DECONSTRUCTING BRANDED CONTENT
THE GLOBAL GUIDE TO WHAT WORKS

IPG MEDIA LAB + Google
Video viewing is shifting to digital, especially among millennials

**DIGITAL VIDEO VIEWING:** Percentage of Total Video Viewing by Age Group

<table>
<thead>
<tr>
<th>Year</th>
<th>MILLENNIALS (18-34)</th>
<th>ADULTS 35-64</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>34%</td>
<td>20%</td>
</tr>
<tr>
<td>2015</td>
<td>37%</td>
<td>22%</td>
</tr>
<tr>
<td>2016</td>
<td>40%</td>
<td>24%</td>
</tr>
<tr>
<td>2017</td>
<td>42%</td>
<td>25%</td>
</tr>
<tr>
<td>2018</td>
<td>44%</td>
<td>26%</td>
</tr>
<tr>
<td>2019</td>
<td>45%</td>
<td>27%</td>
</tr>
</tbody>
</table>

*Source: Nielsen, ComScore, MAGNA GLOBAL estimates US Data*
...And it’s ubiquitous

<table>
<thead>
<tr>
<th>Rank</th>
<th>Country</th>
<th>% of People Who Have Watched Online Video Within Past 6 Months</th>
</tr>
</thead>
<tbody>
<tr>
<td>01</td>
<td>CHILE</td>
<td>90%</td>
</tr>
<tr>
<td>02</td>
<td>COLOMBIA</td>
<td>90%</td>
</tr>
<tr>
<td>03</td>
<td>DENMARK</td>
<td>89%</td>
</tr>
<tr>
<td>04</td>
<td>ISRAEL</td>
<td>93%</td>
</tr>
<tr>
<td>05</td>
<td>MALAYSIA</td>
<td>82%</td>
</tr>
<tr>
<td>06</td>
<td>POLAND</td>
<td>88%</td>
</tr>
<tr>
<td>07</td>
<td>PORTUGAL</td>
<td>93%</td>
</tr>
<tr>
<td>08</td>
<td>THAILAND</td>
<td>91%</td>
</tr>
<tr>
<td>09</td>
<td>TURKEY</td>
<td>31%</td>
</tr>
<tr>
<td>10</td>
<td>UAE</td>
<td>86%</td>
</tr>
</tbody>
</table>

*Source: WAVE; UM Global Survey*
Brands are following suit and building content to tell their stories

EXPECTED CHANGE IN CONTENT MARKETING BUDGET
According to Business Professionals in Denmark

- **44%** INCREASE
- **33%** REMAIN THE SAME
- **15%** DON'T KNOW
- **6%** SIGNIFICANT INCREASE
- **2%** DECREASE

*Source: www.eMarketer.com; Brand Movers, “Content Marketing i Danmark 2015” in conjunction with Huset Markedsføring, March 26, 2015*
The intersection of video and data gives advertisers the opportunity to create stories that are relevant, and in fact, create multiple sequential stories that address different segments. One would almost argue that the investment in content should be as much as, if not more, than the investment in programmatic media dollars.

Arun Kumar
GLOBAL PRESIDENT, CADREON
But, what is branded content...exactly?
OUR DEFINITION:

Branded Content (*noun*):

Content that lives on its own, produced by and for the brand, as opposed to content produced by someone else that the brand affixes itself to.
Rather than asking marketers, we surveyed 14,780 consumers globally to learn what branded content is, what they think about it, and determine how effective it is.
We sought to answer these questions:

What CONSUMERS think about branded content?

How is branded content perceived differently in different parts of the world?

