Revisiting the Inner Workings of Digital Video

The content halo, user control, and beyond

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Given newer platforms like TikTok, it's time to revisit…

WHAT MAKES DIGITAL VIDEO TICK?

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1

Recruitment

Recruited participants ages 18-54 from a representative global online mobile panel

Total		n=12,655*
United States		2,561
United Kingdom		2,540
Australia		1,822
Canada		1,860
Germany		1,919
France		1,953

2

Sample Definition

Demographic + media consumption survey to ensure regular usage of at least 1 of 3 tested platforms

3

Media Experience

Participants randomized to a media experience based on consumption habits, then driven to a controlled version of the platform to explore the platform. Test or control ads were served within content

4

Brand KPI Measurement

Post-exposure survey to measure impact on brand KPIs
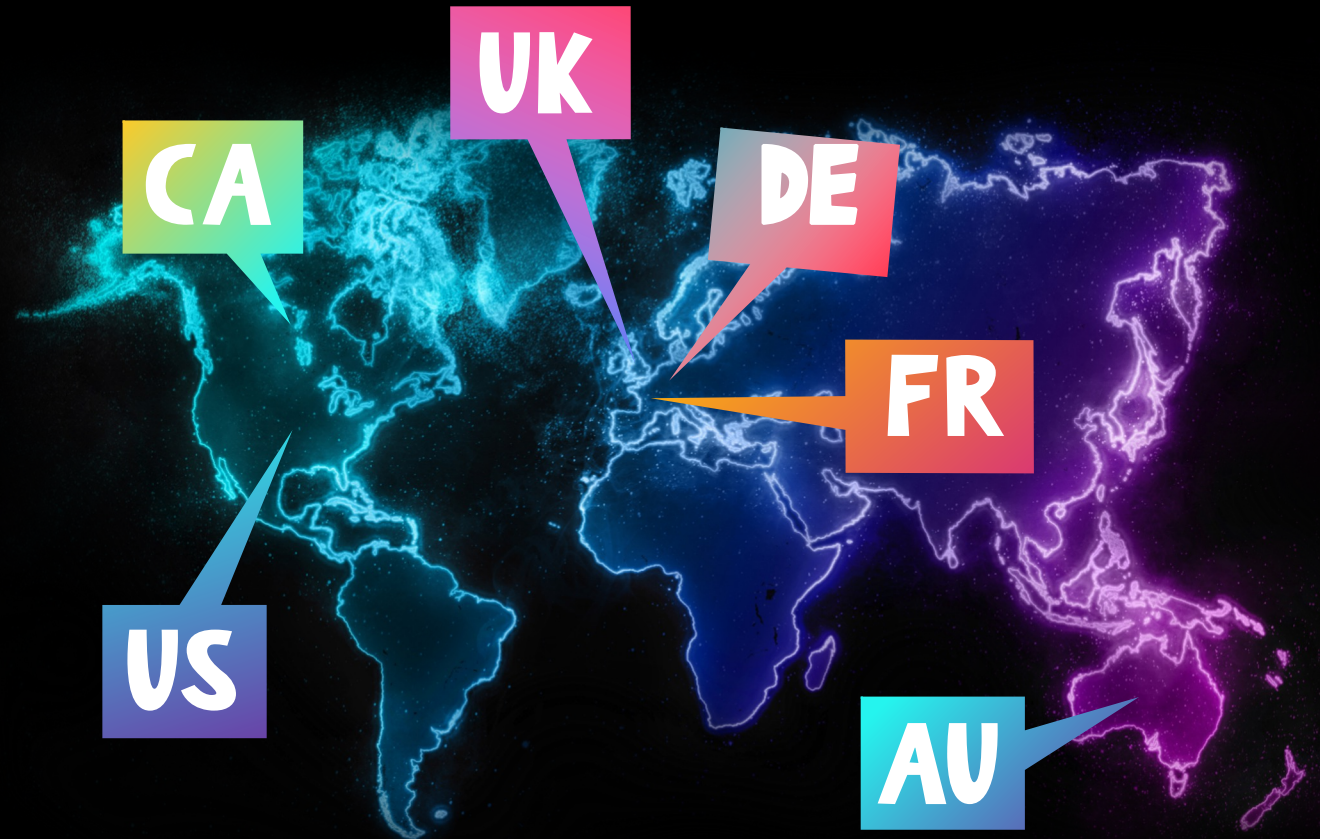
*Weighted gender 50/50 for analysis

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Who we tested and where

BRANDS

36 TOTAL

INDUSTRY VERTICALS

MEDIA & ENTERTAINMENT

RETAIL

CPG

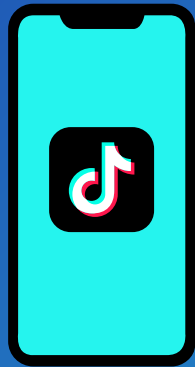**TESTED IN 6 COUNTRIES:**

CA

UK

DE

FR

US

AU

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The Platforms

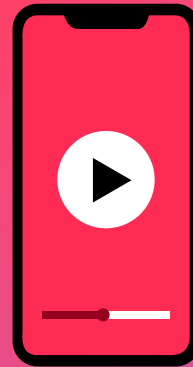## TIKTOK
Mobile TikTok app

TEST AD = VIDEO CARD
- Served within the feed
- 100% skippable

TWO FORMATS:
- Standard TikTok (typical in-feed ad)
- TikTok Pulse (ad delivered within trending contextual content

