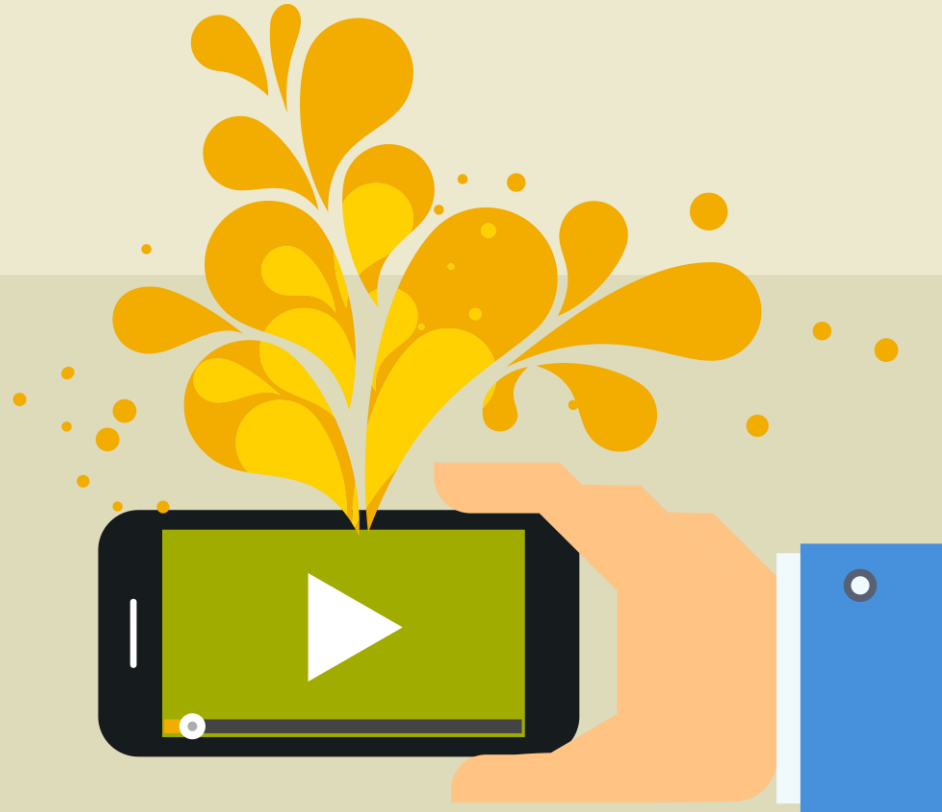


AdReaction

VIDEO CREATIVE IN A DIGITAL WORLD

Global report



Introduction

AdReaction studies have been conducted since 2001, delivering insights on consumers' perceptions of advertising, particularly digital formats.

AdReaction: Video Creative in a Digital World addresses key questions facing marketers, including:

- How are videos viewed by screen – and for how long?
- What do people think of video ads by screen?
- How can I create ads that consumers won't skip?

We surveyed, via smartphone or tablet, more than 13,500 16-45 year old multiscreen users across 42 countries. Multiscreen users were defined as people who own, or have access to, a TV and a smartphone and/or a tablet. We also conducted parallel copy testing for 20 ads in eight countries, across TV, online video and mobile video ad formats, interviewing more than 10,000 consumers.

This report summarizes overall global learning. For data by country, please visit www.millwardbrown.com/adreaction
For more detailed local country reports, please contact your local Millward Brown office.



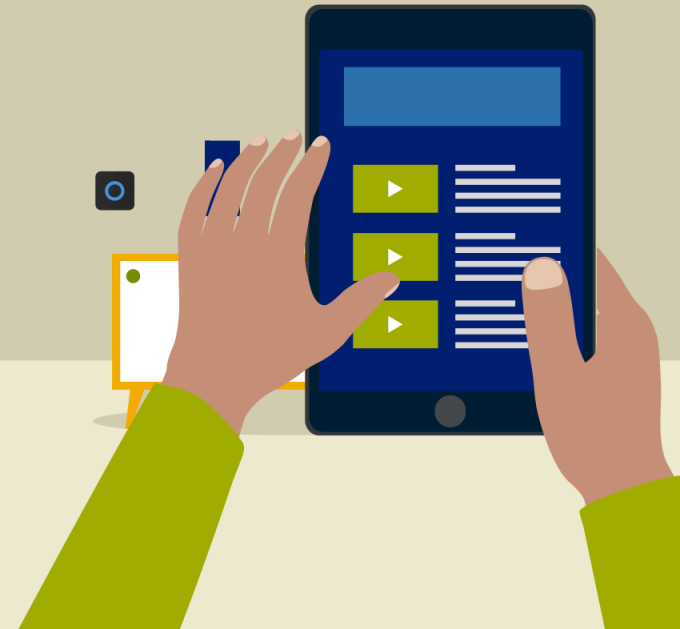
Contents

Right person — How much video are people viewing by screen, and how does targeting improve their receptivity to ads?

