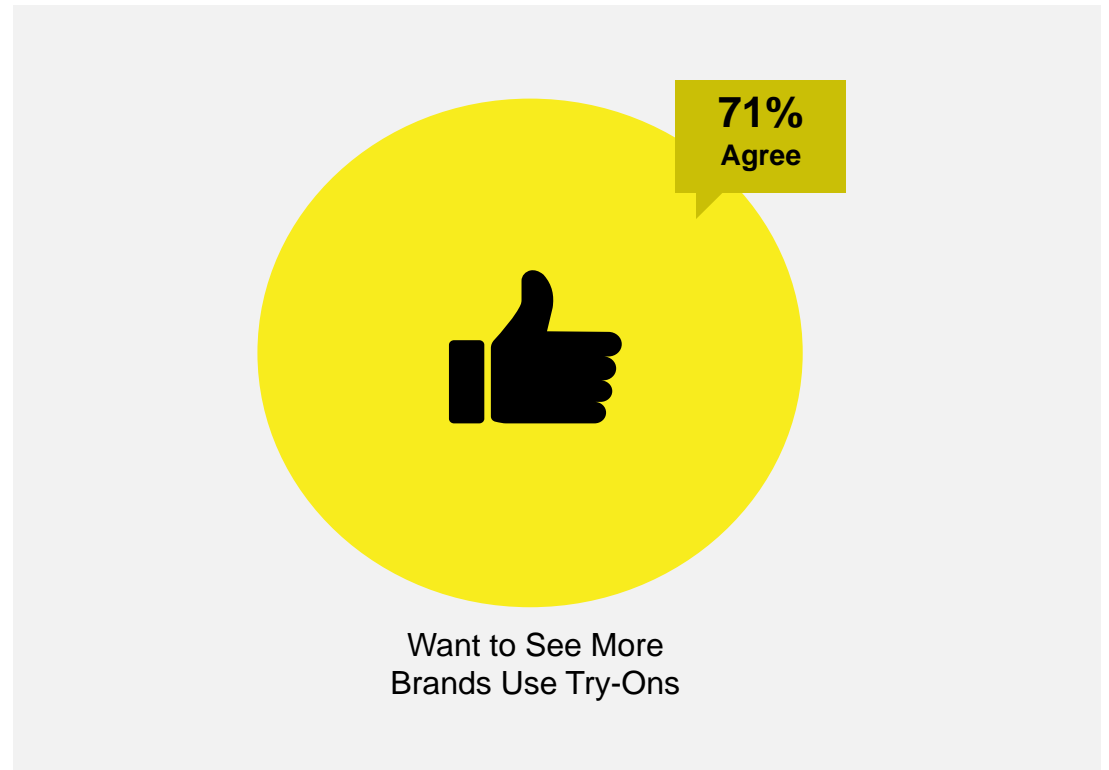
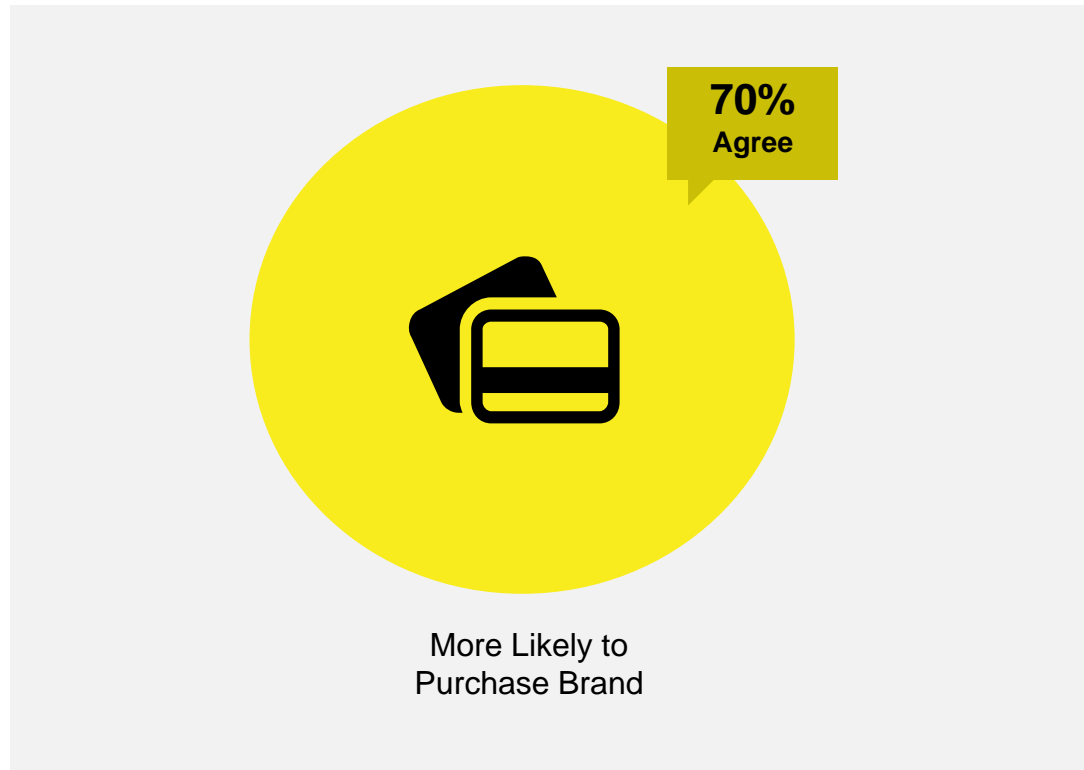
Middle: Those who are considering purchasing the category soon