MARKETS: All

AD LENGTH: :29s **Average ad length**

ONLINE VIDEO PLATFORM
Mobile app of popular video sharing platform
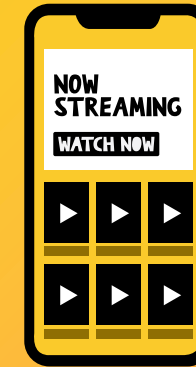
TEST AD = PRE-ROLL
- Served prior to the content
- Ad skippable after 5 seconds

FORMAT:
- Premium, contextual version of online video platform

MARKETS: US, UK, CA, DE, FR

AD LENGTH: :15-30s **Ad length**

VIDEO ON DEMAND (VOD)
Mobile app of video platform with on-demand TV content

TEST AD = PRE-ROLL
- Served prior to content
- All ads 100% forced view

FORMAT:
- Mobile version of popular streaming platform

MARKETS: US, UK, AU

AD LENGTH: :15-30s **Ad length**

Ads used were originally built for each respective platform

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The Truth About the Content Halo

We know
the content
halo is real

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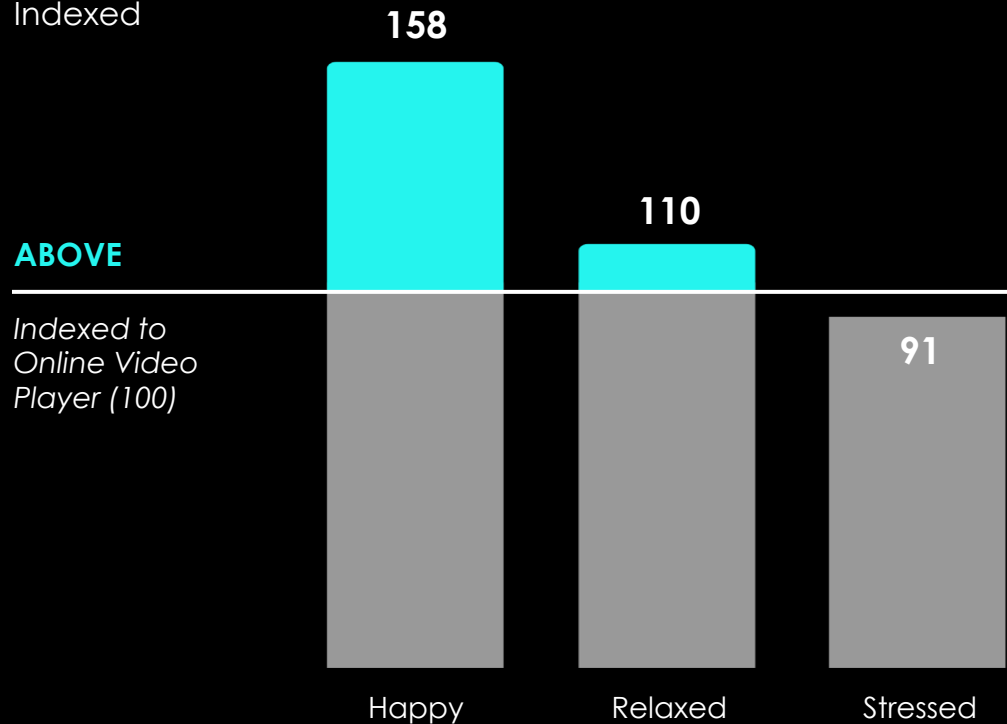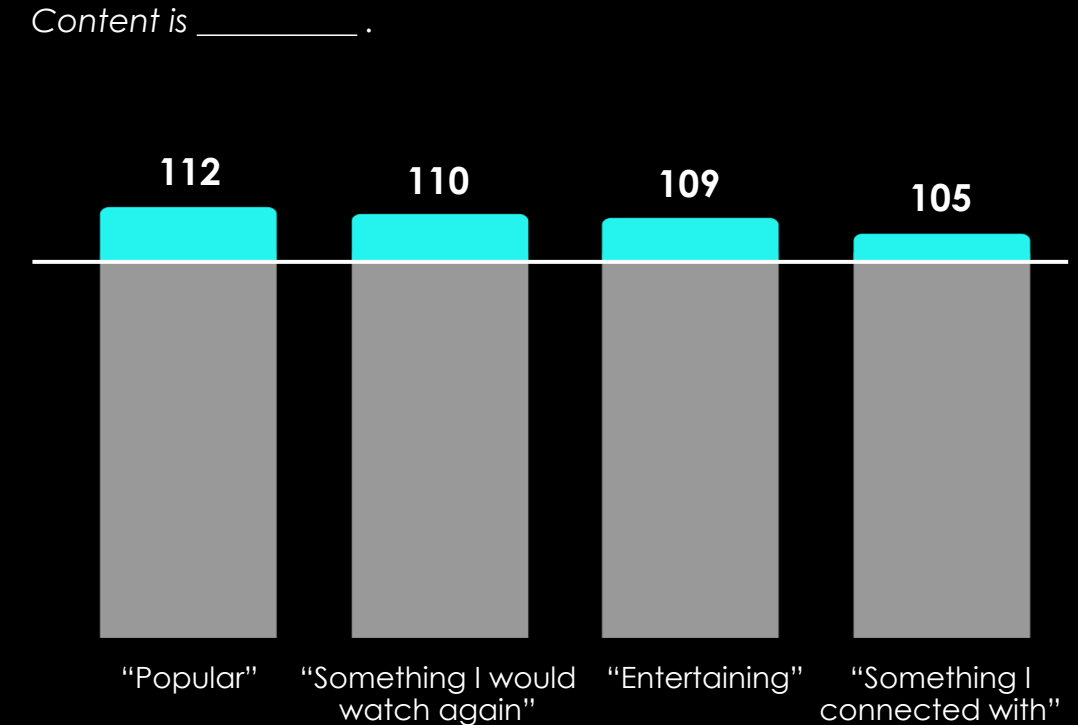
TikTok content uplifts viewers' mood, delivering a more enjoyable experience than similar platforms

Standard TikTok vs. Online Video Player - *Indexed*

Mood While Viewing Content - Standard TikTok vs. Online Video Player:
Indexed

158

110

ABOVE

Indexed to Online Video Player (100)

91

Happy   Relaxed   Stressed

Content Opinion - Standard TikTok vs. Online Video Player:
Indexed

Content is _____ .