And, how does that translate into BRANDING EFFECTIVENESS?
Methodology

1. RECRUITED PARTICIPANTS
   In 10 countries from representative online panel (n=14,780)

2. CONTENT/BRAND INTERESTS
   Matched to 1 of 5 test brands in country based on content interests

3. GATHERED DEMOGRAPHICS
Methodology

**CONTENT/BRAND INTERESTS**
Matched to 1 of 5 test brands in country based on content interests

**RANDOMLY ASSIGNED TO TEST CELL**
- Video hosted on mocked-up YouTube Page
- Videos and brands vary by country

**SURVEYED PARTICIPANTS**
- Brand Metrics
- Message Perceptions
- Brand Perceptions
- Video Perceptions

**BRANDED CONTENT**

**STANDARD VIDEO AD**

**CONTROL**
What we tested

CONTROL
Video content without brand mentions

STANDARD VIDEO AD
Pre-roll ad for test brand followed by video content
(\textit{ad lengths were typically :30 sec or less})

BRANDED CONTENT
Video supplied by test brand that they define as branded content
(\textit{average ad length was 130 seconds})
Where and who we tested

WE TESTED IN 10 COUNTRIES AND 19 VERTICALS:

VERTICALS
- ALCOHOL
- APPLIANCES
- AUTOMOTIVE: CAR
- AUTOMOTIVE: TIRES
- BABY PRODUCTS
- BEAUTY PRODUCTS
- BEVERAGE
- CLEANING PRODUCTS
- CLOTHING
- COMMUNICATIONS
- FINANCE
- FOOD
- HEALTH
- OTC MEDICINE
- PET FOOD
- QUICK SERVICE RESTAURANTS
- RETAIL
- TOYS
- TRAVEL
Where and who we tested

WE TESTED IN 10 COUNTRIES AND 19 VERTICALS:

01 CHILE
02 COLOMBIA
03 DENMARK
04 ISRAEL
05 MALAYSIA
06 POLAND
07 PORTUGAL
08 THAILAND
09 TURKEY
10 UAE

VERTICALS
- ALCOHOL
- APPLIANCES
- AUTOMOTIVE: CAR
- AUTOMOTIVE: TIRES
- BABY PRODUCTS
- BEAUTY PRODUCTS
- BEVERAGE
- CLEANING PRODUCTS
- CLOTHING
- TELECOMMUNICATIONS
- FINANCE
- FOOD
- HEALTH
- OTC MEDICINE
- PET FOOD
- QUICK SERVICE RESTAURANTS
- RETAIL
- TOYS
- TRAVEL
Branded content works

BRAND METRICS & PERCEPTIONS (%)

METRICS

<table>
<thead>
<tr>
<th>Metric</th>
<th>Control</th>
<th>Branded Content</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overall favorability</td>
<td>45%</td>
<td>59%</td>
</tr>
<tr>
<td>Purchase intent</td>
<td>33%</td>
<td>42%</td>
</tr>
<tr>
<td>Recommendation intent</td>
<td>41%</td>
<td>50%</td>
</tr>
</tbody>
</table>

PERCEPTIONS

<table>
<thead>
<tr>
<th>Perception</th>
<th>Control</th>
<th>Branded Content</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brand I would pay more for</td>
<td>26%</td>
<td>31%</td>
</tr>
<tr>
<td>Brand offers valuable info</td>
<td>31%</td>
<td>38%</td>
</tr>
<tr>
<td>Brand with a personality</td>
<td>39%</td>
<td>48%</td>
</tr>
<tr>
<td>Brand I respect</td>
<td>41%</td>
<td>50%</td>
</tr>
</tbody>
</table>

▲ = Statistically significant difference between Control and Branded Content at 90% confidence

Control n = 4,564; Branded Content n = 4,619
Do consumers know the difference?
Branded content also understood to be part of brands’ advertising strategies; Perceptions vary by country

On the scale below, where does the video belong?

