



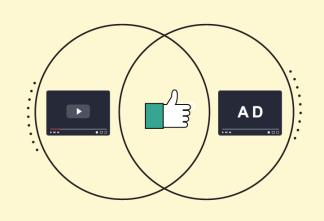
GLOSSARY

Important Terms To Know



BRAND SUITABILITY

Brand Suitability is the alignment of an individual brand's advertising with content that makes sense for their image, customer base, and business objectives



BRAND PREFERENCES

Brand Preferences are signals brands communicate about what content is best for them. Examples include inclusions lists, exclusion lists, content descriptions, and preferences about individual pieces of content.



HUMAN IN THE LOOP

Human in the Loop (HIL) is a process of guiding machine learning with human supervision. People review content with brands' preferences as guides in order to train machine learning algorithms, creating a cycle that consistently improves its models.



RESEARCH QUESTIONS

What are consumer attitudes toward video ad and content alignment?

How does "human in the loop" machine learning perform compared to traditional targeting methods?

Can "human in the loop" machine learning prevent ad/content misalignments?



METHODOLOGY

Rigorous Testing Through Experimental Design



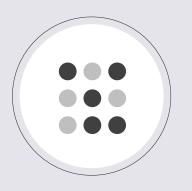
RECRUIT

Recruited YouTube users for participation n=3.858



VIDEO INTERESTS

Participants selected online video topics based on personal interests; those not interested screened out to ensure natural audience



RANDOMIZATION

Randomization into test and control groups

- Test = Brand Ad (15s)
- Control = Public Service Announcement



YOUTUBE EXPERIENCE

Participants visit YouTube testing page, where participants select and play video content based on their interests



BRAND KPIS

Post-exposure survey to measure traditional branding metrics and perceptions of advertising



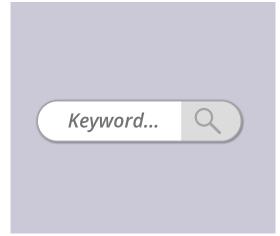


WHAT WE MEASURED

Isolating Targeting Effects









DEMO

Reflects typical demographic buy on YouTube

Who: Brand's demographic target What: Popular content on YouTube

CHANNEL

Reflects typical channel buy on YouTube

Who: General YouTube audience What: YouTube content based on channels the brand typically targets

KEYWORD

Reflects typical keyword buy on YouTube

Who: General YouTube audience **What:** YouTube content based on keywords the brand typically targets

"HUMAN IN THE LOOP"

Reflects buy on YouTube based on brand-determined suitability signals

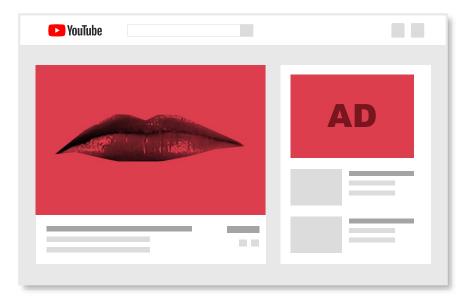
Who: General YouTube audience What: YouTube content selected via machine learning + human review based on brand-determined signals for suitability





WE ALSO MEASURED

Isolating the Impact of Content Quality



LOW QUALITY CONTENT

Reflects what happens when ads appear next to what are traditionally considered low quality videos

Who: General YouTube audience
What: YouTube content identified via machine learning + human
review based on what is traditionally considered low quality content



HIGH QUALITY CONTENT

Reflects what happens when ads appear next to what are traditionally considered high quality videos

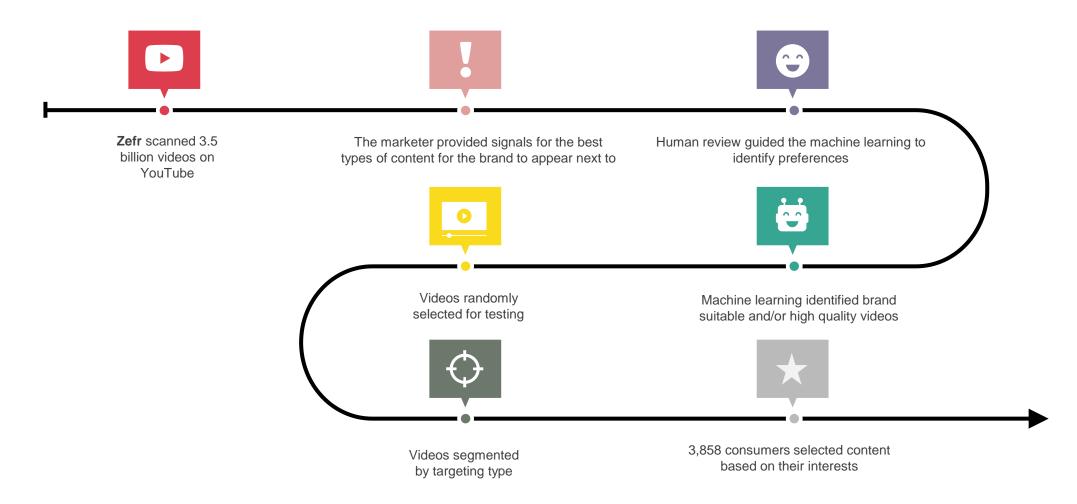
Who: General YouTube audience
What: YouTube content identified via machine learning + human
review based on what is traditionally considered high quality content