112   110   109   105

"Popular"   "Something I would watch again"   "Entertaining"   "Something I connected with"
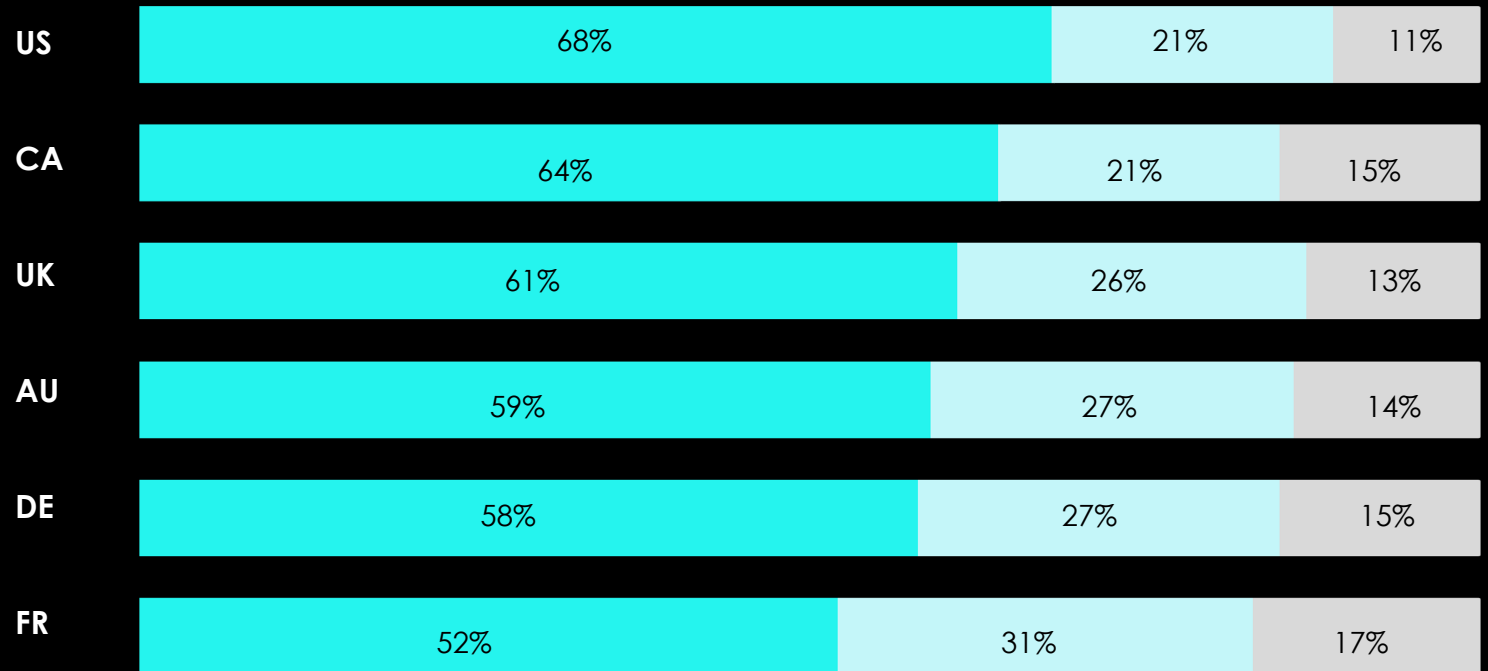
Q: What was your mood during today's experience? | Countries Included: US, UK, CA, DE, FR
Q: Thinking specifically about this video, how much do you agree or disagree with the following statements?
Mood: Standard TikTok N = 7,342; Online Video Player N = 3,570 | Content Opinion: Standard TikTok N = 7,342; Online Video Player N = 3,768

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Viewers across the globe agree - TikTok content is high quality

Standard TikTok Content is "High Quality", By Country

- ■ Strongly/Somewhat Agree
- ■ Neutral
- ■ Strongly/Somewhat Disagree

Country	Strongly/Somewhat Agree	Neutral	Strongly/Somewhat Disagree
US	68%	21%	11%
CA	64%	21%	15%
UK	61%	26%	13%
AU	59%	27%	14%
DE	58%	27%	15%
FR	52%	31%	17%

Q: How would you rate this video on the following?
Standard TikTok US N =1,236; UK N =1,220; AU N = 1,212; CA N = 1,220; DE N = 1,230; FR = 1,224

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While quality content is important, popular, suitable content alignment has the strongest positive halo

For amplification, brands **should prioritize beyond high quality alone**

Top Drivers

Drivers of purchase intent on Standard TikTok:
Impact modelled based on content perceptions