Right context — What do people think about video ads and how does this vary by screen and format?

Right content — How can marketers optimize video ads across screens and avoid having viewers skip them?

Effectiveness learning and further reading



Summary of Findings

To maximize your chances of video creative success, think:

Right person

- **Beyond TV:** multiscreeners spend as much time watching online video (particularly mobile video) as they do watching TV; begin aligning your media spend towards this.
- **Targeting matters:** interest, category and brand-based targeting make a real difference in your video content being positively received.

Right context

- **Assume resistance:** many people don't like ads, particularly online, so your video must earn the right for attention.
- **Embrace control:** online video formats that offer rewards or provide control (skippable, click-to-play) are strongly preferred, so use these where possible.

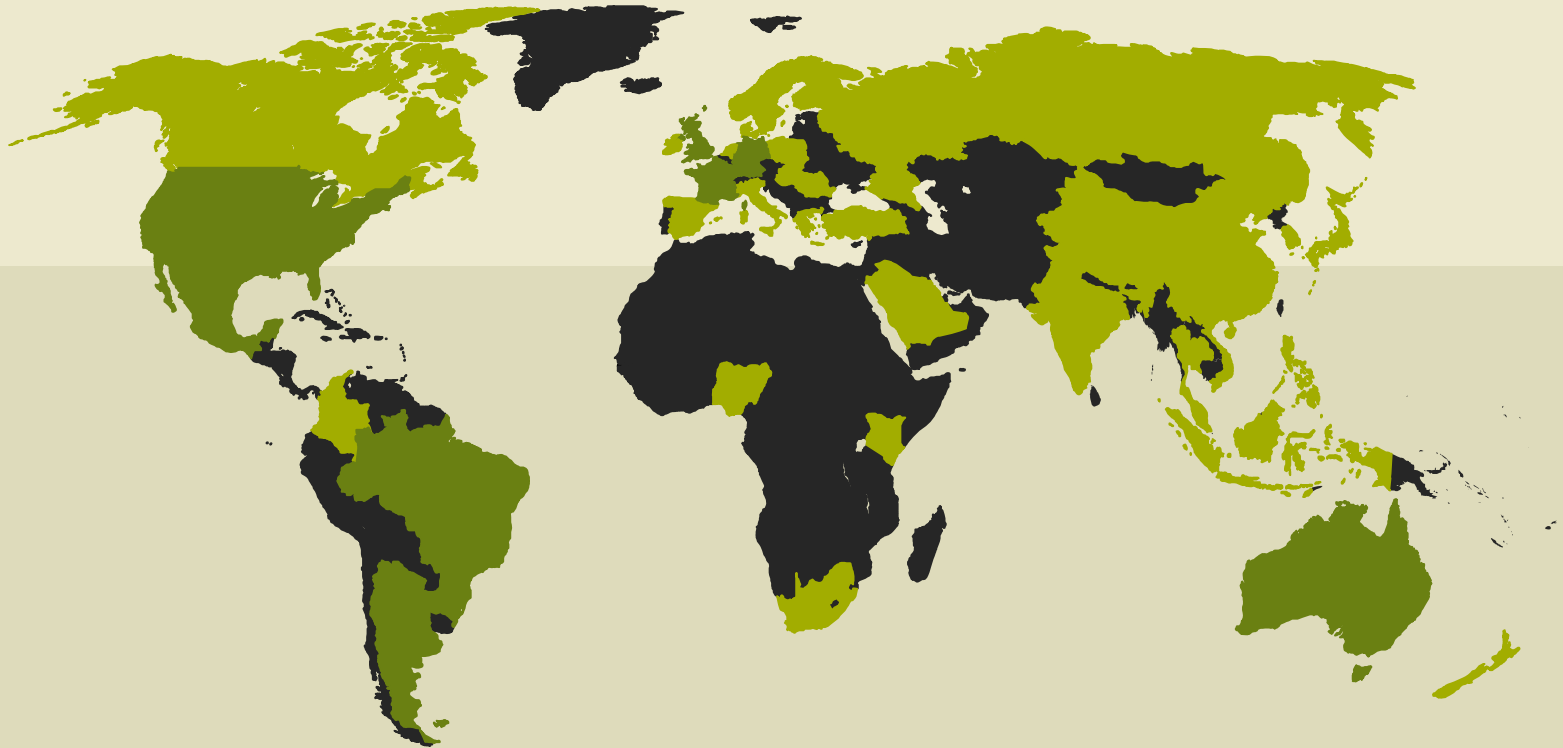
Right content

- **Work with the skip:** skippable formats are a creative challenge worth focussing on; aim for early impact.
- **Assume adaptation:** consider digital early in the creative process; even great ads can be optimized across channels