<table>
<thead>
<tr>
<th>CONTENT MARKETING SCORE*</th>
<th>AVG STANDARD VIDEO AD</th>
<th>AVG BRANDED CONTENT</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ADVERTISING</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>UNITED STATES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>▲</td>
<td></td>
</tr>
<tr>
<td><strong>ASIA</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Thailand</td>
<td>▲</td>
<td></td>
</tr>
<tr>
<td>Malaysia</td>
<td>▲</td>
<td></td>
</tr>
<tr>
<td><strong>EUROPE</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Turkey</td>
<td>▲</td>
<td></td>
</tr>
<tr>
<td>Poland</td>
<td>▲</td>
<td></td>
</tr>
<tr>
<td>Portugal</td>
<td>▲</td>
<td></td>
</tr>
<tr>
<td>Denmark</td>
<td>▲</td>
<td></td>
</tr>
<tr>
<td><strong>LATIN AMERICA</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Colombia</td>
<td>▲</td>
<td></td>
</tr>
<tr>
<td>Chile</td>
<td>▲</td>
<td></td>
</tr>
<tr>
<td><strong>MIDDLE EAST</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>UAE</td>
<td>▲</td>
<td></td>
</tr>
<tr>
<td>Israel</td>
<td>▲</td>
<td></td>
</tr>
</tbody>
</table>

United States BC/Ad n=3,869/3,344; Denmark BC/Ad n = 501/497; Israel BC/Ad n = 282/282; UAE BC/Ad n = 365/326; Chile BC/Ad n = 509/506; Turkey BC/Ad n = 502/504; Colombia BC/Ad n = 505/509; Malaysia BC/Ad n = 410/404; Poland BC/Ad n = 591/595; Portugal BC/Ad n = 594/594; Thailand BC/Ad n = 500/502 / ▲ = Statistically significant difference between Branded Content & Standard Video Ads at 90% confidence

*CONTENT MARKETING SCALE: Name for the question asked
The Middle East is least discerning about branded content

On the scale below, where does the video belong?

**CONTENT MARKETING SCORE**

<table>
<thead>
<tr>
<th>ADVISING</th>
<th>NOT ADVERTISING</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>10</td>
</tr>
</tbody>
</table>

**ASIA**

**EUROPE**

**LATIN AMERICA**

**MIDDLE EAST**

▲ = Statistically significant difference between Branded Content & Standard Video Ads at 90% confidence.

Europe: Ad n=2,040; BC n=2,058; Asia: Ad n=906, BC n=910; Latin America: Ad n=1,015, BC n=1,014; Middle East: Ad n= 608, BC n=637.

*CONTENT MARKETING SCALE: Name for the question asked.*
Opportunities in every category to tell story that makes branded content stand out

On the scale below, where does the video belong?

**CONTENT MARKETING SCORE**

<table>
<thead>
<tr>
<th>NOT ADVERTISING</th>
<th>CPG</th>
<th>AUTO</th>
<th>TELECOM</th>
<th>FINANCE</th>
</tr>
</thead>
<tbody>
<tr>
<td>100</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>90</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>80</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>70</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>60</td>
<td></td>
<td></td>
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<td></td>
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<tr>
<td>50</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>40</td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>30</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>20</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

▲ = Statistically significant difference between lowest score and highest score at 90% confidence

Auto BC n = 840; CPG BC n = 2,360; Finance BC n = 373; Telecom BC n = 443; *Included only categories with 3+ videos

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Then, how *exactly* is branded content different?
Both considered marketing, just different types

Drag the two words that best describe the video you saw into the box.

21% MARKETING

STANDARD VIDEO ADS
ARE MORE LIKE...

Advertising, +10%▲

22% MARKETING▲

BRANDED CONTENT
IS MORE LIKE...

How-To Video, +5%▲
Sponsored Show, +4%▲
Presentation, +3%▲
Brand Promotion, +3%▲
Entertainment, +3%▲

▲=Statistically significant difference between Branded Content and Standard Video Ads at 90% confidence
▲=Data showing Ad/Branded Content minus Branded Content/Ad / Standard Video Ads n = 4,569; Branded Content n = 4,619
Because consumers know it’s “marketing,” trust is the same

Drag and drop the following words into the boxes below. Was the video...

<table>
<thead>
<tr>
<th>TRUSTWORTHINESS (%)</th>
<th>STANDARD VIDEO ADS</th>
<th>BRANDED CONTENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>70%</td>
<td>70%</td>
<td></td>
</tr>
</tbody>
</table>

▲=Statistically significant difference between Branded Content and Standard Video Ads at 90% confidence

Standard Video Ads n=4,569, Branded Content n=4,619
But, branded content stimulates and provides depth

Drag and drop the following words into the boxes below.