APPROPRIATE FOR BRAND TO APPEAR NEXT TO

SOMETHING I CONNECTED WITH

POPULAR

Creative

Something I would watch again

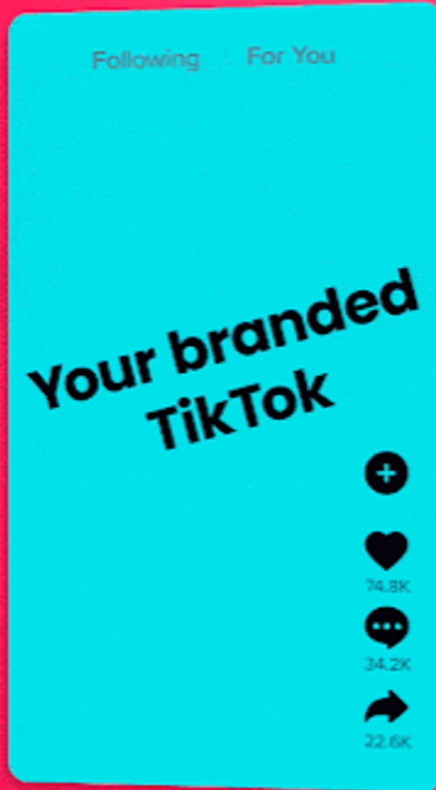Felt relevant to the other videos shown

Entertaining

Trendy

HIGH QUAL-ITY

Engaging

Cool

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Pulse enters the chat

Features

Places brands alongside **trending content** that is driving conversation and action

- Appears next to **top 4% of all videos** on TikTok, which are the hottest, most viewed videos each day

- Offers 12 categories that brands can place their ads next to the **most culturally relevant content**

- Ensures ads run adjacent to verified content with the **highest level of brand suitability** applied on the platform

Brand metrics thrive when placed next to contextual, relevant and brand-suitable content

The contextual component offered on Pulse enables brands to see a higher return on investments

Impact of TikTok Pulse Content Attributes on Brand Metrics, Total Audience:
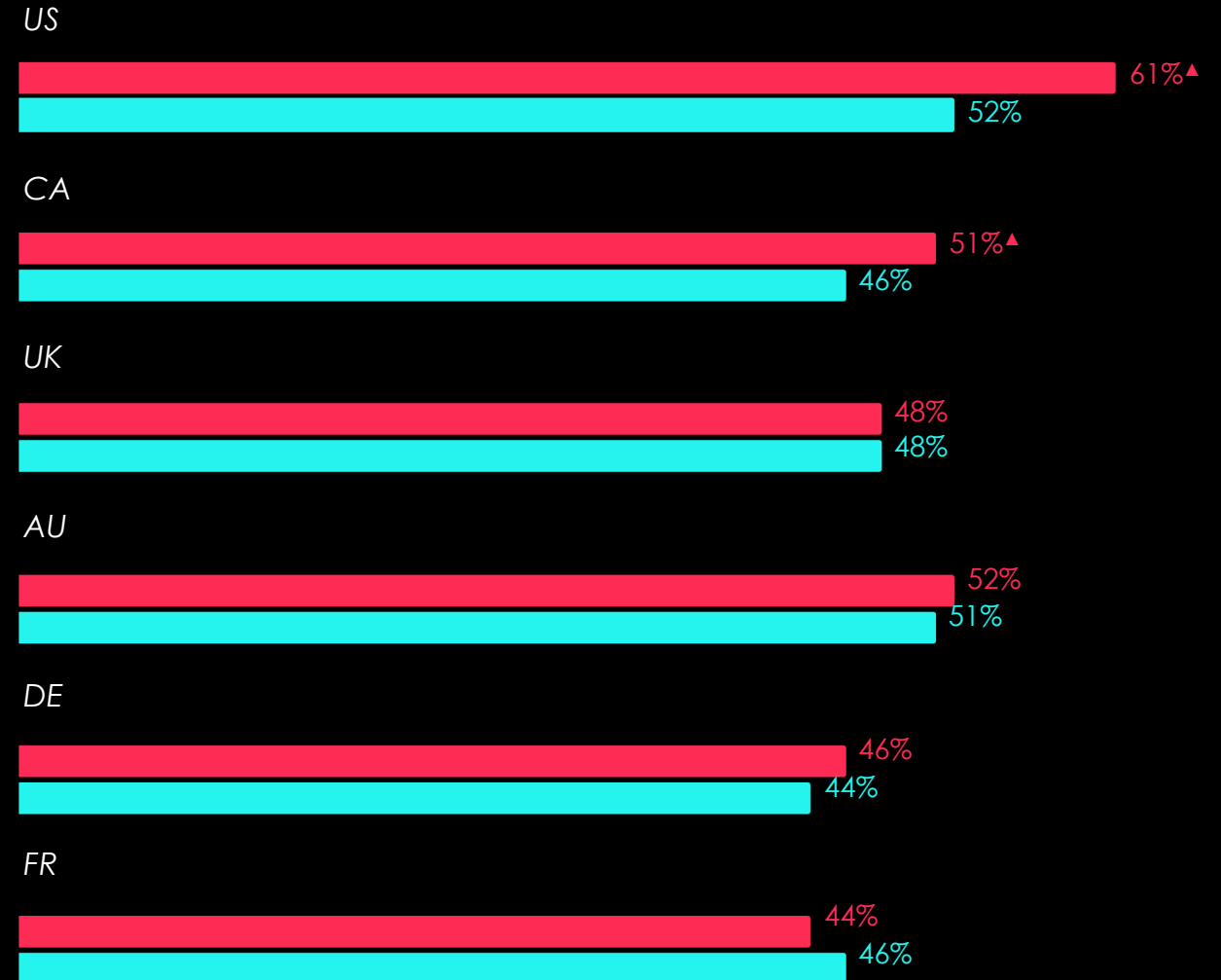Impact Modelled Based on Content Perceptions