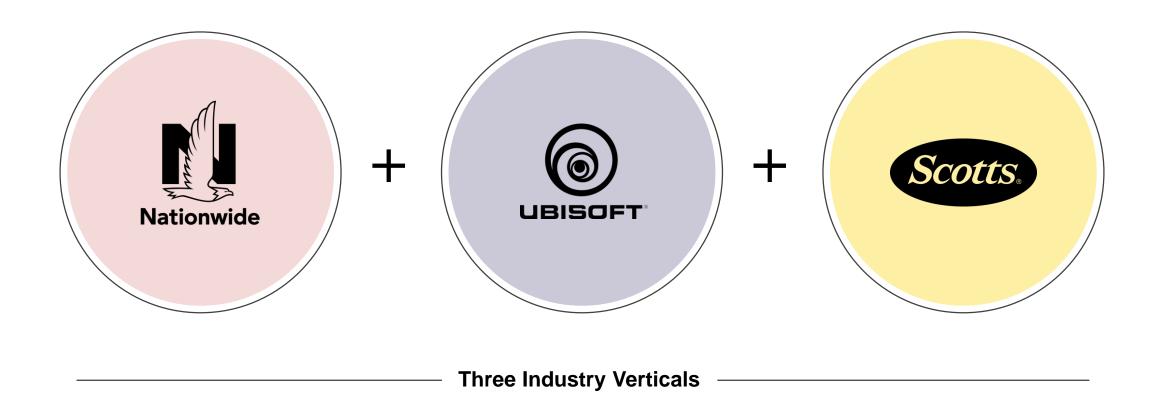


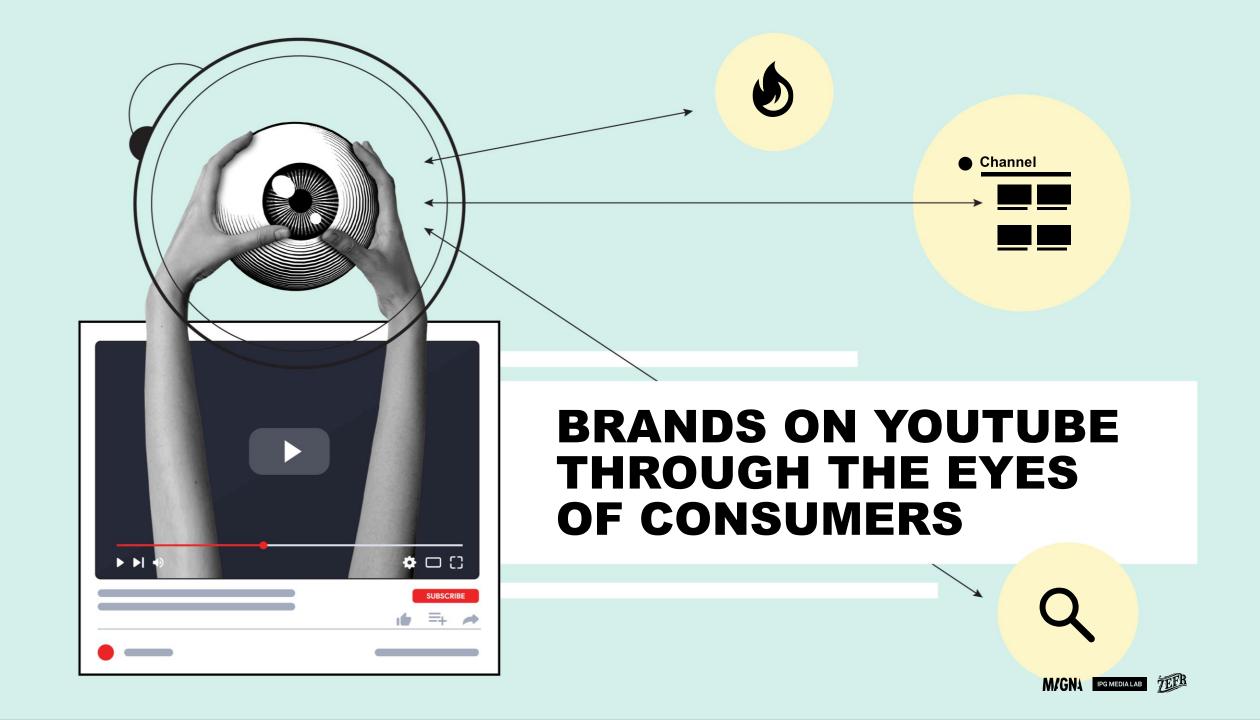
VIDEO SELECTION FOR TESTING

"Human In The Loop" Curated Videos



BRANDS WE INCLUDED







CONSUMERS UNDERSTAND THAT YOUTUBE AD PLACEMENTS ARE INTENTIONAL

Perceived Method for Video Targeting on YouTube

Believe ad placement is _____

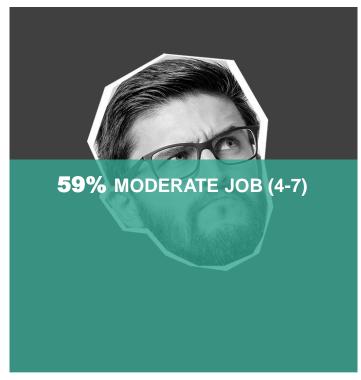
- Intentional (net score)
- Random



BUT, JUST 25% THINK BRANDS ARE DOING A GOOD JOB

Consumer Scorecard For Brand Performance In Ad Placement







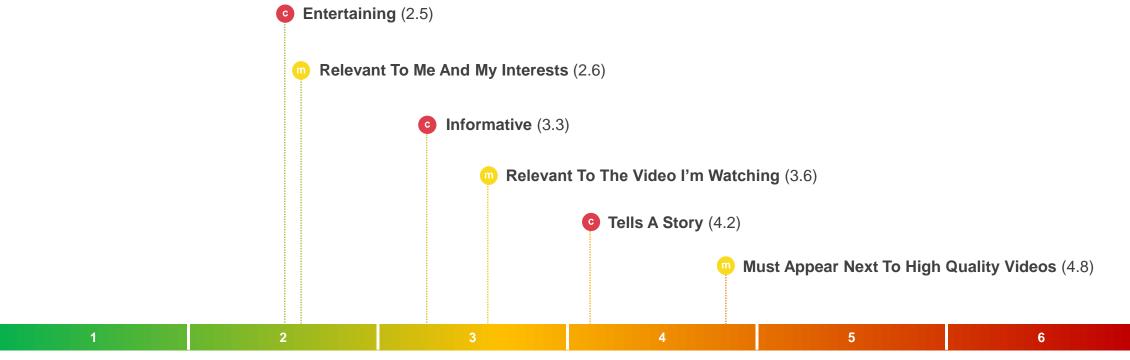