End: Those who Are considering purchasing the category soon and the test brand is in their consideration set

[↑] = Statistical significance between Exposed and control groups at >=90% confidence level

IN ADDITION TO PLAYING AN IMPORTANT ROLE IN PURCHASE DECISIONS, CONSUMERS WANT TO SEE MORE VIRTUAL TRY-ONS

Virtual Try-On Ad Opinions

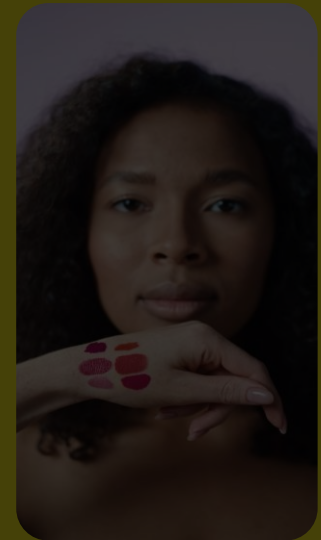
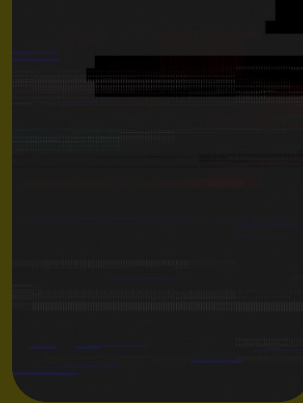
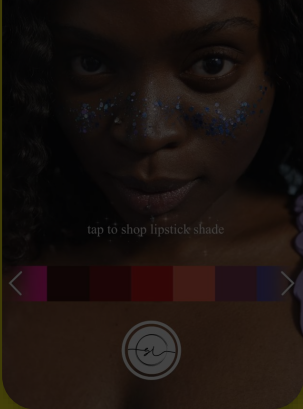


