

VALUING

THE VALUE EXCHANGE



STREAMING IS UP!

ENTERTAINMENT / STREAMING WARS / CORONAVIRUS

The entire world is streaming more than ever — and it's straining the internet

Governments and ISPs

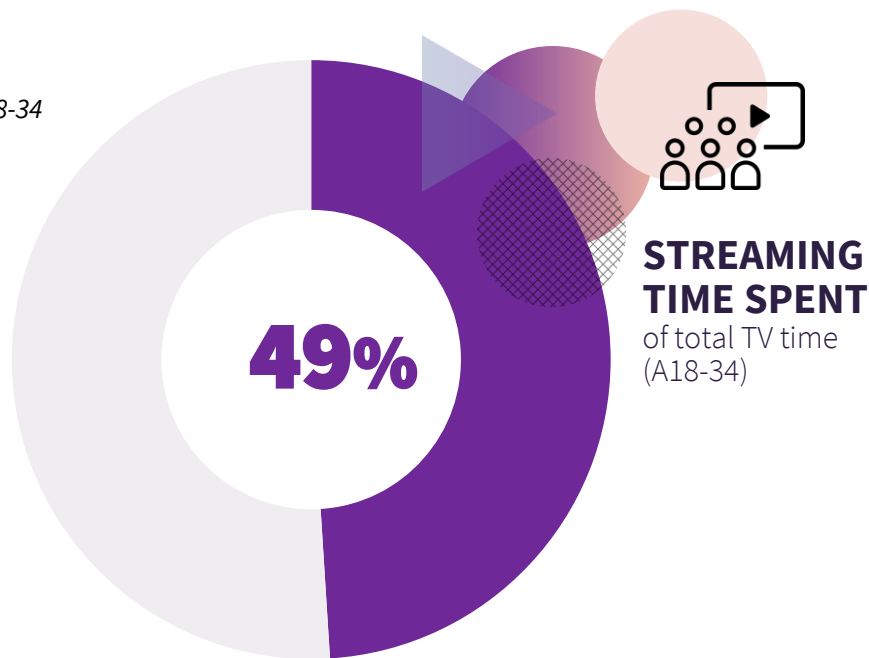
By Julia Alexander | Mar 27, 2020

Connected TV Usage Remains High as Covid-19 Restrictions Ease While Linear Drops

1. According to a [survey by the Interactive Advertising Bureau](#), **47%** of live streaming video viewers worldwide are streaming more live video compared with a year ago.
2. Nearly as many (**44%**) said they [watch less live TV as a result of live streaming](#).

ESPECIALLY AMONG THE YOUNGER GENERATION

In May of 2020, nearly half of all TV viewing among A18-34 was streamed (49% streaming, 51% linear TV)



54% of viewers surveyed
don't know

WHAT

to stream



MAINLY BECAUSE

“There is a
lot to choose
from”

“Cuz idk
what I want to
watch lol”

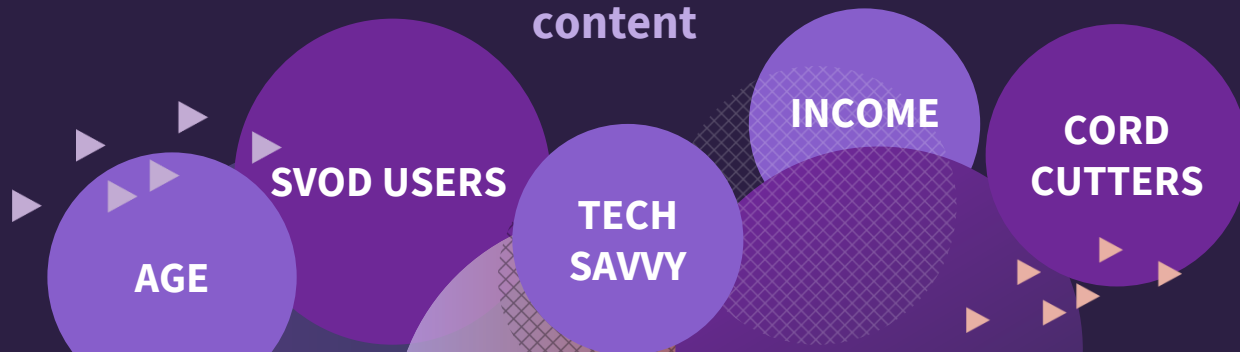
“Can't find
anything that
interests me”

“Choices are
overwhelming,
decisions have to be
made. Sometimes
disappointed in
choice”



THE NEED FOR CONTENT DISCOVERY IS UNIVERSAL

All streamers seek to
discover more relevant
content



What **happens**
when brands aid
content discovery?



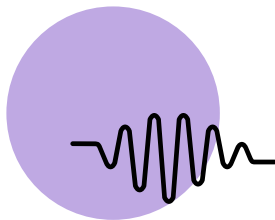


VALUE THROUGH CONTENT DISCOVERY

What Are Brand Experiences?

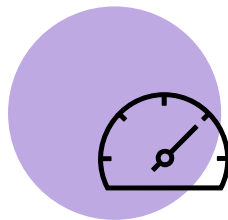
- Ads that offer free experiences such as promo codes to free movies, free TV shows/movies with limited commercials, etc.
- Promoted on the home screen when consumers are actively looking for content

OUR QUESTIONS



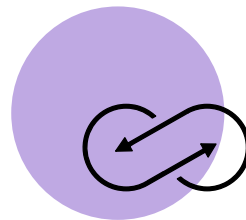
CONSUMER POV

How do consumers feel about ads that offer help with content discovery?



IMPACT

How effective are brand experiences in the wild?
And how do they compare to other ads?