AdReaction Video

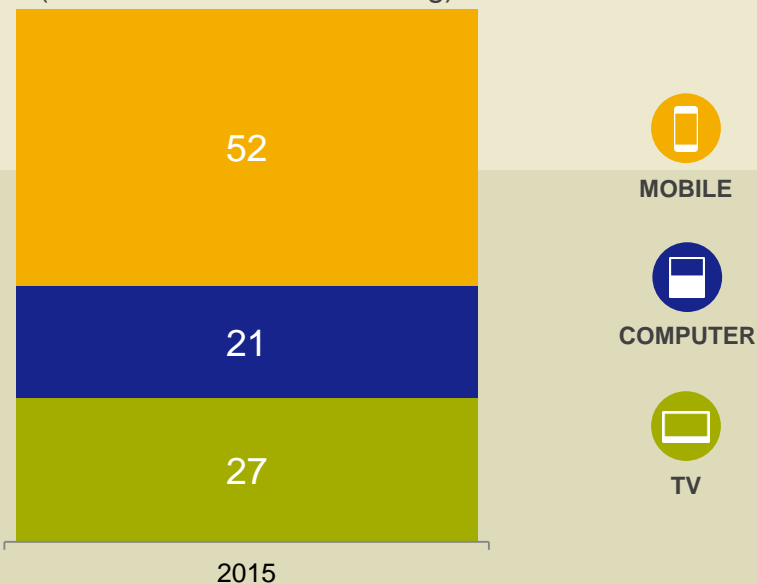
Survey research was conducted in **42 countries** among 13,500+ 16-45 year old Multiscreen users. Parallel copy testing research (TV vs. online vs. mobile) was conducted for 20 ads in **eight countries**.



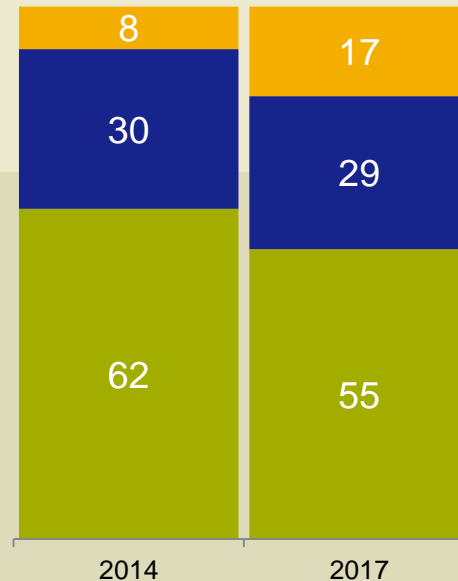
Share of total screen minutes bears no relation to media spend

Although it is growing quickly, mobile media spend will continue to significantly trail share of multiscreeners' screen time. If mobile can monetize more efficiently, there is clearly growth potential.

Daily Screen Share (%) Minutes
(Video & other web browsing)



Global Media Spend

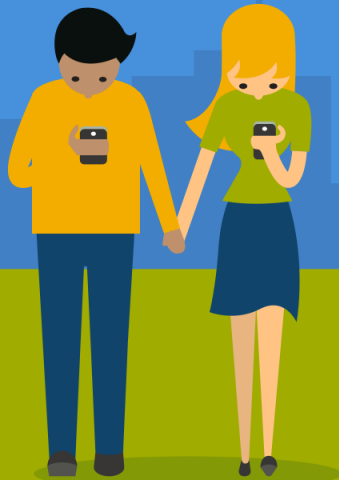


Q: Which of the following did you do yesterday?

Source: Zenith Optimedia Advertising Expenditure Forecasts, December 2014

Right Person

How much video are people viewing by screen, and how does targeting improve their receptivity to ads?



Digital screens are as important as TV

Half of all video viewing is on TV, split between Live TV (32%) and On Demand (18%).

The other half is digital video, mainly via mobile devices (32%).