WAS THE VIDEO...

<table>
<thead>
<tr>
<th>Feature</th>
<th>Entertaining</th>
<th>Uplifting</th>
<th>Educational</th>
<th>Novel</th>
<th>Exciting</th>
</tr>
</thead>
<tbody>
<tr>
<td>Standard Video Ads</td>
<td>61%</td>
<td>46%</td>
<td>45%</td>
<td>45%</td>
<td>42%</td>
</tr>
<tr>
<td>Branded Content</td>
<td>67%▲</td>
<td>57%▲</td>
<td>53%▲</td>
<td>51%▲</td>
<td>50%▲</td>
</tr>
</tbody>
</table>

▲ = Statistically significant difference between Branded Content and Standard Video Ads at 90% confidence.

Standard Video Ads n = 4,569; Branded Content n = 4,619
Does the content marketing scale *really matter* when it comes to effectiveness?
Yes! “Stand out” branded content more persuasive

**BRANDED CONTENT:**
BRAND METRIC DELTAS (BRANDED CONTENT – CONTROL) BY CONTENT MARKETING SCORE

<table>
<thead>
<tr>
<th>ENTERTAINMENT SCORE (VIDEOS)</th>
<th>LESS DIFFERENTIATED VIDEOS</th>
<th>MORE DIFFERENTIATED VIDEOS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aided brand recall</td>
<td>+83%*</td>
<td>+79%</td>
</tr>
<tr>
<td>Brand offers valuable info</td>
<td>+3%</td>
<td>+9%*</td>
</tr>
<tr>
<td>Brand with a personality</td>
<td>+4%</td>
<td>+10%*</td>
</tr>
<tr>
<td>Brand I would pay more for</td>
<td>+2%</td>
<td>+5%</td>
</tr>
<tr>
<td>Overall favorability</td>
<td>+11%</td>
<td>+14%</td>
</tr>
<tr>
<td>Recommendation intent</td>
<td>+5%</td>
<td>+10%*</td>
</tr>
<tr>
<td>Purchase intent</td>
<td>+8%</td>
<td>+11%</td>
</tr>
</tbody>
</table>

* = Statistically significant difference of difference between Less and More Differentiated Videos at 90% confidence

Less (10 lowest videos on CMS): Control n=827; Branded Content n=820; More (40 highest videos on CMS): Control n=3,737; Branded Content n=3,799

+ = Data showing exposed minus control
Standard ads also more effective when not seen as strictly “advertising”

## STANDARD VIDEO ADS:
BRAND METRIC DELTAS (STANDARD VIDEO AD – CONTROL) BY CONTENT MARKETING SCORE

<table>
<thead>
<tr>
<th>Metric</th>
<th>Less Differentiated Videos</th>
<th>More Differentiated Videos</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aided brand recall</td>
<td>+85%*</td>
<td>+74%</td>
</tr>
<tr>
<td>Brand I respect</td>
<td>+1%</td>
<td>+7%*</td>
</tr>
<tr>
<td>Brand offers valuable information</td>
<td>+1%</td>
<td>+6%*</td>
</tr>
<tr>
<td>Brand that connects with me</td>
<td>+3%</td>
<td>+5%</td>
</tr>
<tr>
<td>Overall favorability</td>
<td>+7%</td>
<td>+9%</td>
</tr>
<tr>
<td>Purchase intent</td>
<td>+5%</td>
<td>+7%</td>
</tr>
</tbody>
</table>

* = Statistically significant difference of difference between Less and More Differentiated Videos at 90% confidence.

Less (10 lowest videos on CMS): Control n=957 Standard Video Ads n=952

More (40 highest videos on CMS): Control n=3,607 Standard Video Ads n=3,617
Differentiated ads show more than just product and price

What do you think the brand’s primary intention was for creating the video you just watched?