PLANNING UTILITY

What should advertisers consider when planning for brand experiences in order to have the biggest impact?

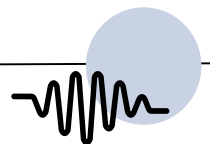
METHODOLOGY

CONSUMER OPINIONS



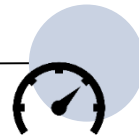
RECRUITMENT

Recruited random sample of Roku users into MAGNA's online survey
N= 620



CONSUMER OPINION

Collected consumer feedback on content discovery, brand experiences, etc.



VALUE OFFERS DEEP DIVE

Deep dive into brand experiences and their impact on brand opinion

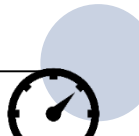
OTT ADS IN THE WILD

- Experience Ads
- Video Ads



RECRUITMENT

Recruited a random sample of active Roku users into MAGNA's survey
N = 1722
Exposed | Control
Two Live Campaigns



BRAND METRICS

Measured branding impact of ad type (e.g. awareness, perceptions, intent, etc.)



CONSUMER OPENNESS TO BRAND EXPERIENCES

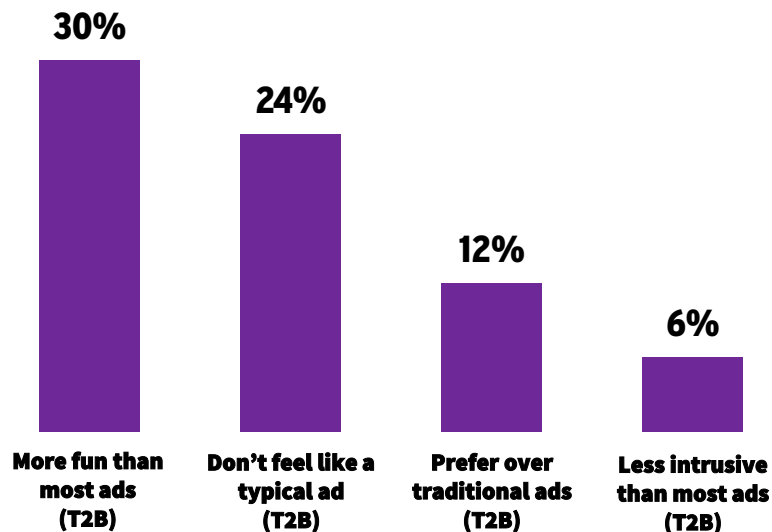
ADS THAT OFFER VALUE ARE A WELCOMED CHANGE, ESPECIALLY FOR VIEWERS IN IMMEDIATE NEED

Opinions of Brand Experiences | % Lift

Most Frequently in Content Discovery Mode

vs. Total Audience

(T2B – Strongly/Somewhat Agree)



Survey Q: "Please indicate how much you agree or disagree with each of the following statements about ads on the Roku homepage that offer free experiences such as promo codes to free movies, free movies/TV shows with limited commercials, etc."
Audience in Immediate Need n=88

STREAMERS WHO HAVE ENGAGED WITH BRAND EXPERIENCES ARE SATISFIED

Opinions of Brand Experiences | Have Interacted with Brand Experiences Indexed to Gen Pop Average



BRANDS BENEFIT TOO.

CONSUMER SATISFACTION = OPENNESS TO BRANDS

Opinions of Brand Experiences Among Those Who
Have Interacted | % Agree (T2B)