HOW SHOULD MARKETERS IMPROVE AD EXPERIENCES ON YOUTUBE?

WE'VE HEARD IT BEFORE...CONSUMERS WANT RELEVANT ADS. IT'S AS IMPORTANT AS BEING ENTERTAINED

Expectations of Video Ads on YouTube | Average Ranking (1–6)

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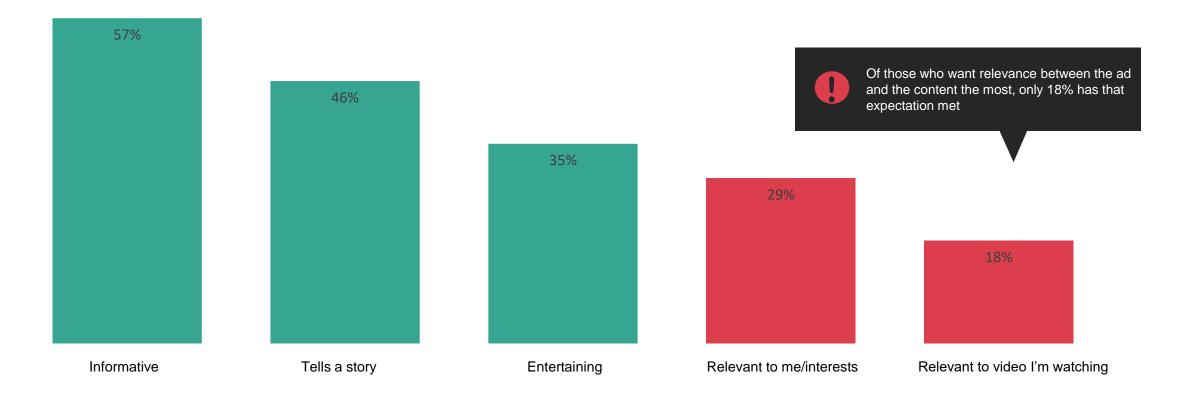
Top Ranking Bottom Ranking



HOWEVER, BRANDS HAVE BEEN LEAST SUCCESSFUL MEETING RELEVANCE EXPECTATIONS

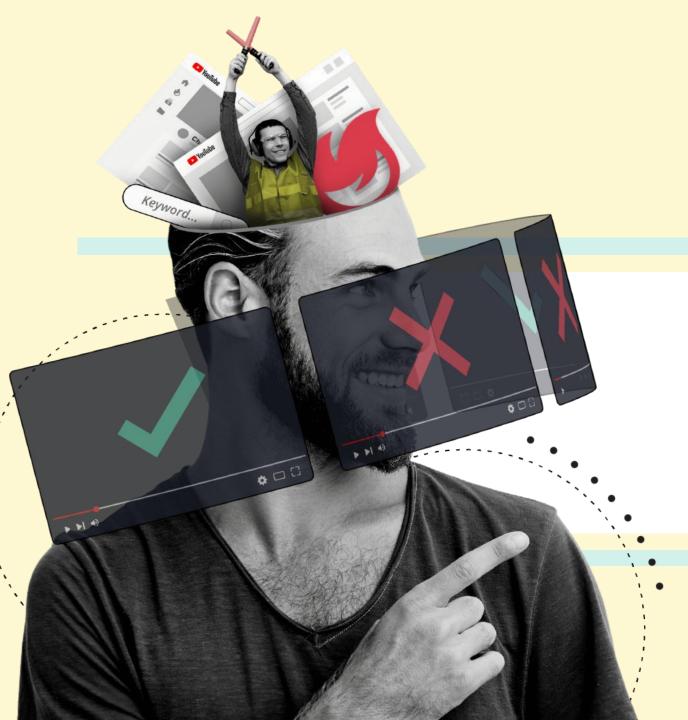
Success at Meeting Top Ad Expectation Based on Typical YouTube Experience