KEY FINDING

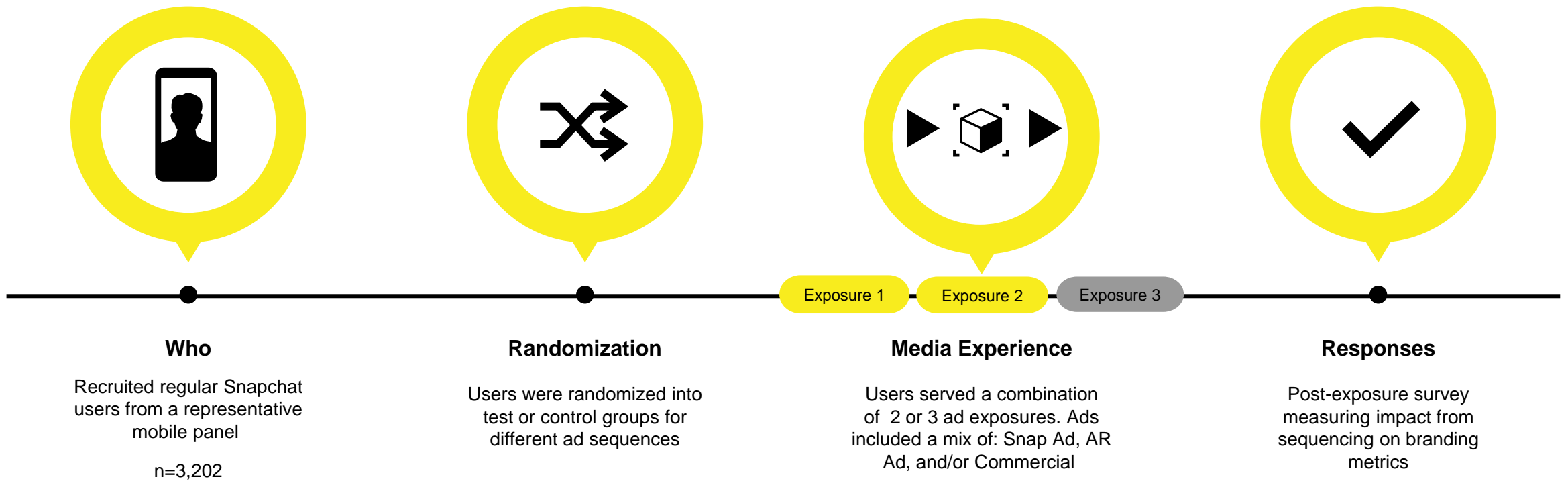
While AR can shape how consumers feel about brands, marketers should think about how to use different AR types to help them achieve their desired outcomes.

MIXING IT UP

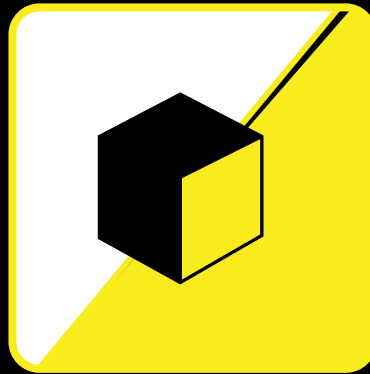
THE IMPACT OF AD SEQUENCE



SEQUENCING METHODOLOGY



WHAT IS THE IMPACT OF AR IN THE MIX?



Ad Mix With AR Ad



Ad Mix Without AR Ad

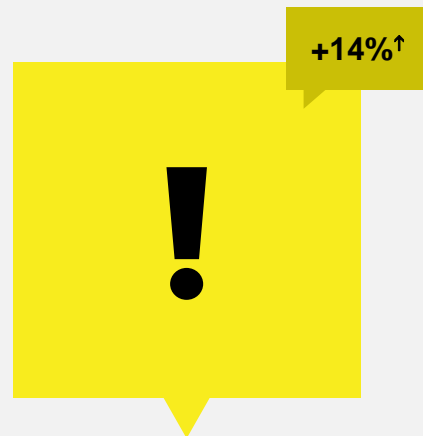
AR IS AN INTEGRAL PART OF THE MEDIA MIX

Brands benefit directly with higher purchase intent and brand preference when an AR ad is in the mix.