STANDARD VIDEO ADS

% of Consumers who said brand’s intention was to sell a product

LESS DIFFERENTIATED

25%^1

MORE DIFFERENTIATED

19%

▲ = Statistically significant difference between Less and More at 90% confidence

Less (10 lowest videos on CMS): Control n=957; Standard Video Ad n=952; More (40 highest videos on CMS): Control n=3,607; Standard Video Ad n=3,617
How can branded content be optimized?
A MARKETER’S GUIDE

WHAT
What type of content should you create?

WHY
What should the intention be for creating the video?

HOW
How often should the brand be mentioned?

WHERE
Where should the content be posted?
It’s worth spending the extra money and effort to create high quality content

Along the following dimensions, what is your opinion of the video content you just watched? (Quality of video content)

<table>
<thead>
<tr>
<th>BRAND METRICS &amp; PERCEPTIONS (△)</th>
<th>LOW QUALITY</th>
<th>HIGH QUALITY</th>
</tr>
</thead>
<tbody>
<tr>
<td>BRAND WITH A PERSONALITY</td>
<td>+7%↑</td>
<td>+11%▲*</td>
</tr>
<tr>
<td>BRAND I WOULD PAY MORE FOR</td>
<td>+1%</td>
<td>+7%▲*</td>
</tr>
<tr>
<td>OVERALL FAVORABILITY</td>
<td>+10%▲</td>
<td>+16%▲*</td>
</tr>
<tr>
<td>RECOMMENDATION INTENT</td>
<td>+4%▲</td>
<td>+13%▲*</td>
</tr>
<tr>
<td>PURCHASE INTENT</td>
<td>+4%▲</td>
<td>+14%▲*</td>
</tr>
</tbody>
</table>

▲ = Statistically significant difference between Control and Test (Low Quality/High Quality) at 90% confidence; *= statistically significant difference of difference at 90% confidence

Low Quality: Control n=1,910; Branded Content n=1,925; High Quality: Control n=2,654; Branded Content n=2,694.

+ = Data showing exposed minus control
Providing original entertainment is table stakes

Drag and drop the following words into the boxes below. Was the video...

DIFFERENCE BETWEEN PERCEPTIONS OF DIFFERENTIATED BRANDED CONTENT VS. LESS DIFFERENTIATED BRANDED CONTENT

- ORIGINAL, +1%
- ENTERTAINING, +5%▲

▲=Statistically significant difference between Less and More Differentiated Content at 90% confidence

Less (10 lowest videos on CMS) Branded Content n=820; More (40 highest videos on CMS) Branded Content n=3,799

+ = Data showing exposed minus control
Instead, create content that provides trustworthy information

Drag and drop the following words into the boxes below. Was the video...

DIFFERENCE BETWEEN PERCEPTIONS OF DIFFERENTIATED BRANDED CONTENT VS. LESS DIFFERENTIATED BRANDED CONTENT

**WHAT**

- **ORIGINAL, +1%**
- **ENTERTAINING, +5% ▲**
- **TRUSTWORTHY** +24% ▲
- **AUTHENTIC** +28% ▲
- **INFORMATIVE** +22% ▲
- **EDUCATIONAL** +30% ▲

▲ = Statistically significant difference between Less and More Differentiated Content at 90% confidence.

Less (10 lowest videos on CMS) Branded Content n=820; More (40 highest videos on CMS) Branded Content n=3,799
In fact, producing entertaining videos is irrelevant to performance of video

### WHAT

#### BRANDED CONTENT:

**BRAND METRIC DELTAS (BRANDED CONTENT – CONTROL) BY ENTERTAINMENT SCORE**

<table>
<thead>
<tr>
<th>ENTERTAINMENT SCORE (VIDEOS)</th>
<th>LESS ENTERTAINING</th>
<th>MORE ENTERTAINING</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brand I respect</td>
<td>+10%</td>
<td>+8%</td>
</tr>
<tr>
<td>Brand that creates quality products</td>
<td>+8%</td>
<td>+8%</td>
</tr>
<tr>
<td>Brand offers valuable information</td>
<td>+8%</td>
<td>+8%</td>
</tr>
<tr>
<td>Brand with a personality</td>
<td>+7%</td>
<td>+10%</td>
</tr>
<tr>
<td>Overall favorability</td>
<td>+16%*</td>
<td>+11%</td>
</tr>
<tr>
<td>Recommendation intent</td>
<td>+9%</td>
<td>+11%</td>
</tr>
<tr>
<td>Purchase intent</td>
<td>+9%</td>
<td>+9%</td>
</tr>
</tbody>
</table>

*Statistically significant difference of difference between Less and More Entertaining Videos at 90% confidence.