% Whose Top Ad Expectation Was Met





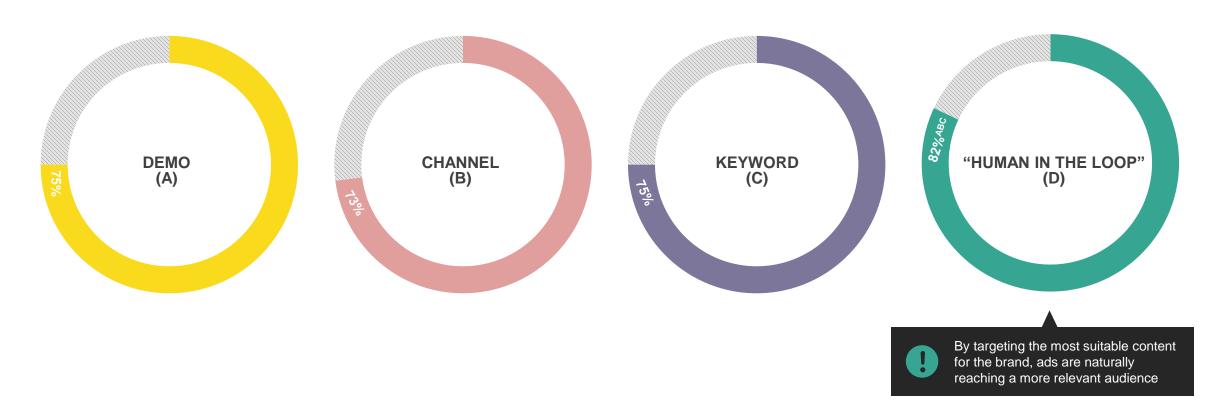




TARGETING RELEVANCY WITH BRAND DRIVEN CONTENT PREFERENCES

REACHING IN-MARKET CONSUMERS IS "BUILT-IN" WHEN **BRAND-DRIVEN SIGNALS FUEL MACHINE LEARNING**

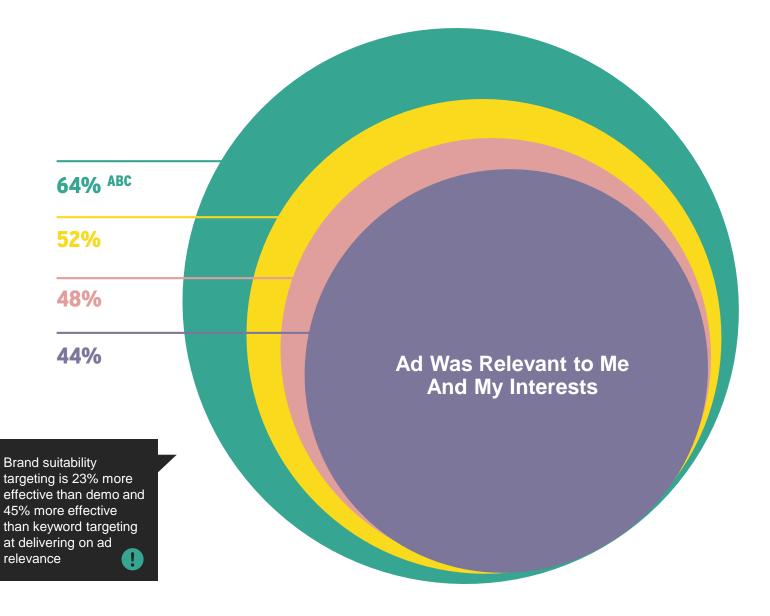
Targeting Effectiveness Among Demo Target | % In-Market for Advertised Product



BECAUSE MORE OF THE RIGHT CONSUMERS ARE REACHED, ADS ARE MORE RELEVANT

Ad Was "Relevant to Me and My Interests" Among Demo Target | % Strongly or Somewhat Agree

- Demo Targeting (A)
- Channel Targeting (B)
- Keyword Targeting (C)
- "Human in the Loop" (D)

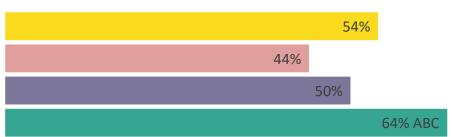


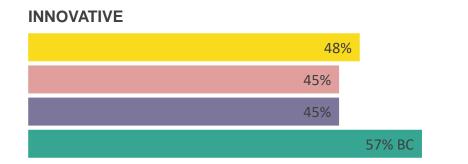
...WHICH MEANS THE SAME CREATIVE LEADS TO A BETTER AD EXPERIENCE

Impact of Targeting on Ad Opinions | % Strongly or Somewhat Agree

- Demo Targeting (A)
- Channel Targeting (B)
- Keyword Targeting (C)
- "Human in the Loop" (D)