	FAVORABILITY	SEARCH INTENT	PURCHASE INTENT
Strong alignment between content and ad			
Appropriate for brand to appear next to			
Something I connected with			
Something I would watch again			
Entertaining			
Trendy			
Creative			
High-quality			
Popular			
Engaging			
Cool			

Less — IMPACT — More

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And when served next to trending content, the same ad becomes even more relevant to viewers

Ad Opinion, By Country:
% Strongly/Somewhat Agree

- 🟥 TikTok Pulse
- 🟦 Standard TikTok

Relevant To Me And My Interests

US
- 61% ▲
- 52%

CA
- 51% ▲
- 46%

UK
- 48%
- 48%

AU
- 52%
- 51%

DE
- 46%
- 44%

FR
- 44%
- 46%

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Contextual adjacency can wield even greater outcomes than audience targeting

Controlling for everything else, when you have contextual alignment, you would expect your brand favorability to be 11% higher

Impact of Targeting vs. Strong Contextual Alignment on TikTok Pulse:
Modelled Impact

TikTok Pulse

■ Contextual alignment between ad and content
■ In-market for advertised product

Brand Favorability

+11%▲

+7%▲

Search Intent

+17%▲

+11%▲

Purchase Intent

+15%▲

+12%▲

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Suitability is critical regardless of past brand experience

For potential new customers, contextual alignment is more important; however, entertainment matters more for existing customers

Drivers of <u>Brand Favorability</u> on TikTok Pulse: Impact Modelled Based on Content Perceptions

	HAVE NOT PURCHASED BRAND	PURCHASED BRAND
Appropriate for brand to appear next to		
Strong alignment between content and ad		
Entertaining		
Something I connected with		
Something I would watch again		
Engaging		
Creative		
Trendy		
High-quality		
Cool		
Popular		

Less   IMPACT   More

Values were modelled using regressions to determine the impact of ad perceptions on brand metrics. All regression coefficients significant at ≥90% confidence.
Total: Have not purchased brand = 1,620; Have purchased brand N = 2,056

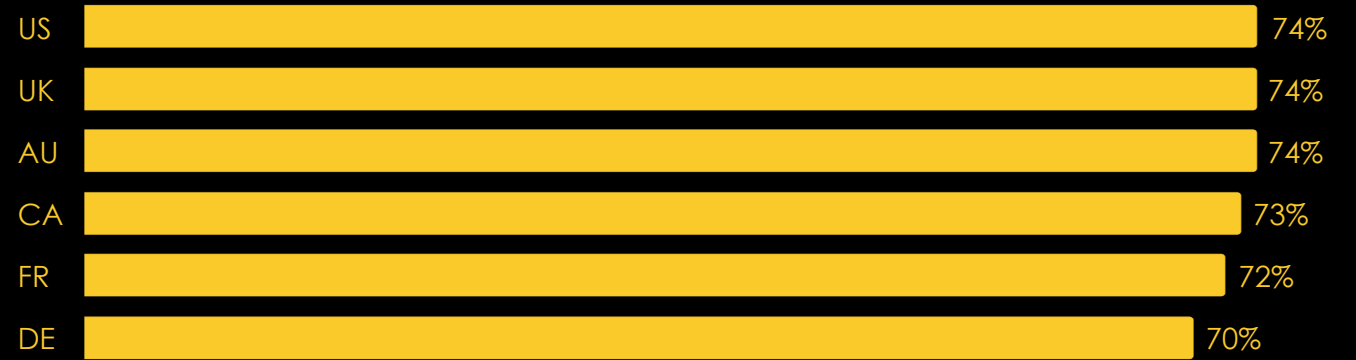MAGNA **MEDIA TRIALS** | ♪ TikTok
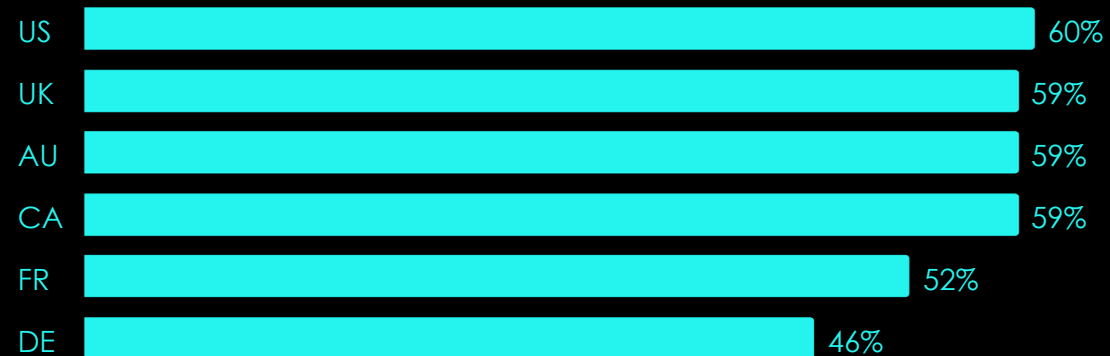
The Truth About Forced View

Forced views don't command engagement – in fact, they can hinder it

Platform Perceptions: % Strongly/Somewhat Agree

Having the ability to skip videos **makes me more engaged in the experience**

US	74%
UK	74%
AU	74%
CA	73%
FR	72%
DE	70%

I am more likely to watch videos sponsored by a brand when I have the option to skip

US	60%
UK	59%
AU	59%
CA	59%
FR	52%
DE	46%

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Forced view isn't needed to create meaningful impact

While TikTok ads aren't forced like VOD, they still perform on par or better than forced view offerings