25 Less Entertaining Videos: Control n=2,266; Branded Content n=2,307; 25 More Entertaining Videos: Control n=2,298; Branded Content n=2,312

VS
But, providing trustworthy information = higher performance

**BRANDED CONTENT:**
BRAND METRIC DELTAS (BRANDED CONTENT – CONTROL)

**TRUST SCORE**

<table>
<thead>
<tr>
<th>VIDEOS</th>
<th>LESS</th>
<th>MORE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brand I respect</td>
<td>+5%</td>
<td>+13%*</td>
</tr>
<tr>
<td>Brand that creates quality products</td>
<td>+6%</td>
<td>+11%*</td>
</tr>
<tr>
<td>Brand that connects with me</td>
<td>+2%</td>
<td>+9%*</td>
</tr>
<tr>
<td>Overall Favorability</td>
<td>+9%</td>
<td>+18%*</td>
</tr>
<tr>
<td>Recommendation Intent</td>
<td>+5%</td>
<td>+13%*</td>
</tr>
<tr>
<td>Purchase Intent</td>
<td>+5%</td>
<td>+15%*</td>
</tr>
</tbody>
</table>

**INFORMATIVE SCORE**

<table>
<thead>
<tr>
<th>VIDEOS</th>
<th>LESS</th>
<th>MORE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brand I respect</td>
<td>+7%</td>
<td>+11%*</td>
</tr>
<tr>
<td>Brand that creates quality products</td>
<td>+5%</td>
<td>+11%*</td>
</tr>
<tr>
<td>Brand that connects with me</td>
<td>+3%</td>
<td>+8%*</td>
</tr>
<tr>
<td>Overall Favorability</td>
<td>+11%</td>
<td>+16%*</td>
</tr>
<tr>
<td>Recommendation Intent</td>
<td>+6%</td>
<td>+12%*</td>
</tr>
<tr>
<td>Purchase Intent</td>
<td>+6%</td>
<td>+14%*</td>
</tr>
</tbody>
</table>

* = Statistically significant difference of difference between Less and More Trustworthy/Informative Videos at 90% confidence / + = Data showing exposed minus control

25 Less Trust/Informative Videos: Control n=2,230/2,212; Branded Content n=2,249/2,227. / 25 More Trust/Informative Videos: Control n=2,334/2,352; Branded Content n=2,370/2,392

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WHAT DO YOU THINK THE BRAND'S PRIMARY INTENTION WAS FOR CREATING THE VIDEO YOU JUST WATCHED?

**BRANDED CONTENT**
- 26% To inform people about their products and services
- 18% To sell a specific product
- 14% To stand out from other companies offering similar products and services
- 10% To be perceived as relevant to their customers
- 25% Other

**STANDARD VIDEO ADS**
- 34% To inform people about their products and services
- 22% To stand out from other companies offering similar products and services
- 12% To be perceived as relevant to their customers
- 20% To educate people
- 5% To entertain
- 5% Other
- 2% Other

Standard Video Ads n = 4,569; Branded Content n = 4,619
Nuts and bolts of testing branding levels

SCIENTIFICALLY TESTED
Determined how level of branding affects perceptions and effectiveness of branded content

5 COUNTRIES
Included countries with editable high-branding videos
Chile, Colombia, Poland, Portugal, Thailand

TEST CELLS
- Branded Content – High Branding: Content supplied by participating brands
- Branded Content – Low Branding: Edited original branded content to include ½ of original branding

VIDEO EDITING
Removed approximately ½ of branding mentions to make video with low branding
Regardless of level of branding, similar recall

