

Wir bewegen Marken







## A FOCUS ON THE **EFFECTIVENESS**,O **VIDEO ADVERTISIN**

**BASED ON CURRENT RESEARCH** 

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#### Media Equivalence Study What is the impact of different video advertising formats?

**Inhome Video Study** What is the explanation for these differences?

Video Impact Study What is the impact of different advertising strategies in real life? Three fundamental studies evaluating the impact of video advertising

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# MEDIA EQUIVALENCE

A comprehensive comparison of the advertising effectiveness of TV, YouTube and Facebook



## The advertising value of a medium...

"... is the product of the probability of exposing the average ad and its contribution to the impact of the message." – Erwin Ephron



The Media Equivalence study measures the effects of different ad formats on TV, YouTube and Facebook.



## A unique and comprehensive research approach

#### USPs of the method:

- Large number of participants (3,700 users of TV, YouTube, Facebook)
- Completely **automated** investigation procedure
- **Precise** technical **control** of the advertising exposure
- Close-to-reality video viewing in a living room-like-environment
- **29 test groups** for all relevant combinations of ad formats

**Cooperation** between SevenOne Media, Google, Mediaplus





## We tested the most relevant ad formats of each platform



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## EFFECTIVENESS OF SINGLE EXPOSURES



## All video platforms generate high spontaneous recall



- All video platforms generate considerable unaided recall (compared with control group with no advertising)
- TV generates by far the strongest impact.

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Question: "Question: "For which brands did you see advertising during the test? Independent from the medium." Index Ø TV/YT/FB=100 Source: Medienäquivalenzstudie, FACIT

Control group (no advertising) 0,6%



Aided recall, 1 exposure

## TV also leads other platforms in aided recall



 The same applies to aided recall: all platforms prove effective, with TV proving strongest channel.

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Question: "For which of the following brands for [Product category] did you see advertising during the test? Independent from the medium." Index Ø TV/YT/FB=100 Source: Medienäguivalenzstudie, FACIT

Control group (no

advertising) 10,



## **Detail recall: TV commercials have deeper penetration**



- Detail recall indicates how intensely an advertisement is processed in the brain.
- 62% of participants who recalled TV ads for a brand could also remember details from the commercial.
- Thus, TV is more intensely processed in the brain .

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Question: "Which details from the [brand] ad can you remember?" Share of respondents (Base: all individuals who remembered at least one brand (aided)) who remembered specific ad-relevant details correctly. Index Ø TV/YT/FB=100 Source: Medienäquivalenzstudie, FACIT



## EFFECTIVENESS OF DOUBLE EXPOSURES



## **Double exposures – double impact**



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Question: "For which brands did you see advertising during the test? Independent from the medium." Index Ø TV/YT/FB=100 Source: Medienäquivalenzstudie, FACIT



## EFFECTIVENESS OF MIXED MEDIA COMBINATIONS



## TV can reinforce YouTube



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Question: "For which brands did you see advertising during the test? Independent from the medium." Index Ø TV/YT/FB=100 Source: Medienäquivalenzstudie, FACIT



## Also for double exposures, TV has strongest impact



### Unaided ad recall, 2 exposures

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Question: "For which brands did you see advertising during the test? Independent from the medium." Source: Medienäquivalenzstudie, FACIT



## **BRAND IMAGES**



## Video advertising influences image profiles



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Source: Medienäquivalenzstudie, FACIT



## Media Equivalence Study: Three central findings

### Video advertising works

All tested video platforms generate strong impact, particularly for recall KPIs.

- TV an indispensable medium for impactful advertising TV advertising has the strongest effects. With one exposure, TV has an unaided recall of 19%, YouTube 4%, Facebook 7%.
- Double exposure, double effectiveness
   Unaided recall doubles with a second advertising exposure.



## INHOME VIDEO STUDY

Why video advertising works the way it works



## Not all video advertising is the same

- Video advertising works but each medium has a different level of effectiveness, even with same or similar ad creatives.
- What is the explanation for this?

#### **Assumption:**

- How an audience perceives video content and advertising is influenced by their **receptive state**.
- A deeper understanding of receptive states is necessary to explain the different levels of advertising effectiveness in different media.









## **Receptive state is a crucial factor**

"Media create certain receptive states, which affect the mood of the audience and thereby also determine their absorption capacity.

Memory processing here follows psychological mechanisms that take place on an unconscious level."

*Prof. Dr. C. Melchers German depth psychologist* 



**LEAN BACK** 



**LEAN FORWARD** 

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## A unique and comprehensive research approach

#### USPs of the method:

- Interviews / measurements in the own homes of 100 participants
- 180 minutes per session
- Thereof **90 minutes media usage** (TV, Catch up TV, YouTube, Facebook)
- Implicit measurement of various KPIs and survey





## TV and VOD have the most balanced level of activation



Source: FACIT



## Emotion gap is larger with lean-forward media



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Source: FACIT



## Key Findings of the Inhome Video Study

Content: Strong activation and emotion in lean forward state
 Editorial content generates considerably higher activation and emotion compared to lean-back media.TV is
 perceived in a very relaxed state.

#### Advertising: Lean-back platforms stronger

When **advertising** appears, reactions are completely different. Lean-forward platforms show a strong decline for all measured indicators and TV has the highest degree of activation and emotion.

Thus, the best perceptional balance between content and advertising can be observed for lean-back media. This ensures the processing of advertising and therefore advertising effectiveness.



## VIDEO IMPACT STUDY

Comparing TV and online video in real life



## A real-life comparison of TV and online video advertising

- Is the same commercial as effective in digital online media as on broadcast TV?
- Methodical challenge: for a fair comparison, the pure effects of TV and online video must be isolated rigorously









## The idea: strictly controlled study based on A/B testing

Advertising for a CPG brand:

- Identical ad budget
- Identical creation
- Identical campaign duration
- Three **areas** with similar demographic and retail structure:
  - One area with TV advertising only
  - Another one with online video ads only
  - Control area with no advertising at all
- Survey for branding effects, retail data for sales effects





## Brand effects: Online video effective, TV even more so

Post-campaign vs. pre-campaign results

	ONLINE VIDEO	TV
Top of mind awareness	+21%	+67%
Unaided awareness	+4%	+71%
Aided awareness	+13%	+35%
Aided recall	+20%	+167%
"is market leader"	+7%	+24%



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Base: N=300, A 18-39 Y Source: Kantar TNS / SevenOne Media



## Sales effects: Online video makes significant gains, TV even better



Base: 20 stores per area. Pre-period: weeks 20-27, 2015; Campaign & post-period: weeks 20-27, 2016 Source: Kantar TNS / SevenOne Media



## Sales effects: Online video increases sales, but stronger impact with TV





## Key insights from the Video Impact Study

#### Video advertising has strong brand effects

Online video and TV have significant impact on the perception of a brand. TV achieves particularly strong effects.

#### Significant sales effects, particularly in TV area

Online video and TV ads both increase sales, yet TV campaigns are considerably more effective. Especially for product launches, TV can not be substituted by online video.

#### TV combines reach and impact

The results underline the unique strength of TV: to reach a high number of individuals with advertising that unfolds strong effectiveness.



## Both sides of the formula are deciding for advertising success

TV couples the power of the medium and the power of the ad.



- The Media Equivalence Study shows how different ad formats work.
- The Inhome Video Study explains the strong impact of TV: the balanced usage perception is decisive.
- The Video Impact Study tested the results of TV and online campaigns in real life, thus the combination of reach and impact: Online video is effective, TV even more.