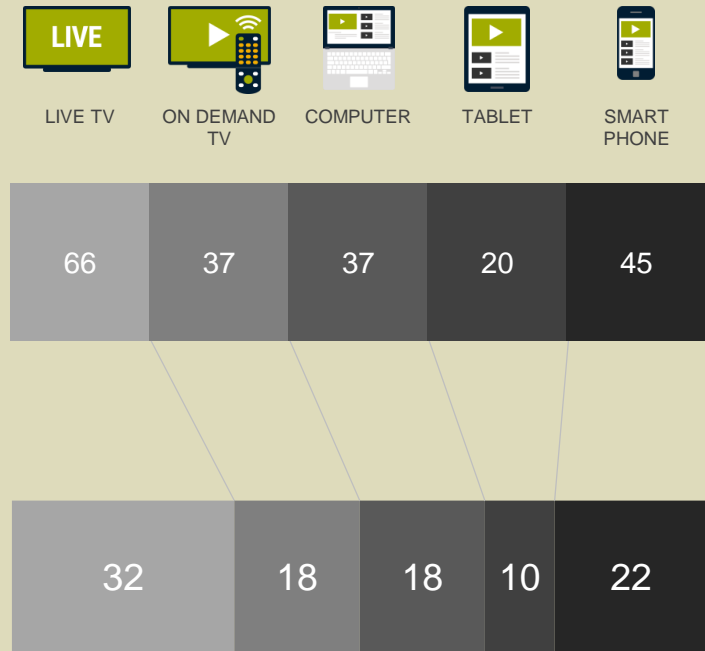
In total, people are viewing video for nearly 3.5 hours per day.

These figures are global averages. See appendix for country level data and device definitions

Q: Still thinking about video content, roughly for how long yesterday did you watch...

EXPOSURE (minutes spent yesterday)

SHARE OF EXPOSURE (%)



TOTAL MINUTES: 204

Video viewing varies by age

Smartphones are the primary device for multiscreeeners ages 16 – 24 to view video, but this group also watches a lot of video on TV and PCs.

Audiences 25+ favor Live TV over On Demand TV and digital devices.



SMARTPHONE



TABLET



COMPUTER

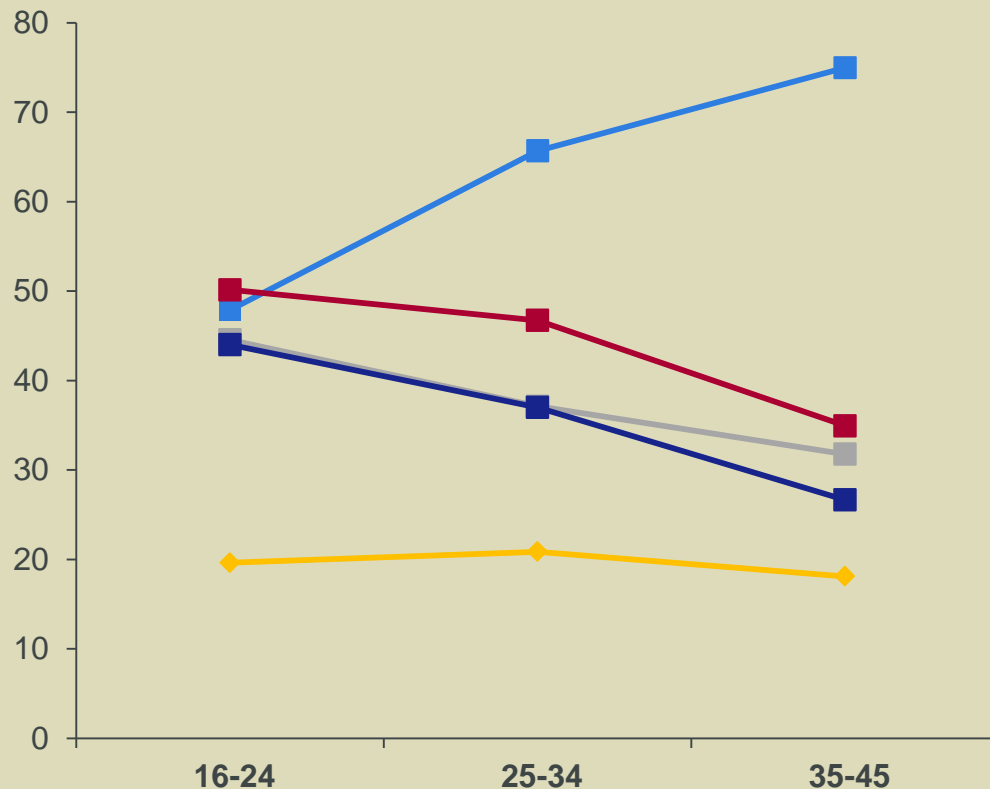


ON DEMAND TV



LIVE TV

Average time spent (daily minutes)



Global video viewing habits are changing

More diverse content is available any time, any place and via any device – driving new video viewing behaviors.

Audiences mainly seek out favorite shows or content, and increasingly binge view. They also surf randomly and are often inspired by social media.

Music videos. I don't have to be at home or use a computer thanks to availability of smartphones and Internet connection.