<table>
<thead>
<tr>
<th>BRAND RECALL (%)</th>
<th>CONTROL</th>
<th>BRANDED CONTENT - LOW</th>
<th>BRANDED CONTENT - HIGH</th>
</tr>
</thead>
</table>

Control n = 514; Branding Content - Low Branding n = 524; Branding Content - High Branding n = 515

▲ Statistically significant difference between Control and Test (Low/High) at 90% confidence

▲ Statistically significant difference between Low and High Branding at 90% confidence

BRAND RECALL

- Control: 91%
- Branded Content - Low: 91%
- Branded Content - High: 89%
But, more branding = stronger impact

Control n = 514; Branding Content - Low Branding n = 524; Branding Content – High Branding n = 515
▲ Statistically significant difference between Control and Test (Low/High) at 90% confidence
▲▲ Statistically significant difference between Low and High Branding at 90% confidence

BRAND METRICS & PERCEPTIONS (%)

BRAND I RESPECT

CONTROL

BRANDED CONTENT - LOW

BRANDED CONTENT - HIGH

BRAND WITH A PERSONALITY

PURCHASE INTENT

52%

64%▲

61%▲

54%

64%▲

60%▲

44%

58%▲

55%▲
Content with high branding more like product pitch, but more informative and equally trustworthy

<table>
<thead>
<tr>
<th>PERCEPTIONS OF THE VIDEO (%)</th>
<th>BRANDED CONTENT – LOW</th>
<th>BRANDED CONTENT – HIGH</th>
</tr>
</thead>
<tbody>
<tr>
<td>SELL A SPECIFIC PRODUCT</td>
<td>11%</td>
<td>17% ▲</td>
</tr>
<tr>
<td>TRUSTWORTHY</td>
<td>78%</td>
<td>78%</td>
</tr>
<tr>
<td>INFORMATIVE</td>
<td>71%</td>
<td>76% ▲</td>
</tr>
</tbody>
</table>

▲ = Statistically significant difference between High Branding & Low Branding at 90% confidence
Branding Content – Low Branding n = 524; Branding Content – High Branding n = 515
With costly purchases, ensure adequate branding to emphasize brand connection.

**BRAND METRICS (%)**

<table>
<thead>
<tr>
<th></th>
<th>BRANDED CONTENT – LOW</th>
<th>BRANDED CONTENT – HIGH</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>OVERALL FAVORABILITY</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>+15%▲</td>
<td>+13%▲</td>
<td>+13%▲</td>
</tr>
<tr>
<td>+7%</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>PURCHASE INTENT</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>+16%▲</td>
<td>+15%▲</td>
<td>+13%▲</td>
</tr>
<tr>
<td>+3%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

▲Statistically significant difference between Control and High Branding/Low Branding at 90% confidence.

+ ▲Data showing exposed minus control.

(High Consideration) Control n = 213; Branded Content – Low Branding n = 209; Branded Content – High Branding n = 219.

(Low Consideration) Control n = 302; Branded Content – Low Branding n = 315; Branded Content – High Branding n = 297.
Nuts and bolts of testing site placement

SCIENTIFICALLY TESTED

Understand how the platform where branded contest is posted effects perceptions and effectiveness

2 COUNTRIES

Tested in markets with comparable competitor to YouTube

Thailand & Malaysia

COMPETITOR TEST CELLS

Control – Competitor Platform: Video without brand mentions hosted on mock competitor page

Branded Content – Competitor Platform: Branded content hosted on mock competitor page
While no difference for overall opinion, premium sites can have a halo effect on preference and intent.

BRAND METRICS & PERCEPTIONS (Δ)

<table>
<thead>
<tr>
<th>BRAND METRICS &amp; PERCEPTIONS (Δ)</th>
<th>BRANDED CONTENT - COMPETITOR SITE</th>
<th>BRANDED CONTENT – YOUTUBE.COM</th>
</tr>
</thead>
<tbody>
<tr>
<td>OVERALL FAVORABILITY</td>
<td>+11%▲</td>
<td>+13%▲</td>
</tr>
<tr>
<td>RECOMMENDATION INTENT</td>
<td>+5%</td>
<td>+8%▲</td>
</tr>
<tr>
<td>BRAND I PREFER</td>
<td>+0%</td>
<td>+8%▲</td>
</tr>
<tr>
<td>PURCHASE INTENT</td>
<td></td>
<td>+2%</td>
</tr>
</tbody>
</table>

▲ = Statistically significant difference between Control and Test (YouTube/Competitor site) at 90% confidence; * = Statistically significant difference of difference between YouTube.com and Competitor site at 85% confidence.