Impact on Brand Metrics Among In-Market Audiences,
By Vertical
Delta (Exposed – Control)

■ Standard TikTok *(100% skippable)*
■ VOD *(100% forced view)*

CPG

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	CPG	M&E
Brand favorability	Standard TikTok: +12%▲ / VOD: +9%▲	Standard TikTok: +6%▲ / VOD: +9%▲
Brand knows how to connect with me	Standard TikTok: +12%▲ / VOD: +7%▲	Standard TikTok: +5%▲ / VOD: +2%
Is a brand I would recommend to others	Standard TikTok: +8%▲ / VOD: +3%	Standard TikTok: +8%▲ / VOD: +6%
Purchase intent	Standard TikTok: +8%▲ / VOD: +5%▲	Standard TikTok: +3% / VOD: +1%

Q: How much do you agree or disagree with the following statements about [brand]? | Countries Included: US. UK. AU
Standard TikTok CPG: Control N = 413, Exposed N = 385; VOD Control N = 324, Exposed N = 360 | Standard TikTok M&E: Control N = 305, Exposed N = 337; VOD: Control N = 288; Exposed N = 326
▲ = Statistically significant difference between exposed/control at ≥90% confidence

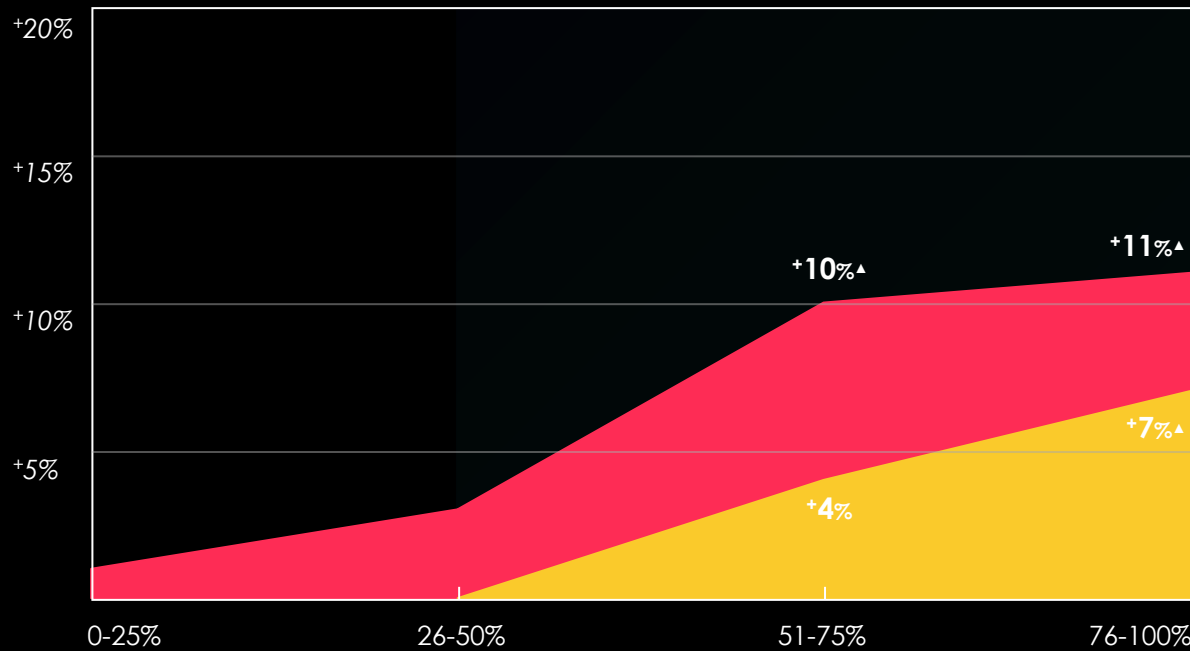MAGNA MEDIA TRIALS | ♪ TikTok

When users choose to watch, fully skippable ads leave a more lasting impression at every step

Just glimpsing the brand on TikTok is enough for people to remember it

Impact On Unaided Ad Recall (Any Mention) by Ad Completion Time:
Delta (Exposed – Control)

LASTING IMPRESSION

+37%▲

+29%▲

+11%▲

+5%▲

40%

30%

20%

10%

0%

0-25%   26-50%   51-75%   76-100%

— TikTok Pulse *(100% skippable)*   — Online Video Player *(skippable after 5 seconds)*

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For persuasion, fully skippable ads are most effective at higher levels

Impact on Brand Metrics By Ad Completion Time: Delta (Exposed – Control)

☐ TikTok Pulse *(100% skippable)*   ☐ Online Video Player *(skippable after 5 seconds)*

Search Intent

Purchase Intent

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Fully skippable ads are so effective, they surpass VOD with just ¼ of the viewing time

Ad Length
- **TikTok Pulse**: 29 seconds
- **VOD**: 15-30 seconds

Impact of Ads Among Those In-Market For The Advertised Product, By Platform:
Delta - (Exposed - Control)