61%



More likely to notice
brand experiences

48%



More appreciative
of brands who serve
brand experiences

33%



More likely to consider
buying the advertised
product

BRAND EXPERIENCES AT WORK

IMPACTING KPIS WITH REAL
CAMPAIGNS

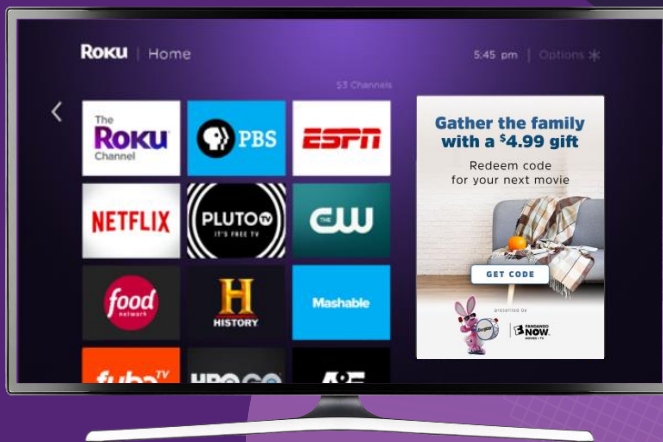


WHAT WE MEASURED

Video Ads



Experiential Ads



CAMPAIGN DETAILS

1,722 consumers
surveyed

2 Brands

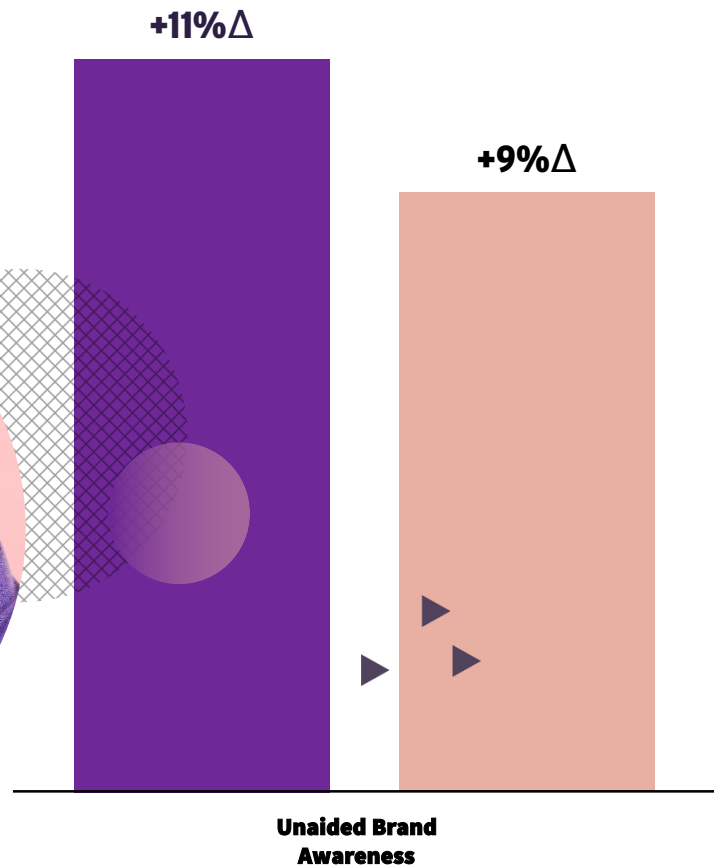
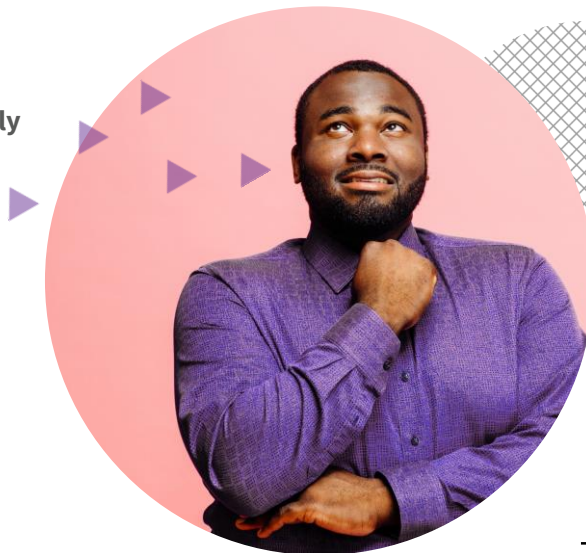
Coca-Cola | *Energizer*

BOTH VIDEO AND BRAND EXPERIENCES ARE **NOTICED AND MEMORABLE**

Impact by Ad Type | Delta (Exposed – Control)

Video Only

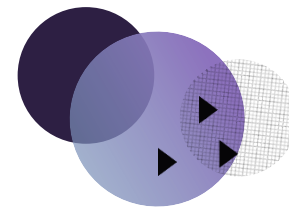
Brand Experiences Only



Survey Q: "When thinking of [category], which brands come to mind first?"

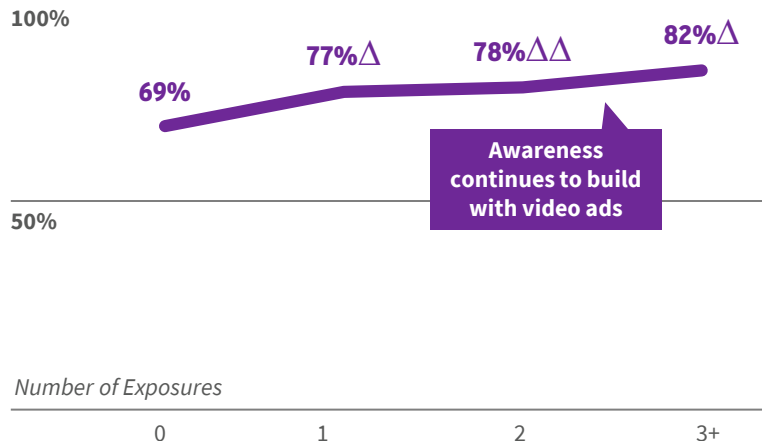
Δ= Statistical significance between exposed and control groups at >=90% confidence level
Video: Control n=388, Exposed n=435; Brand Experiences: Control n=396, Exposed n=503

BOTH HAVE AN IMMEDIATE IMPACT ON AWARENESS

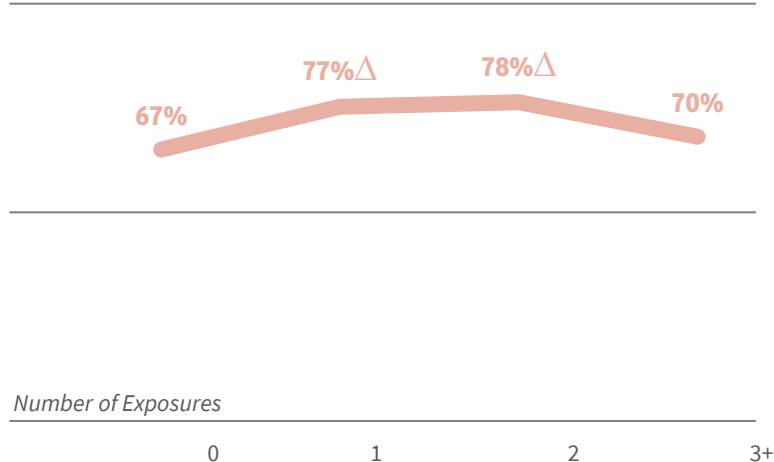


Impact of Frequency on Unaided Brand Awareness

Video Only | % Aware



Brand Experiences Only | % Aware



Δ = Statistical significance between exposed and control groups at $\geq 90\%$ confidence level