HIGH QUALITY 74% 69% 69% 83% ABC



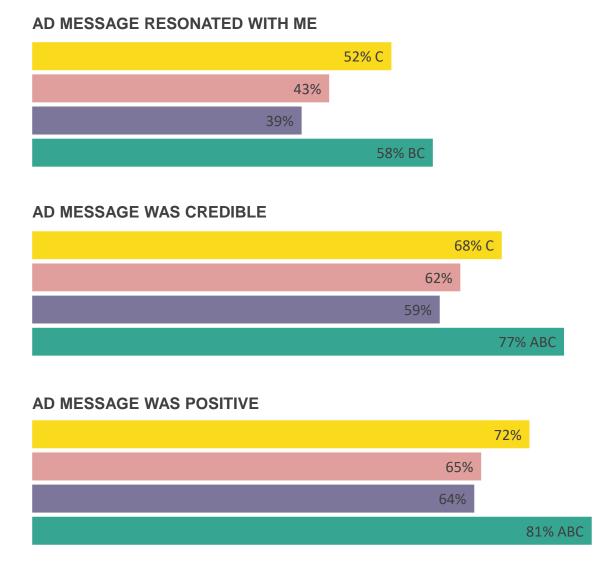




THE SAME BRAND MESSAGE COMES ACROSS MORE POSITIVELY

Impact of Targeting on Ad Message Perceptions | % Strongly or Somewhat Agree

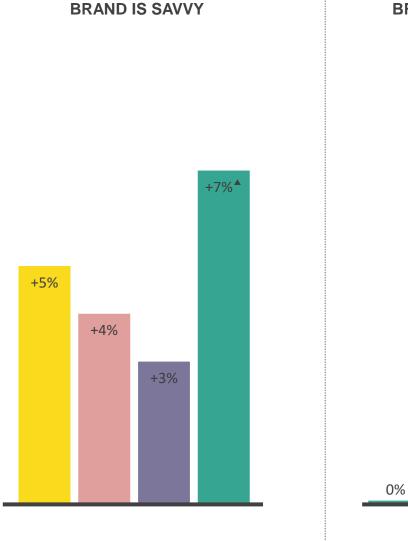
- Demo Targeting (A)
- Channel Targeting (B)
- Keyword Targeting (C)
- "Human in the Loop" (D)



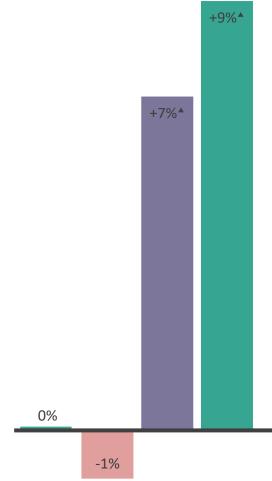
THE SAME AD FOSTERS MORE POSITIVE OPINIONS OF THE BRAND

Impact of Targeting on Brand Attributes | Delta (Test – Control)

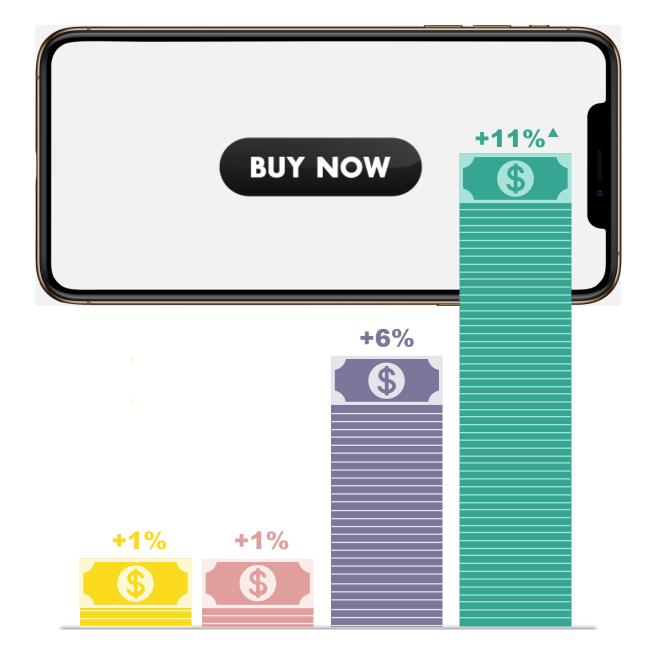
- Demo Targeting
- Channel Targeting
- Keyword Targeting
- "Human in the Loop"











THE SAME AD DRIVES GREATER IMPACT IN PURCHASE INTENT

Impact of Targeting on Purchase Intent | Delta (Test – Control)

- Demo Targeting
- Channel Targeting
- Keyword Targeting
- "Human in the Loop"