Impact of AR in Ad Mix | Controlling for Frequency

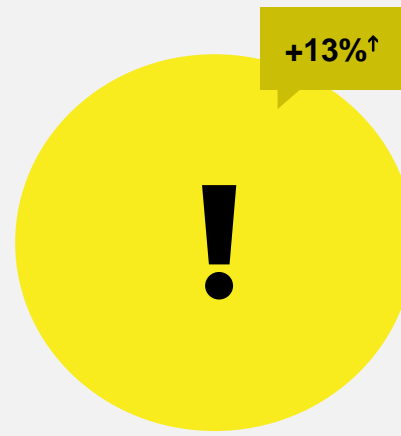
Deltas (Exposed - Control)

Ad Mix Without AR Ad

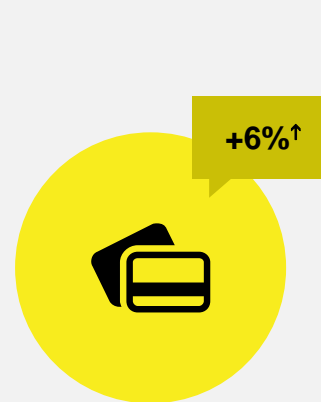


Aided Ad Recall

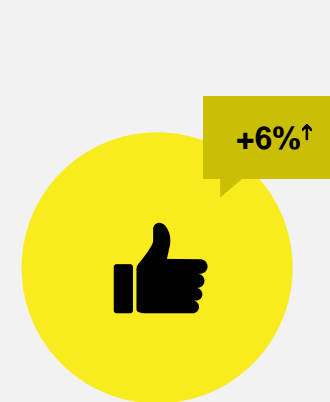
Ad Mix With AR Ad



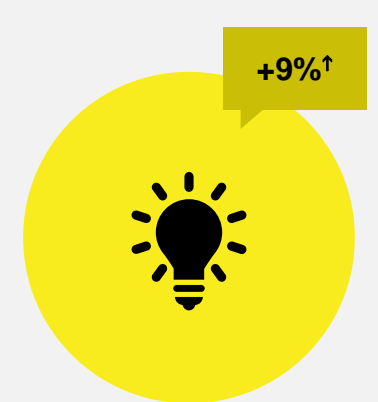
Aided Ad Recall



Purchase Intent



Is a Brand I Prefer

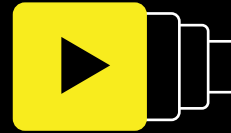


Brand is Innovative

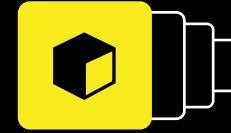
BUT DOES SEQUENCE MATTER?



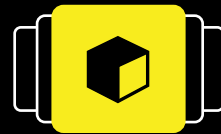
Start With
Snap Ad



Start With
Commercial Ad



Start With
AR Ad



AR Ad
in the Middle



AR Ad Not
in the Middle

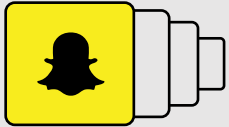
PRIME THE AR AD WITH A VIDEO AD TO AMPLIFY IMPACT

Snap and commercial ads provide more information about the product while AR ads facilitate interaction with the product

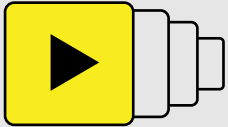
Impact of Ad Sequence

Deltas (Exposed - Control)

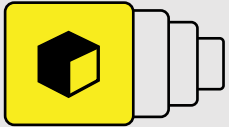
Start with...



Snap Ad



Commercial Ad



AR Ad

Brand Favorability

+8%[↑]

+8%[↑]

Search Intent

+10%[↑]

Purchase Intent

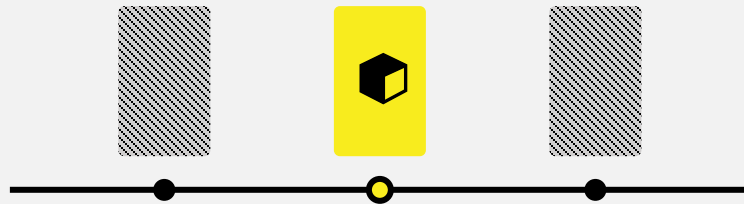
+11%[↑]