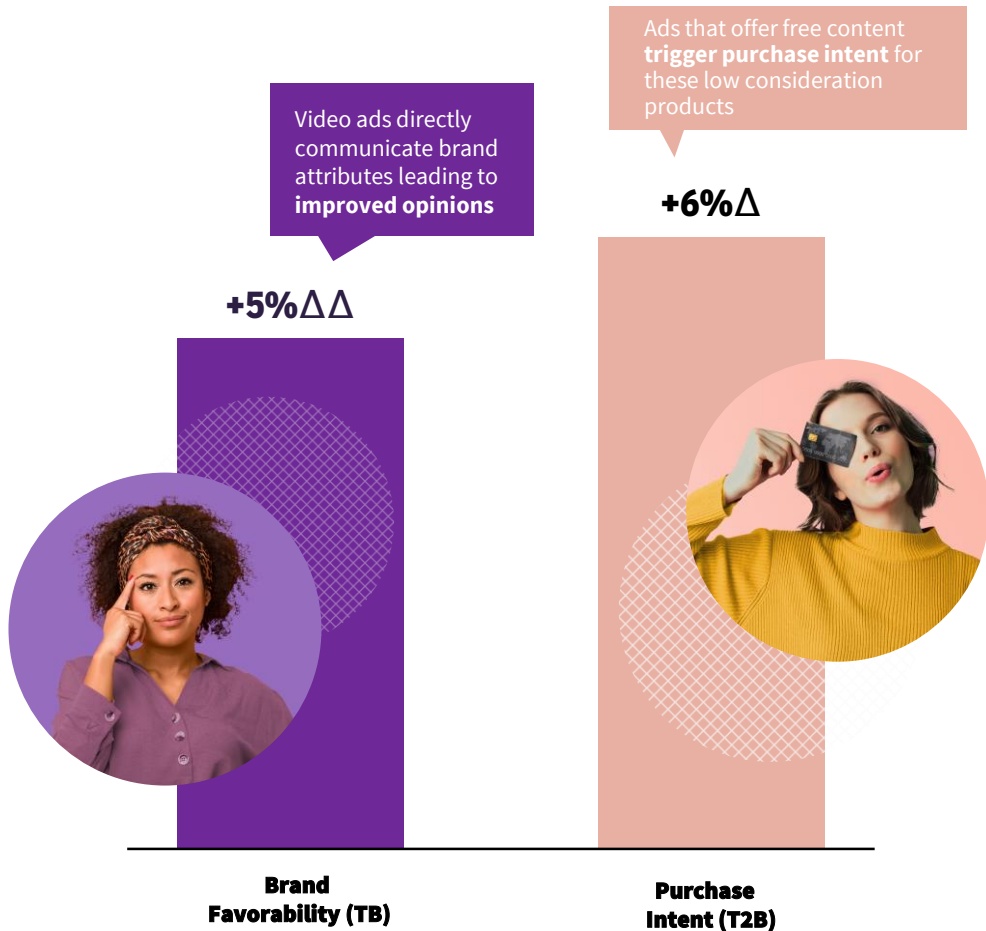
$\Delta\Delta$ = Statistical significance between exposed and control groups at $\geq 80\%$ confidence level

Video: Control n=388, 1 Exp n=171, 2 Exp n=58, 3+ Exp n=206, Brand Experiences: Control n=396, 1 Exp n=358, 2 Exp n=76, 3+ Exp n=69

EACH AD TYPE IS PERSUASIVE, BUT IN DIFFERENT WAYS

Impact by Ad Type | Delta (Exposed – Control)

- Video Only
- Brand Experiences Only



Survey Q: Brand Favorability, "What is your overall opinion of the following brands?"
Survey Q: Purchase Intent, "The next time you purchase a soft drink, how likely are you to choose each of the following brands?"
Δ = Statistical significance between exposed and control groups at >=90% confidence level
ΔΔ = Statistical significance between exposed and control groups at >=80% confidence level
Video: Control n=388, Exposed n=435; Brand Experiences: Control n=396, Exposed n=503
No movement was seen for video on purchase intent and sponsorship on brand favorability

BRAND EXPERIENCES TRIGGER PURCHASE INTENT QUICKLY AND PERCEPTIONS ARE BUILT AT HIGHER FREQUENCIES

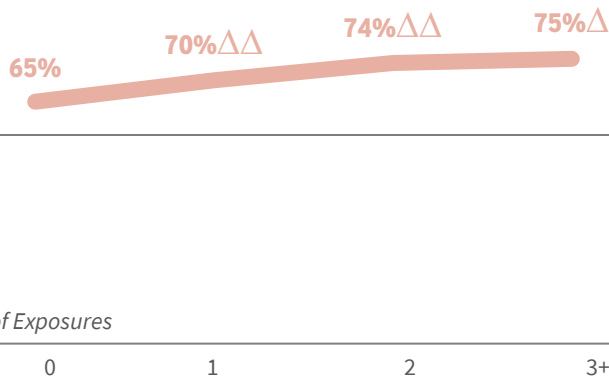
Impact of Frequency on Brand Experiences

Purchase Intent (T2B) | % Agree

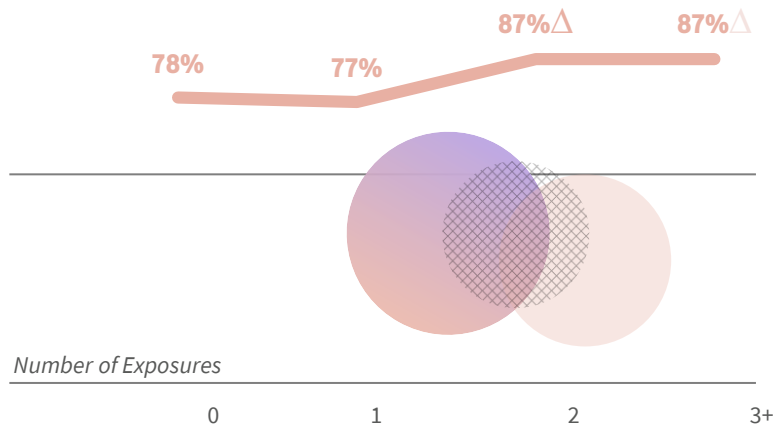
100%

50%

Number of Exposures



Brand Favorability (T2B) | % Agree



Δ = Statistical significance between exposed and control groups at >=90% confidence level
ΔΔ = Statistical significance between exposed and control groups at >=80% confidence level
Brand Experiences: Control n=396, 1 Exp n=358, 2 Exp n=76, 3+ Exp n=69