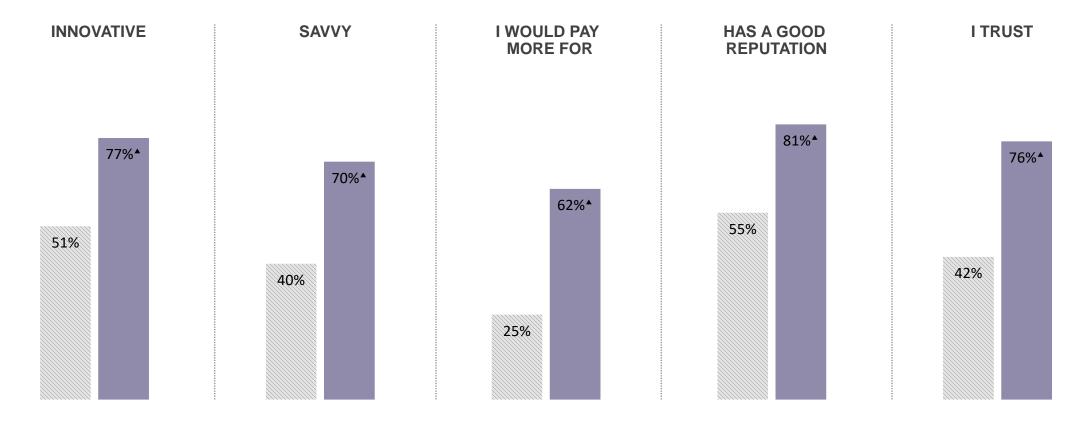




MISALIGNMENT MAY RUN THE RISK OF HURTING BRAND PERCEPTIONS

Brand Perceptions by Perceived Alignment Between Ad and Content | % Strongly or Somewhat Agree

Ad was _____ with content
■ Not aligned
■ Aligned

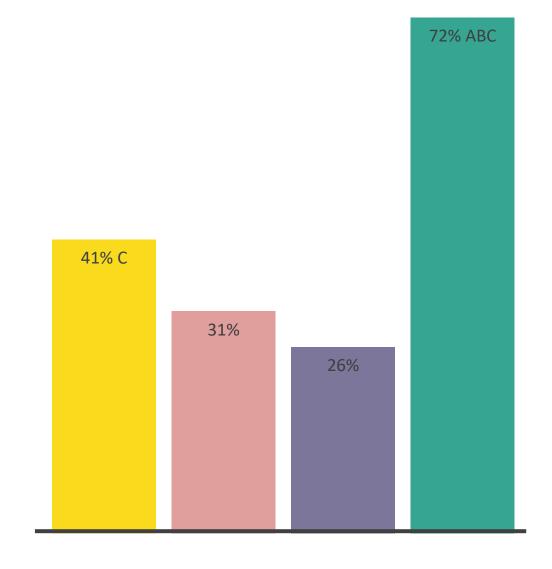




MISALIGNMENT IS PREVENTED WHEN BRAND SIGNALS ARE USED FOR TARGETING

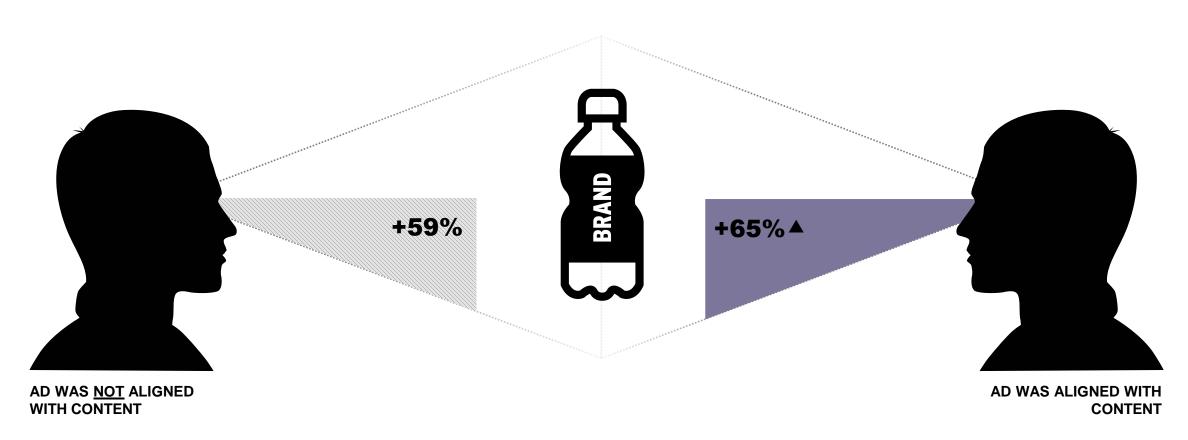
Ad/Content Perceived as Aligned | % Strongly or Somewhat Agree

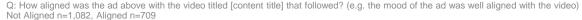
- Demo Targeting (A)
- Channel Targeting (B)
- Keyword Targeting (C)
- "Human in the Loop" (D)



CONTENT AND AD ALIGNMENT CREATES MORE MEMORABLE BRAND EXPERIENCES

Aided Ad Recall by Perceived Alignment Between Ad and Content | % Who Recalled







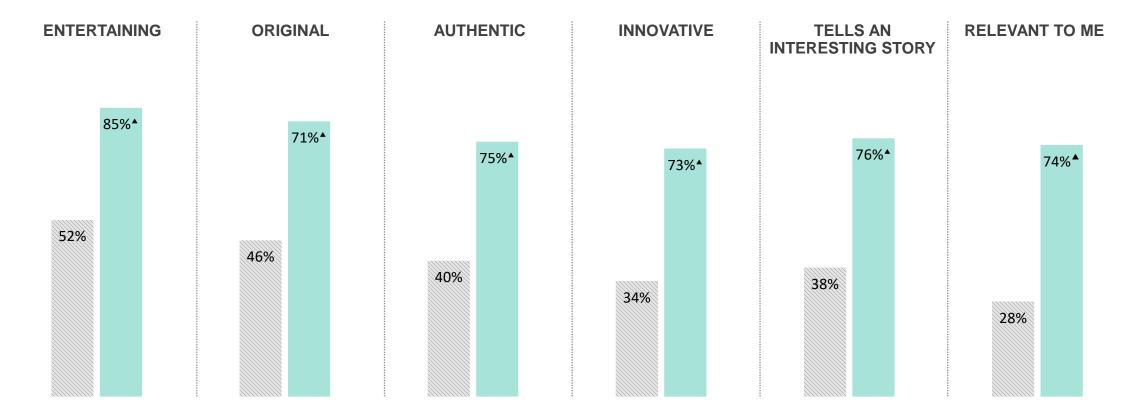




HIGHER RELEVANCE = MORE POSITIVE OPINIONS OF THE AD

Ad Opinions By Perceived Relevance Between Ad And Content | % Strongly or Somewhat Agree