Nigeria

Movies, and music ... because I can easily find what I want to see when I want to see it

Colombia

I'm watching more series. You don't have to wait for an episode every week as it can be streamed straight to a tablet or TV

UK

I watch entertaining videos, it's very easy to keep track of what episode I'm on because of newer technology.

US

I see more video clips on Facebook which play automatically

Hong Kong

I watch more series on Netflix, and videos on YouTube. I don't really watch TV, it is just me with a smartphone

Mexico

Time has changed some of my habits. But I still like the same things! Music videos, funny TV programs.

France

More binge watching. I prefer this; then I can use my time my way

Canada

Q: What types of video are you watching more these days than in the past? How has the way you watch video changed? Why is that?



Five video viewing approaches

Factor analysis suggests that the most common viewing approaches are favorites and catch-up viewing. Social, Random and Live viewing also happen frequently.

Q: Which of the following apply to how you watched video yesterday?



Favorites

53%

Catch-up

33%

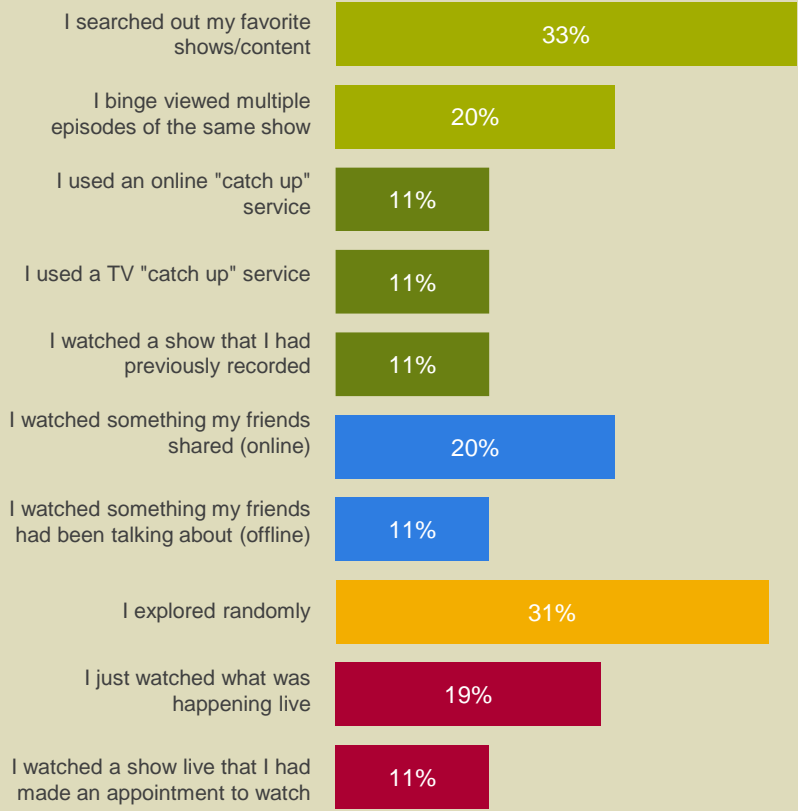
Social

31%

Random 31%

Live

30%

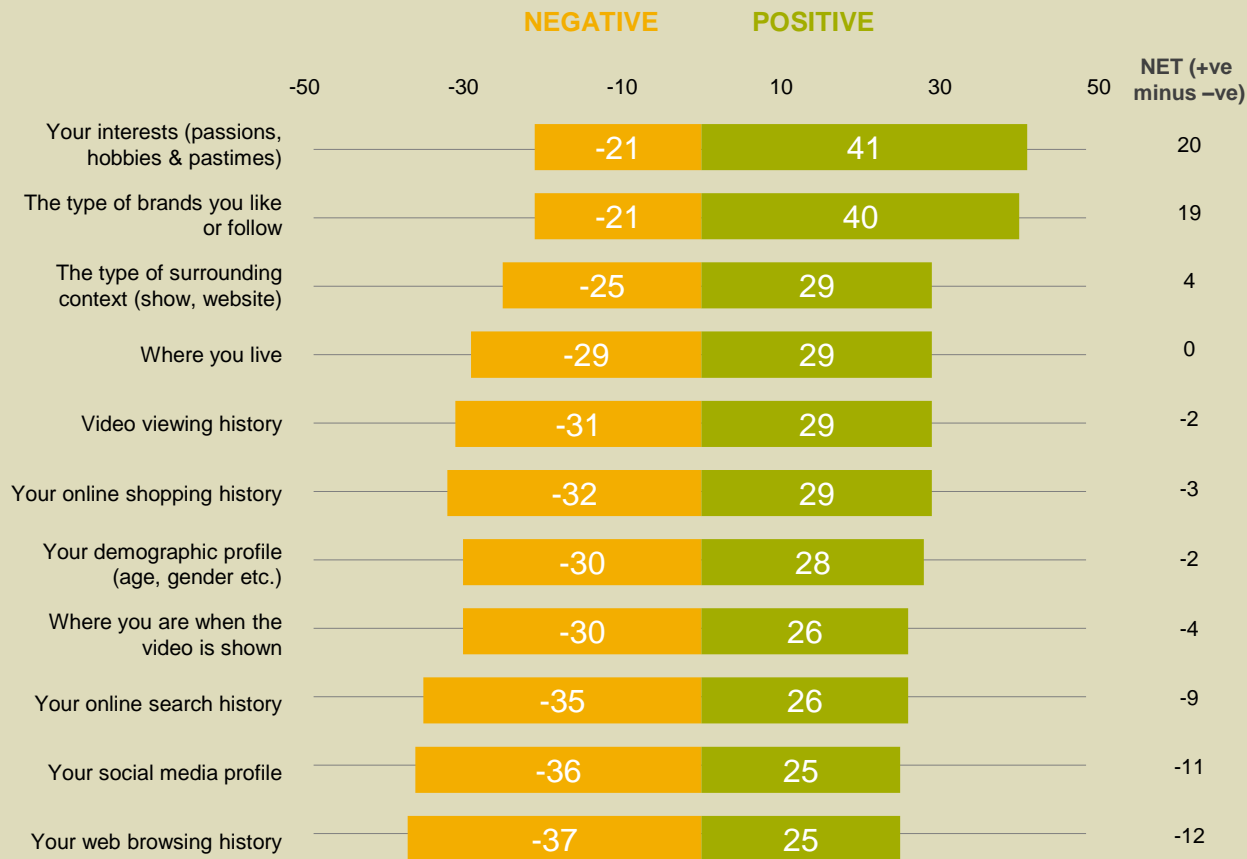


Attitudes to targeting can be positive

Audiences prefer video ad targeting based on their interests and the types of brands they follow.

They are less favorable towards targeting based on web browsing history. There is a bit of contradiction, since browser history may drive interest-based targeting.

Q: Advertisers can target the video ads you see in many different ways. How do you feel about video ad targeting based on...?



Attitudes toward targeting are less positive when it feels like stalking