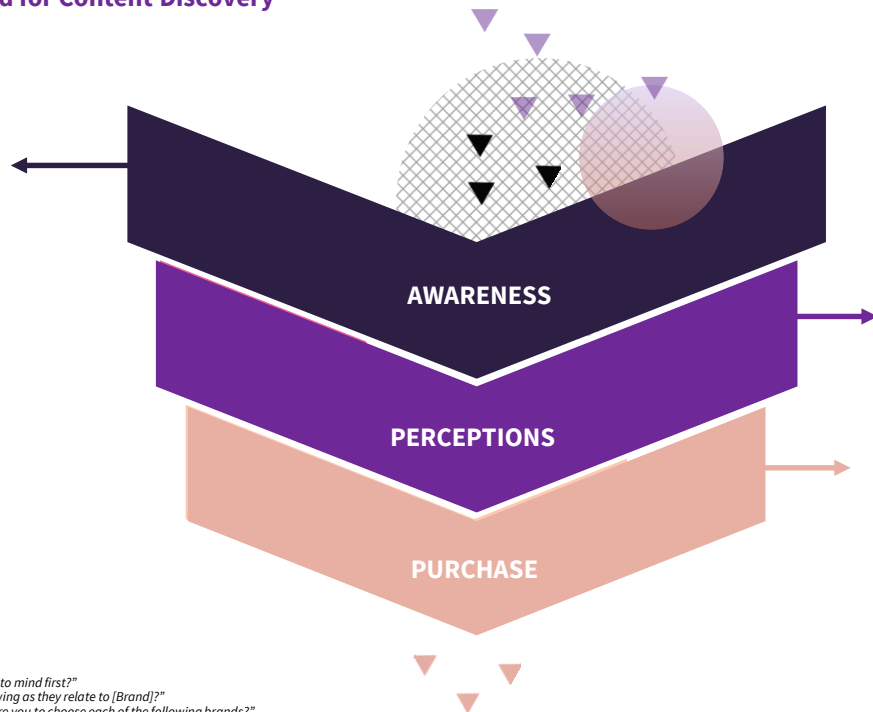
BRAND EXPERIENCES WORK HARDEST WHEN FULFILLING A NEED

Impact on Brand Experiences by Need for Content Discovery

FOR THOSE RARELY IN CONTENT DISCOVERY MODE...

Brand Experiences build
top-of-mind awareness

Unaided Brand Awareness : +14% Δ



FOR THOSE REPEATEDLY IN CONTENT DISCOVERY MODE...

Brand Experiences foster
positive brand perceptions

“Offers Value” (T2B) : +9% Δ

“Creative” (T2B) : +13% Δ

“Entertaining” (T2B) : +9% Δ

Brand Experiences drive intent
to purchase the brand

Purchase Intent (T2B) : +7% $\Delta\Delta$

Purchase Intent (TB) : +10% Δ

Survey Q: Unaided Awareness, “When thinking of [category], which brands come to mind first?”

Survey Q: Brand Perception, “How much do you agree or disagree with the following as they relate to [Brand]?”

Survey Q: Purchase Intent, “The next time you purchase a soft drink, how likely are you to choose each of the following brands?”

Δ = Statistical significance between exposed and control groups at $\geq 90\%$ confidence level

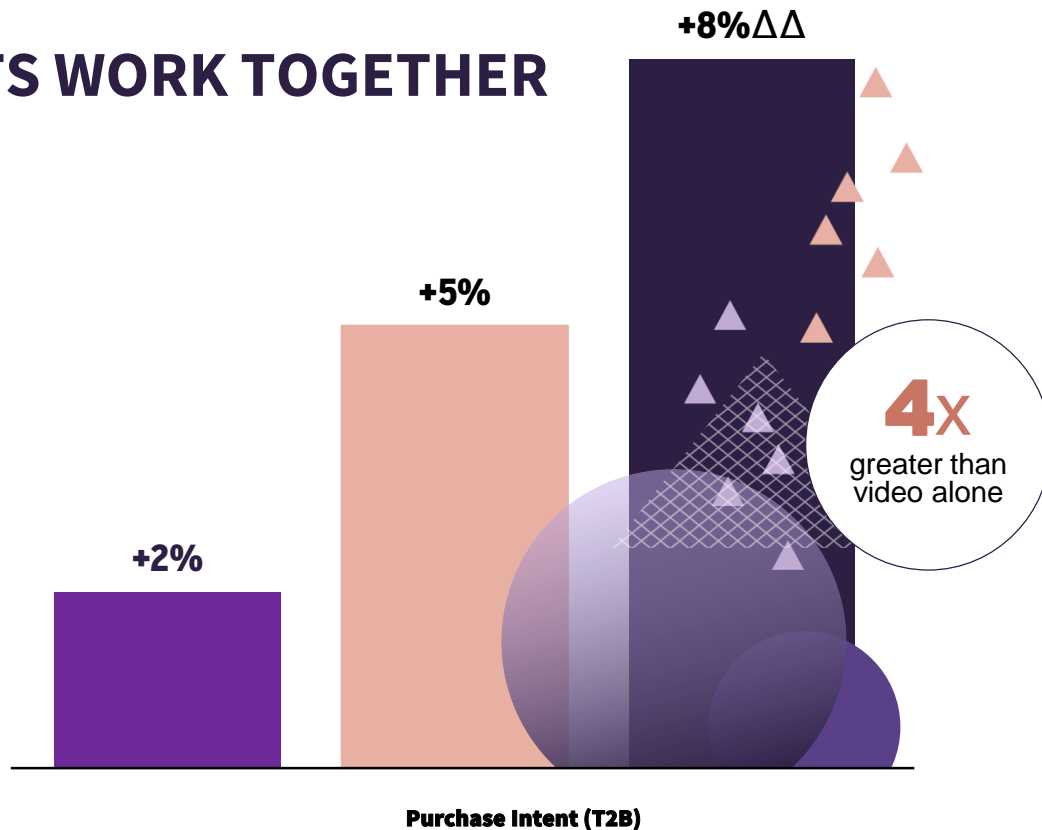
$\Delta\Delta$ = Statistical significance between exposed and control groups at $\geq 80\%$ confidence level