Ad was ______ to the content Not relevant Relevant





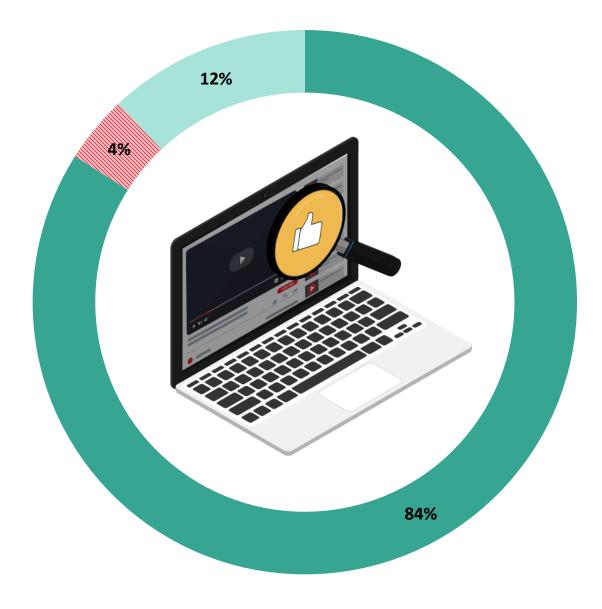


IDENTIFYING THE NUANCES OF CONTENT QUALITY IN VIDEO

MACHINES WERE SUCCESSFULLY TRAINED TO IDENTIFY CONTENT TRADITIONALLY SEEN AS "HIGH QUALITY"

Consumer Ratings of Content Machine Identified as "High Quality"

- Consumer Rated As Low Quality Content
- Consumer Rated As **Medium Quality** Content
- Consumer Rated As High Quality Content

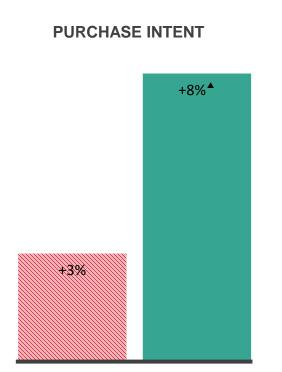


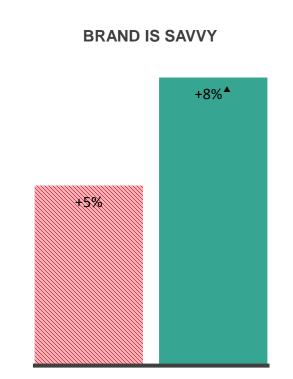


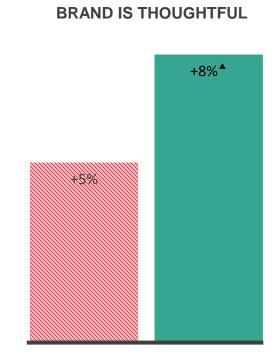
LEVERAGING MACHINES TRAINED TO IDENTIFY QUALITY **CONTENT DRIVES KPIS**

Impact of Machine Identified Content | Delta (Test - Control)

Machine Identified As Low Quality Content Machine Identified As High Quality Content



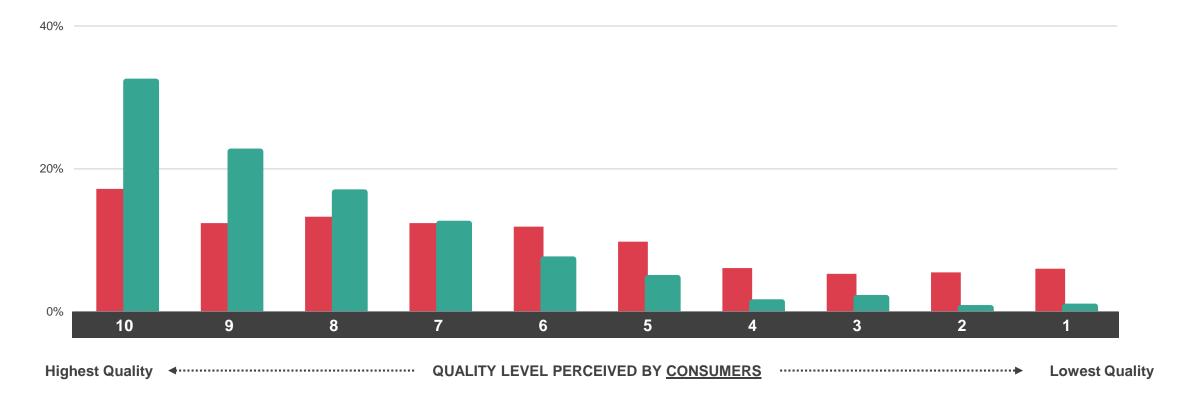




WHILE THERE IS CONSENSUS ON WHAT TRADITIONALLY **CONSTITUTES HIGH QUALITY, PERCEPTIONS OF LOW ARE FAR MORE NUANCED**

Consumer Perceptions of Content Quality by Machine Identification

Machine Identified As Low Quality Content
Machine Identified As High Quality Content