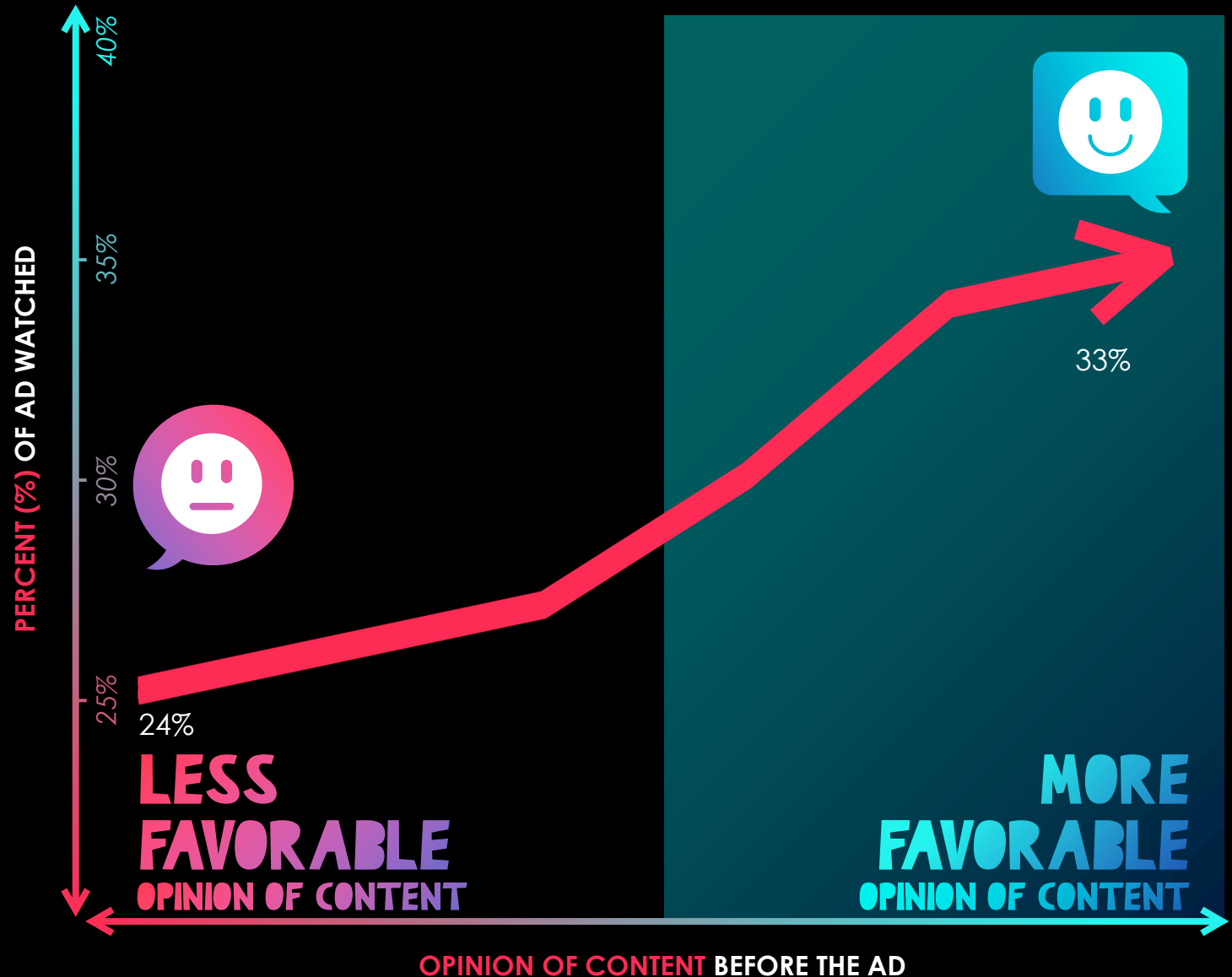**TIKTOK Pulse**
0-25% of ad watched, fully skippable
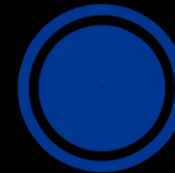
VOD
100% of ad watched, fully forced

	TIKTOK Pulse	VOD
Purchase intent	+8%▲	+4%▲
Brand has something unique to offer	+6%▲	+3%
Brand is "fun"	+8%▲	+3%

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Brands are more likely to have higher completion rates when appearing next to enjoyable content

TikTok Pulse Content

Content Perceptions By Ad Completion

PERCENT (%) OF AD WATCHED

40%
35%
30%
25%

24%

33%

LESS FAVORABLE OPINION OF CONTENT

MORE FAVORABLE OPINION OF CONTENT

OPINION OF CONTENT BEFORE THE AD

A cumulative score for all content perceptions was calculated, with an average percentage of completeness determined for each score.