Brand Experiences: Control n=396, Exposed n=503

IMPACT IS AMPLIFIED WHEN BOTH FORMATS WORK TOGETHER

Impact by Ad Type | Delta (Exposed – Control)

- Video Only
- Brand Experiences Only
- Video + Brand Experiences



Δ = Statistical significance between exposed and control groups at ≥90% confidence level
ΔΔ = Statistical significance between exposed and control groups at ≥80% confidence level
(Brand 1) Video: Control n=195, Exposed n=270; Brand Experiences: Control n=201, Exposed n=238; Video + Sponsorship: Control n=356, Exposed n=111

“WHAT IF” SCENARIOS

USING CONSUMER POV TO PLAN
FOR EFFECTIVE UTILITY



TO UNDERSTAND WHAT CONSUMERS THINK OF VARIOUS OFFERS...

**We asked
consumers to rate
various offerings**

- A mix of brands were tested, with offers of various values (e.g. discover new channels, stream content with limited ads, watch content without premium subscription etc.)
- 8 scenarios were tested, but each participant rated only 1 sponsorship offer



VALUE OFFERS **TESTED...**

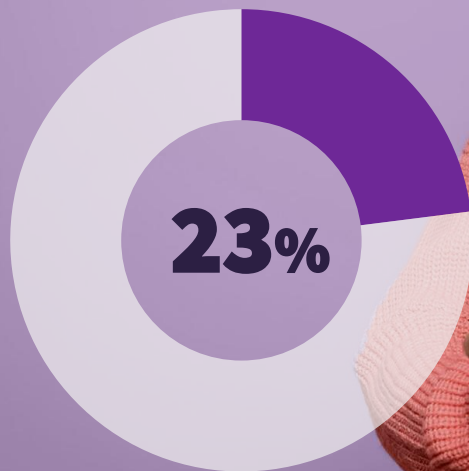
Recommendations: Suggest new content to users that they might not have discovered

Rewards: Bring premium content to users for free or discounted

RELEVANCE NATURALLY DRIVES DESIRE TO ENGAGE

Likelihood to Take Advantage of Offer by Perceived
Relevance | % Agree

The majority
want to take
advantage of
offers when they
are relevant



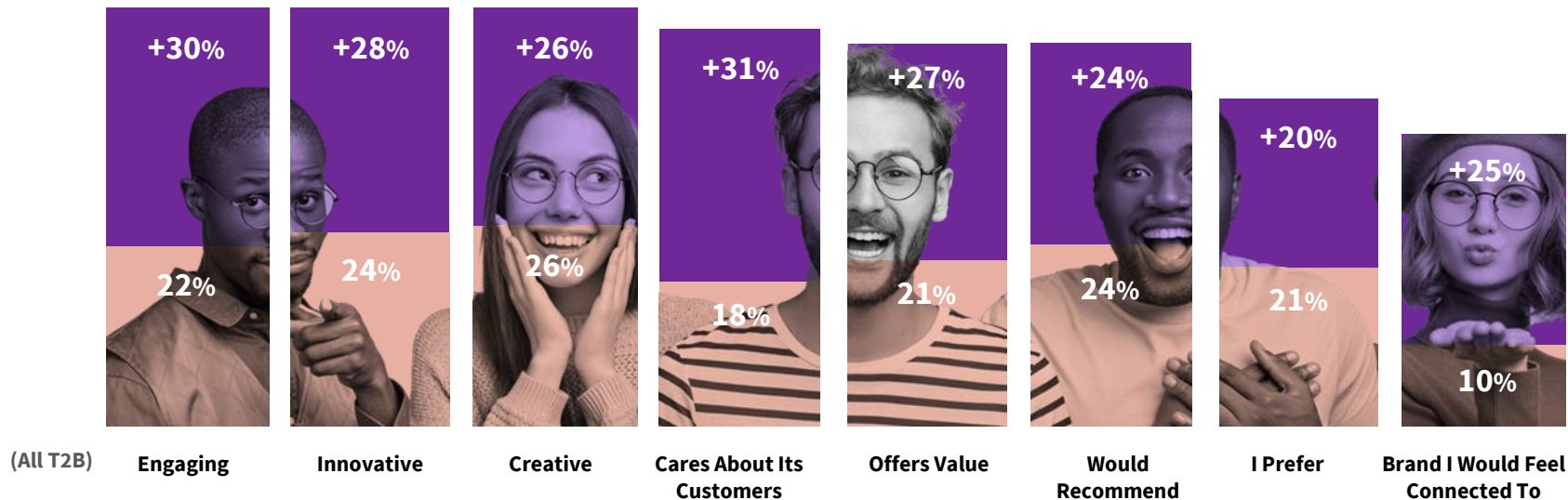
Offer is NOT Relevant (T2B)



Offer is Relevant (T2B)

MORE RELEVANT OFFERS ALSO SERVE AS A CATALYST FOR DRIVING MORE POSITIVE BRAND OPINIONS...