BREAKING THE VIDEO SEQUENCE WITH AN AR AD HELPS SHOWCASE THE BRAND AS CHEERFUL & BOOSTS SEARCH INTENT

Impact of Ad Sequence
Deltas (Exposed - Control)

AR Ad in the Middle



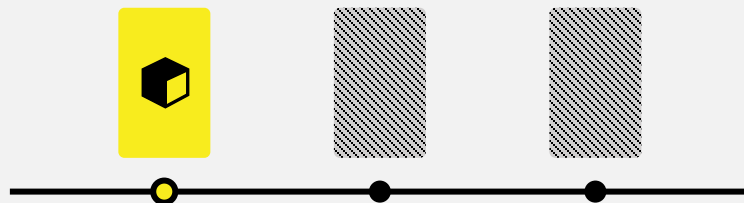
Brand is Cheerful

+9%[↑]

Search Intent

+11%[↑]

AR Ad Not in the Middle



Brand is Cheerful

+4%^{↑↑}

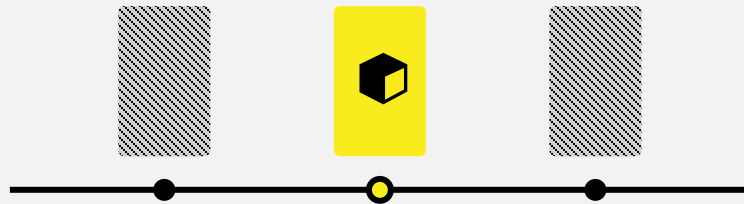
0%

Search Intent

AR IN THE MIDDLE GENERATES THE MOST EXCITEMENT

Impact of Ad Sequence on AR Ad
% Strongly Agree

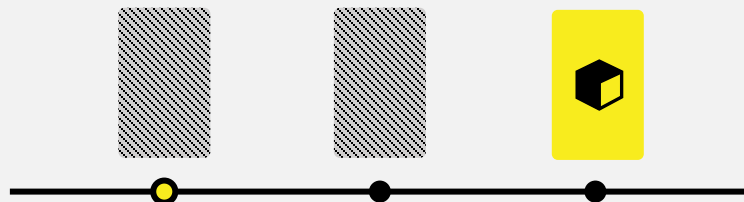
AR Ad in the Middle



AR Ad Got Me “Excited About the Brand”

27%[↑]

AR Ad Last in the Sequence



AR Ad Got Me “Excited About the Brand”

20%

KEY FINDING

- Ads in a sequence can help achieve more than just high recall
- Start the sequence with a video ad and follow it with interactive AR for amplified impact on traditional metrics
 - For a positive brand image, place the AR ad in between two similar ads to offer an element of delight

IMPLICATIONS: DEVELOPING THE AR PLAYBOOK

VIEW AR AS AN AMPLIFIER, NOT AN ADD-ON

Use **any AR format** to build and differentiate brand personality, but align on right goals with the right target audience

BE MORE STRATEGIC WHILE DEPLOYING AR TACTICS

Use **Shoppable AR** to encourage consumers to take the next step

Use **Entertainment AR** to draw in new customers and to create positive brand perception

Use **World-Facing AR** to allow those in the consideration process to experience the brand/product

Use **Front-Facing AR** to appeal to those closest to purchase

MAKE AR AN INTEGRAL PART OF THE MARKETING MIX

Use AR strategically as part of consumer's exposure to the brand on the platform

Sequencing ad exposures can help amplify impact. Deliver AR to users after exposure to video.

A photograph of three young women of diverse backgrounds smiling and taking a selfie together. The woman on the left has long dark hair and is wearing a patterned white shirt. The woman in the middle has short dark hair and is wearing a white shirt. The woman on the right has short blonde hair, is wearing a grey beanie and a black t-shirt, and is holding a black smartphone to take the photo. They are all looking at the camera with joyful expressions. The background is a blurred view of green foliage seen through a window or glass railing.

THANK YOU

M/GNA
MEDIA TRIALS