QUALITY IS IN THE EYE OF THE BEHOLDER

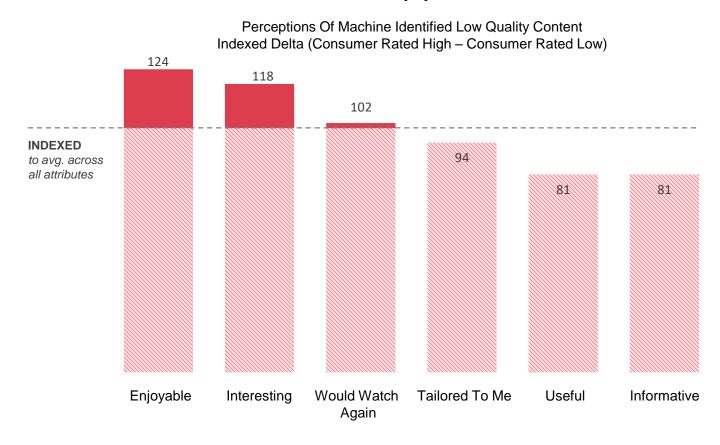
There's an opportunity to expand definitions of what is traditionally considered "Low Quality" content to include videos that over index on enjoyment and entertainment

% Of Content That Machines Identified As Low Quality, **But Consumers Rated As High Quality**



Of consumers have a broader definition of content quality than what is traditionally considered high quality

Of Machine Identified "Low Quality" Content, Content Rated as High Quality by Consumers Tends To Be More "Enjoyable" And "Interesting" Than Content Rated As Low Quality by Consumers





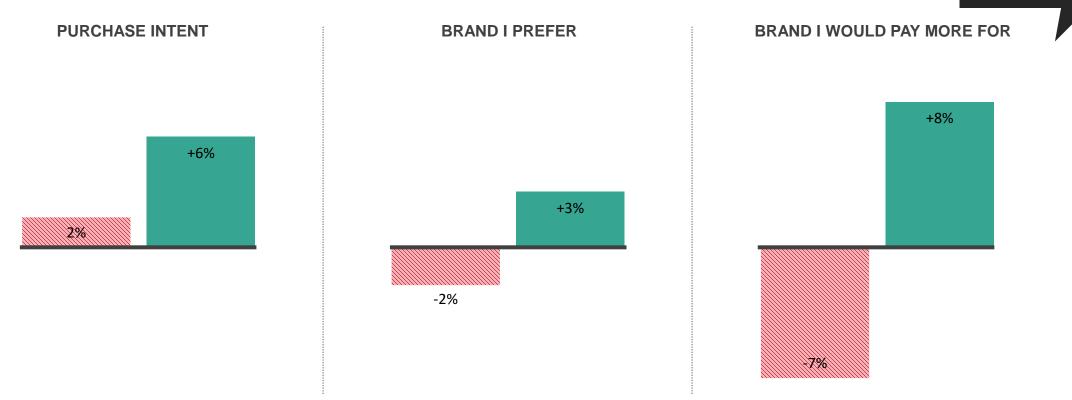
CONSUMER POV ON QUALITY IS WHAT MATTERS MOST

When Consumers Define Content More Broadly Than Machines | Delta (Test - Control)

Machine Identified as Low Quality; _____

■ Consumers Rated as Low Quality
■ Consumers Rated as High Quality

To extend reach, brands should consider broadening their perspective on content quality



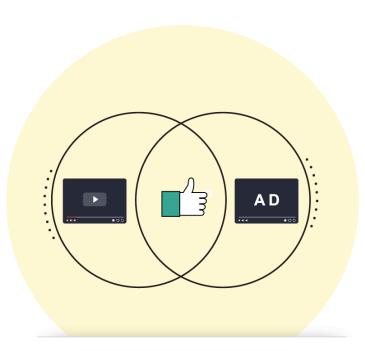


IMPLICATIONS



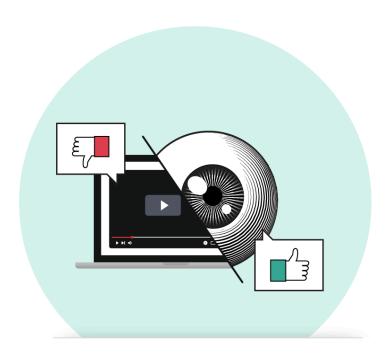


The industry needs to continue innovating in order to live up to consumer demands for more relevant ad experiences. "Human in the Loop" is a big step in the right direction as it offers benefits for both consumers and brands.



2. Brands know best

When brands determine the signals used to identify content that makes the most sense for them, misalignment between content and ad is curbed and each ad works to its full potential.



3. Quality is in the eye of the beholder

Marketers have an opportunity to extend reach by rethinking what constitutes content as "high quality". Low production quality does not equal low quality in the eyes of consumers – especially when the content is enjoyable and interesting.