Brand Opinions by Perceived Relevance of Offer



AND MOST IMPORTANTLY, **RELEVANT OFFERS CREATE BIGGER IMPACT ON INTENT TO BUY THE BRAND**

“More Likely to Buy Brand” by Perceived
Relevance of Offer





**More Likely to
Purchase After Seeing
Sponsorship (T2B)**

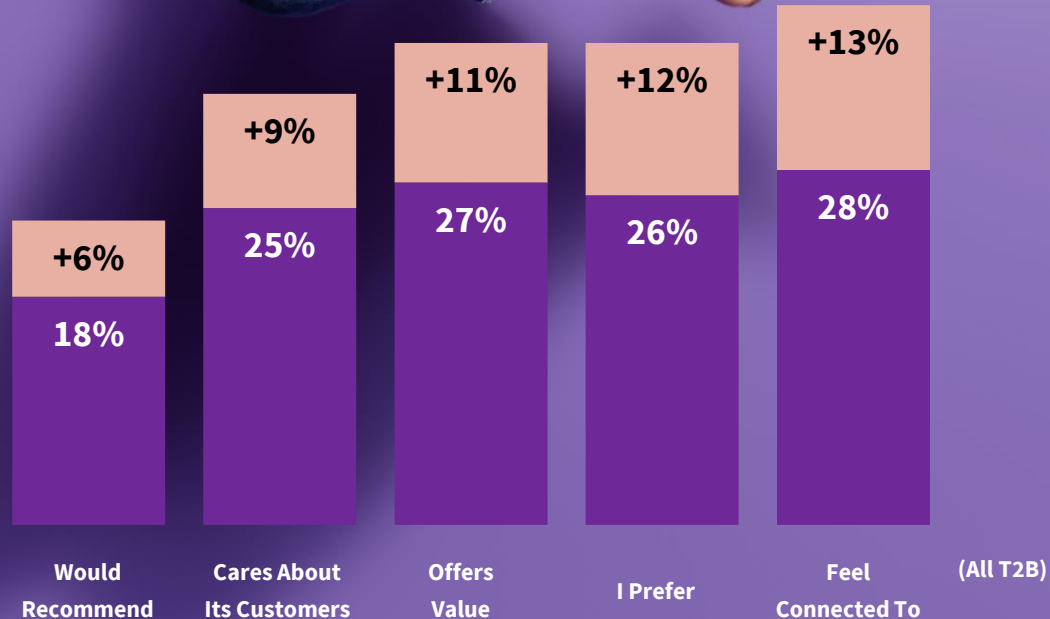
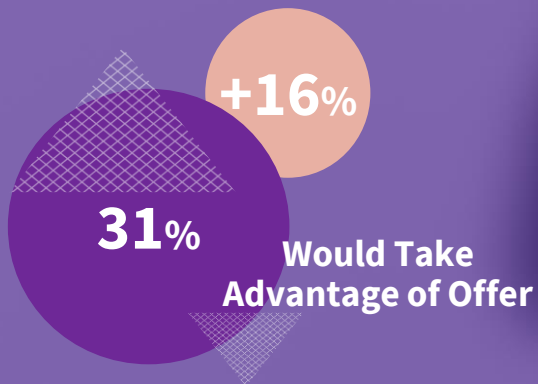
Survey Q: "How likely are you to purchase products after seeing this offer?"
Relevant n=275, Not Relevant n=344

YES, THE VALUE OF THE OFFER MATTERS TOO

Getting Recommendations is Effective But Getting Content for Free has Greater Impact

Brand Attributes by Value of Offer

-  **Rewards** (Increase in % Agree)
-  **Recommendations** (% Agree)

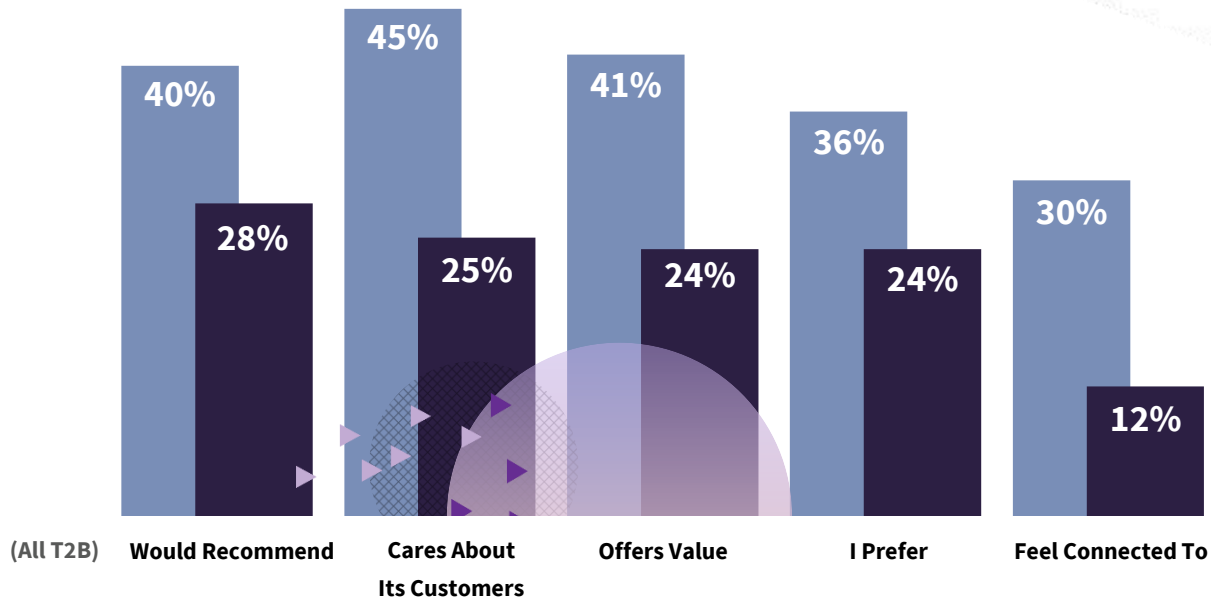
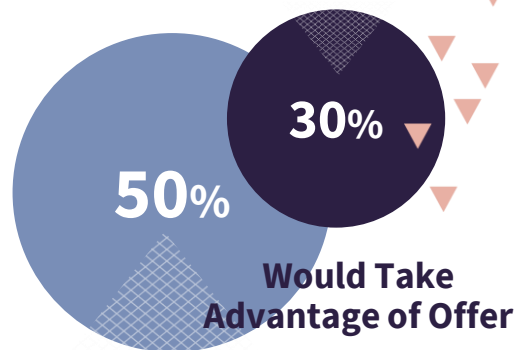