YouTube.com: Control n = 875, Branded Content n = 910; Competitor Site: Control n = 260, Branded Content n = 251.
People’s love for YouTube improves brand metrics

**OPINIONS OF YouTube**

- **54% ADORE**
- **26% LOVE**
- **15% LIKE**
- **5% IT’S OKAY**

**BRANDED CONTENT:**

Persuasion/Perception Metrics (Δ) by Opinions of YouTube

- **BRAND THAT CONNECTS**: +16%▲ +15%
- **OVERALL FAVORABILITY**: +8%▲ +7%
- **PURCHASE INTENT**: +5%▲ +10%

WHERE: OPINIONS OF 5%

- IT’S OKAY
- LIKE
- LOVE
- ADORE

WHERE: OPINIONS OF 15%

- OK
- LIKE
- LOVE
- ADORE

WHERE: OPINIONS OF 26%

- OK
- LIKE
- LOVE
- ADORE

WHERE: OPINIONS OF 54%

- OK
- LIKE
- LOVE
- ADORE

**Branded Content:** Ok (1-4) n = 193; Like (5) n = 560; Love (6) n = 984; Adore (7) n = 2,002; Control: Ok (1-4) n = 211; Like (5) n = 573; Love (6) n = 941; Adore (7) n = 1,976

*Excluded 9 brands that had unequal distribution of opinions across 4 cells

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Be creative – The sky is the limit!

On the scale below where does the video belong?

CONTENT MARKETING SCORE

23.9 DIFFERENTIATION SCORE: BRANDED CONTENT

Opportunity To Differentiate Further

ADVERTISING

NOT ADVERTISING
Marketer Go Do’s

**SPEND**
Spend the extra money to make high quality content – it’s worth it

**BRANDING**
Don’t be afraid to incorporate branding, especially for high consideration brands

**INFORMATION**
Branded content is more than providing entertainment. Provide valuable information to your consumers

**LOCATION**
Location, Location, Location - place content on premium sites
Answers lead to more questions...
SO WHAT’S NEXT?

Does running branded content as a pre-roll influence perceptions and/or effectiveness?

When branded content is run as pre-roll, does the content that follows impact effectiveness?

Is creating “mini” versions of branded content for pre-roll an effective strategy?

Does including “influencers” in branded content create a bigger impact?

How long will it last? As long as this influencer culture lasts?
THANK YOU!

Please contact Kara Manatt for questions: kara.manatt@ipglab.com

IPG MEDIA LAB + Google
APPENDIX
BRAND SURVEY QUESTIONS

BRAND METRICS:

**Unaided Brand Recall:** Thinking about the video you just viewed, which brands do you recall being mentioned or shown? If you are not sure, you may guess or leave it blank

**Overall Favorability:** How would you describe your overall opinion of each of the following brands?

**Purchase Intent (varies by category):** Have likely are you to purchase/consider purchasing/consider switching to each of the following brands within the next month/3months/6months?

**Recommendation Intent:** How likely are you to recommend the following brands to a friend, family member, or colleague?

BRAND PERCEPTIONS:

Please indicate how much you agree or disagree with each of the following statements about the following brand.

**Brand I would pay more for:** <Brand> is worth paying more for

**Brand I respect:** <Brand> is a brand I respect

**Brand that creates quality products:** <Brand> creates quality products

**Brand offers valuable information:** <Brand> offers valuable information

**Brand I prefer:** <Brand> is a brand I prefer

**Brand that connects with me:** <Brand> is a brand that connects with me

**Brand with a personality:** <Brand> is a brand with a personality