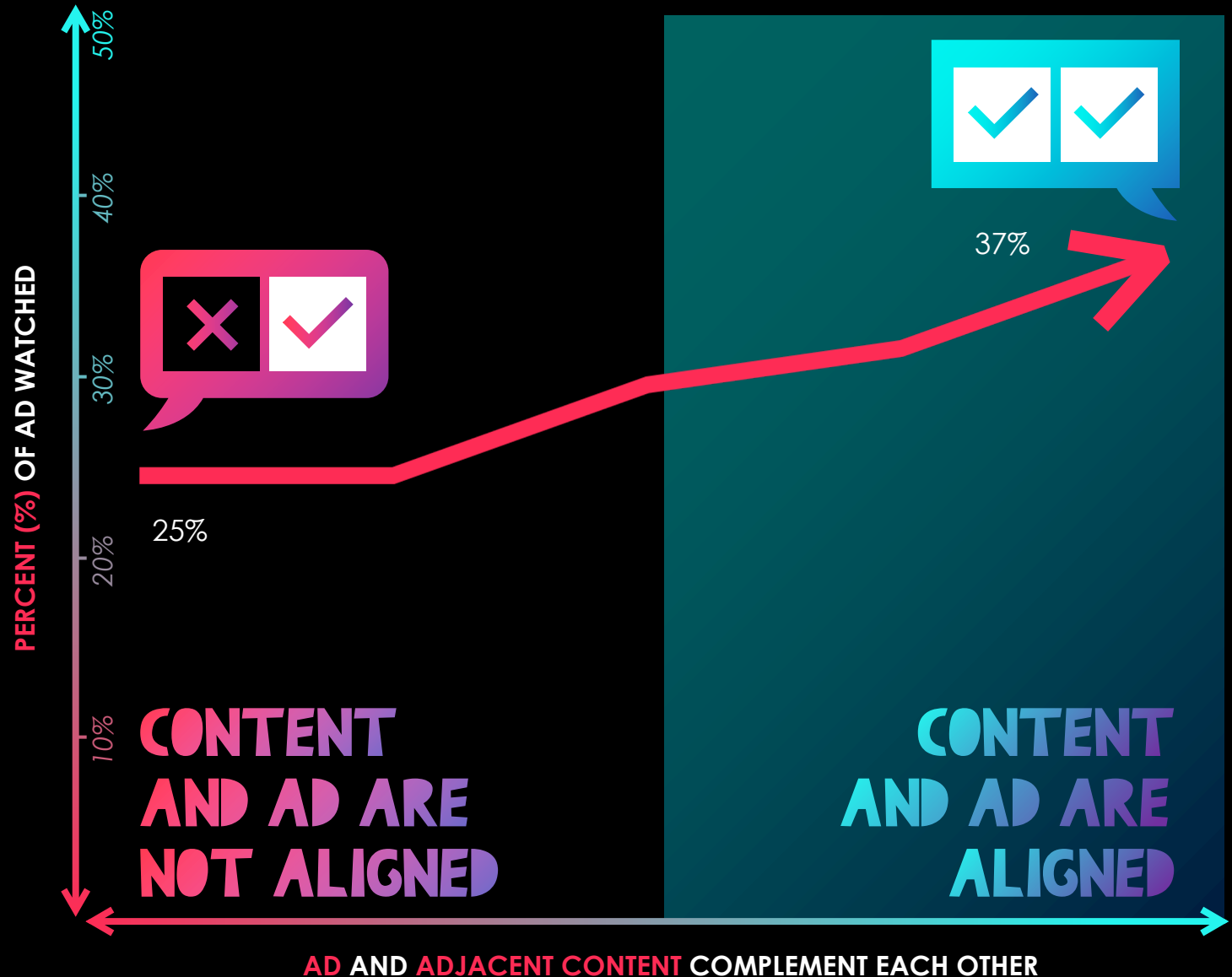MAGNA MEDIA TRIALS | ♪ TikTok

Also, better alignment equals more ad completion among in-market potential new customers

TikTok Pulse Content

Impact of Contextual Alignment Perceptions on Ad Completion, In-Market Non-Past Purchaser Audience:
Correlations

PERCENT (%) OF AD WATCHED

50%
40%
30%
20%
10%

37%

25%

CONTENT AND AD ARE NOT ALIGNED

CONTENT AND AD ARE ALIGNED

AD AND ADJACENT CONTENT COMPLEMENT EACH OTHER

A cumulative score for all content perceptions was calculated, with an average percentage of completeness determined for each score.

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Busting the myths of digital video

MYTH
Nothing beats audience targeting when it comes to optimizing key metrics

VS

FACT
Contextual alignment can be an even stronger driver of key metrics compared to audience targeting

MYTH
Alignment with quality content should be the goal

VS

FACT
High-quality content should be a focus; however, to amplify actions such as purchase intent, brands should consider leveraging the power of the content halo effect, placing ads next to **hot, relevant, brand-suitable content**

MYTH
Forced views are needed to maximize impact on key metrics

VS

FACT
Powerful impact can be achieved in **less time** by giving viewers autonomy over their experience, making them more likely to engage and connect with content

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ADVERTISER TO-DOS

Consider contextual placement for acquisition

Contextual placement and brand suitability are key when running acquisition campaigns, both for existing and potential new customers
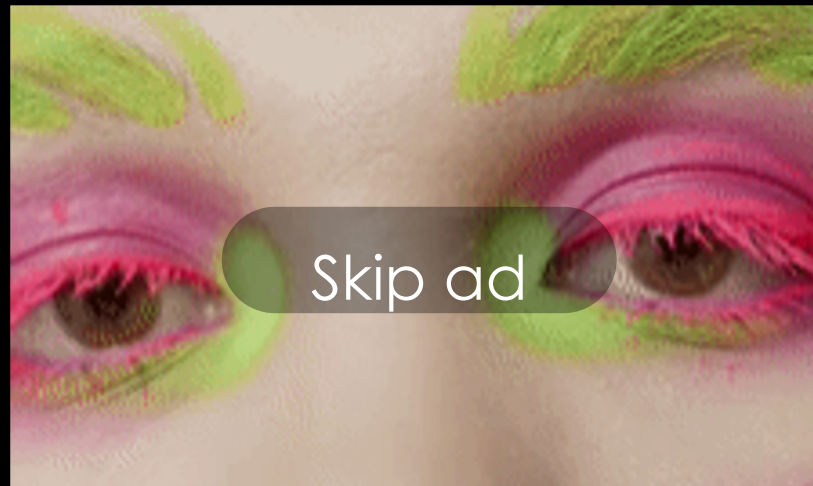
Leverage contextual placement for longer ad view time

Brands striving for higher ad completion rates should strive for placement next to enjoyable content, as this content primes viewers to be more receptive to adjacent ads and encourage them to stick around longer to watch the ad

Think beyond high quality content

Brands looking to optimize ad performance should explore contextual placement next to hot, relevant and suitable content

Skip ad

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