BUT RELEVANCE IS KING

Brand Attributes by Perceived Offer Relevance & Value of Offer

● Recommendations That Are Relevant
(% Agree)

● Rewards (Deeper Discount Offers)
That Are Not Relevant (% Agree)



Survey Q: How would you describe based on the following attributes after seeing this offer?

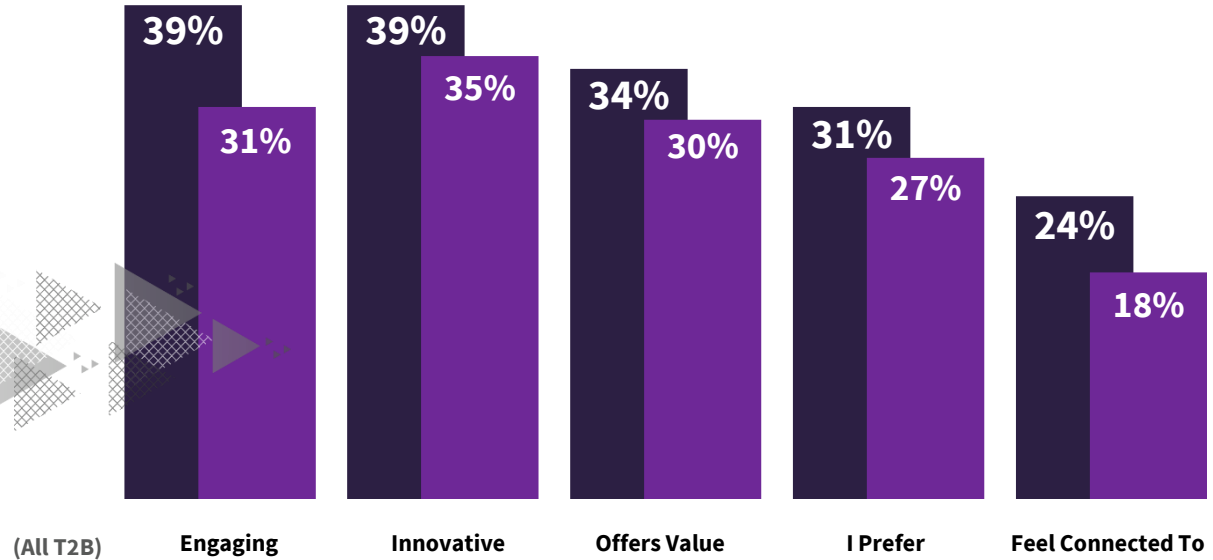
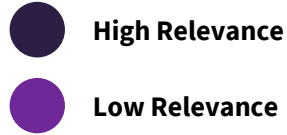
Rewards: Bring premium content to users for free or discounted

Recommendations: Suggest new content to users that they might not have discovered

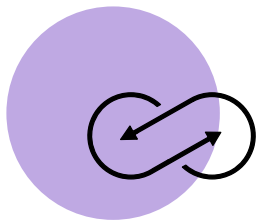
Recommendation (Low Value) High Relevance: n= 129, Reward (High Value) Low Relevance: n= 170

AND YES, TARGETING BY RELEVANCE CAN HELP TOO

Brand Attributes by Targeted Relevance | % Agree



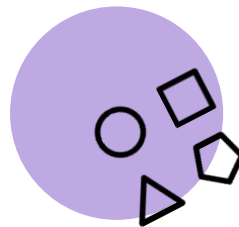
KEY FINDINGS



THERE IS VALUE IN THE GIVE AND TAKE

Brand experiences offer a unique way for brands to have a 1:1 relationship with consumers.

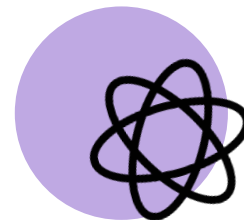
In turn, consumers are also more welcoming of brand experiences.



DIVERSIFY TO INCLUDE BOTH AD TYPES

Both video ads and brand experiences contribute to branding impact.

While video works better in achieving upper funnel metrics, brand experiences work well for lower funnel metrics.



RELEVANCE IS KEY

Consumers prefer high relevance over value of the offer in brand experiences offers.

Leveraging the strength of digital to target based on relevance is less costly and more beneficial.