This implies that advertisers need to be careful of being too clever or invasive with targeting approaches. Relevant is good. Spooky is too much.

Ad for a video game in my pc. It was good but I felt a bit stalked by the tracking.

US

When I was scrolling through social media and it made me feel annoyed.

UK

Browsing email last week. Was handy but annoying!

Australia

In Amazon. It felt like someone was watching me and I did not like that

Philippines

Getting an ad for shoes I'd been browsing them online the day before. I felt weird like my privacy was violated.

Canada

I tweeted something and an ad for that came up, I felt like I had no privacy as I didn't hashtag the tweet or tag anyone

Ireland

This week on MercadoLibre ... I felt like something spied on me.

Colombia

Each time I open my bbm feeds and I feel like my privacy had been breached

Nigeria

Q: Describe when you last remember realizing a video ad had been targeted at you. Where did it happen and how did it make you feel?








Most video viewing takes place at home

All devices are mainly used at home (and receptivity to ads is slightly higher at home – see appendix). Computers, Tablets and Smartphones are also used at work and a few other diverse places.

Mobile geo-targeting should not exclude home viewing without good reason – otherwise a lot of viewing opportunities will be lost.

Q: Where were you yesterday when you were...?

Average number of locations

	 LIVE TV	 ON DEMAND TV	 COMPUTER	 TABLET	 SMARTPHONE
Home	92	88	83	75	77
Work	8	-	19	14	18
School/college/university	4	-	7	6	6
Commuting	-	-	7	9	11
Travelling	-	-	7	8	9
Someone else's home	9	12	10	10	11
In a public building	6	-	9	9	12
In a public outdoor space	-	-	8	8	12
Average number of locations	1.2	1.0	1.5	1.4	1.6

Stat testing at 90% confidence level:

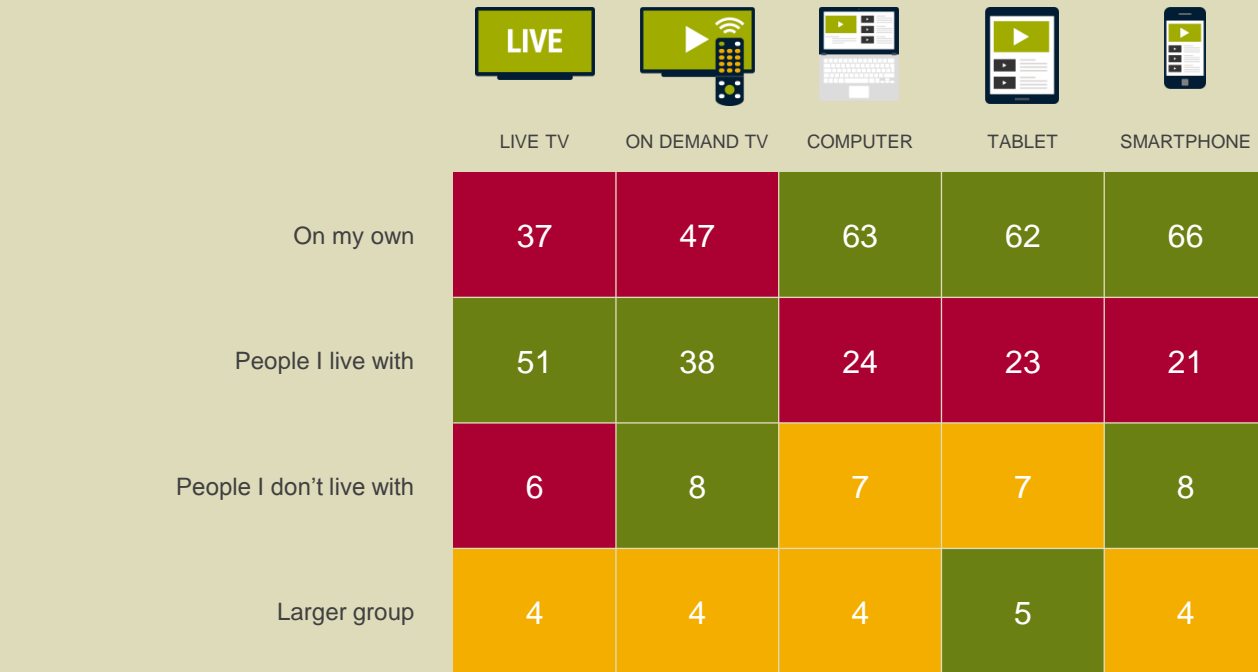
■ Higher than row average
 ■ Row Average
 ■ Lower than row average

Most people view online alone but TV is more social

Separate correlation analysis suggests that social viewing can increase advertising receptivity.

Advertisers should respect the “private” mindset which online video viewing creates; targeting “social” digital viewing moments is challenging, but worthwhile.

Q: Who were you with yesterday when you were...?

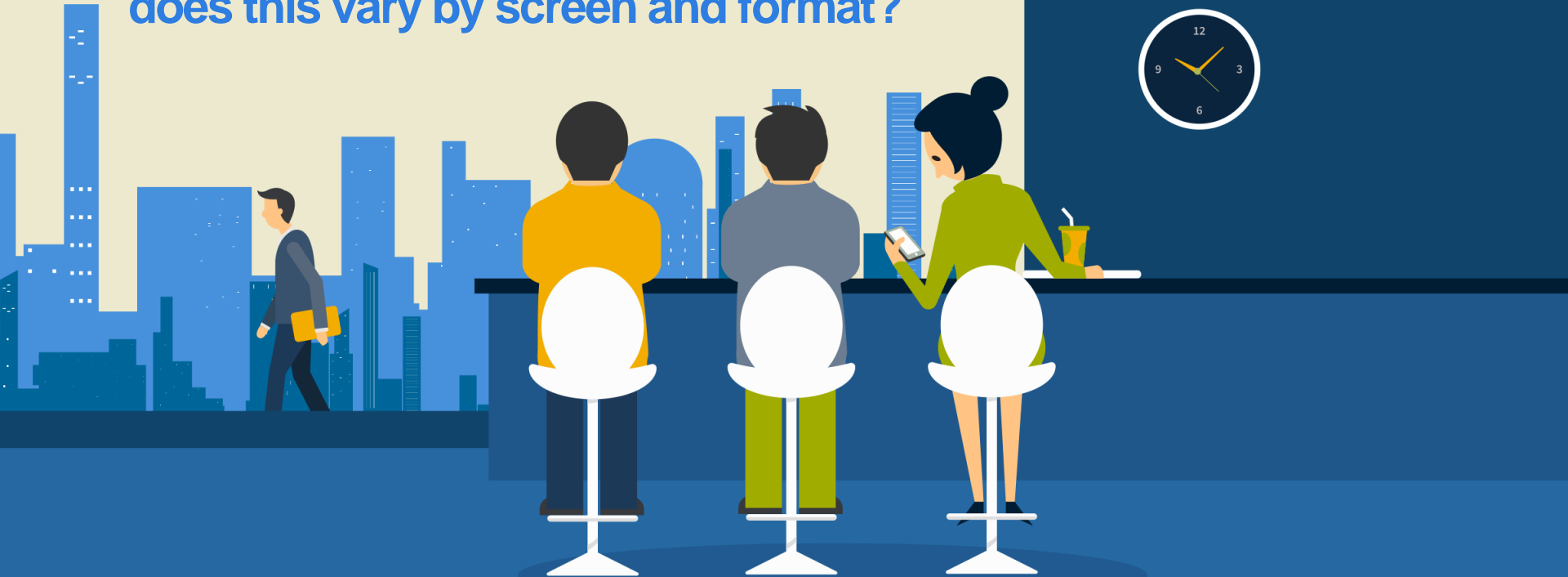


Stat testing at 90% confidence level:

■ Higher than row average
 ■ Row Average
 ■ Lower than row average

Right Context

What do people think of video ads and how does this vary by screen and format?

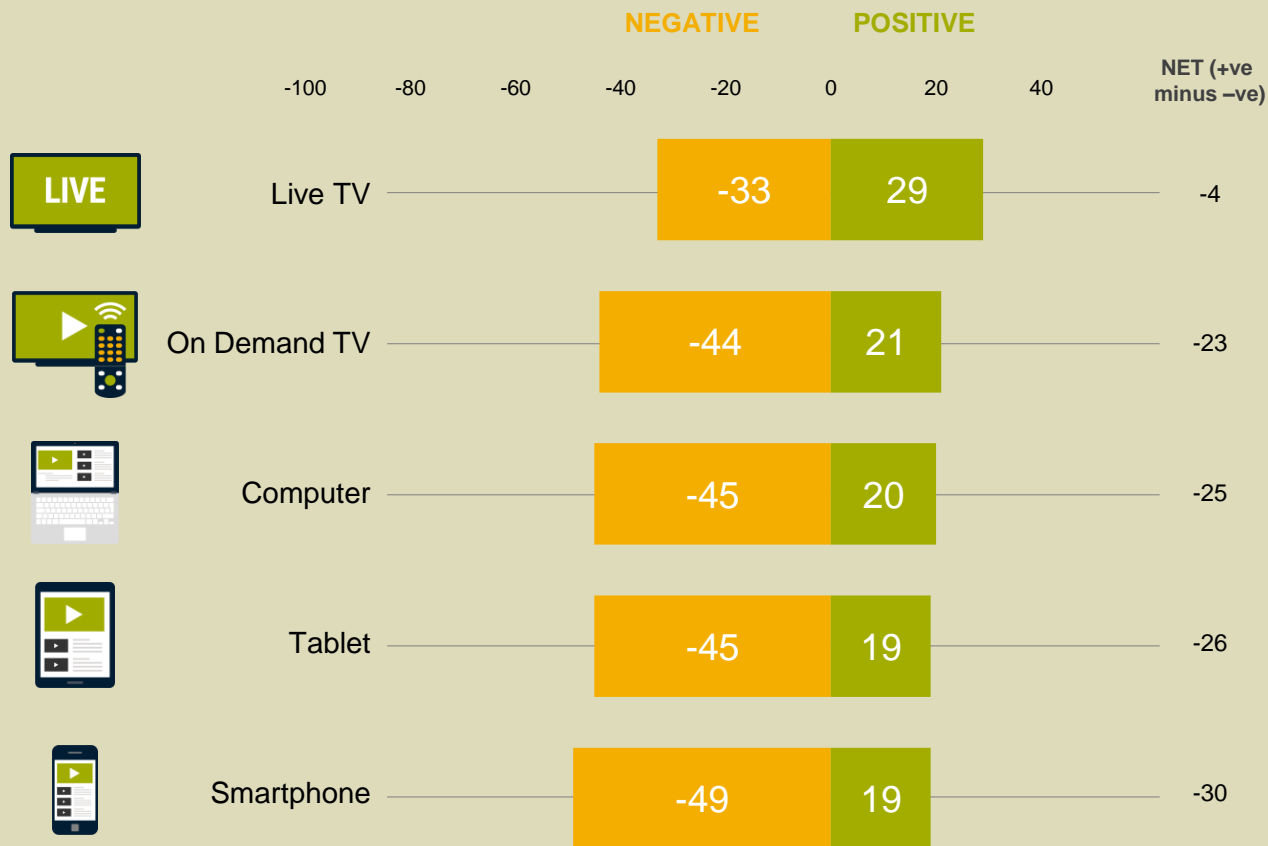


Video ad receptivity is higher for TV than digital screens

Many people still do not like digital video ads, so the industry has work to do.

People are more receptive to ads on TV in all countries globally, except for Philippines and Poland where favorability is equal.

Q: How would you characterize your attitude towards the following formats of online video advertising?

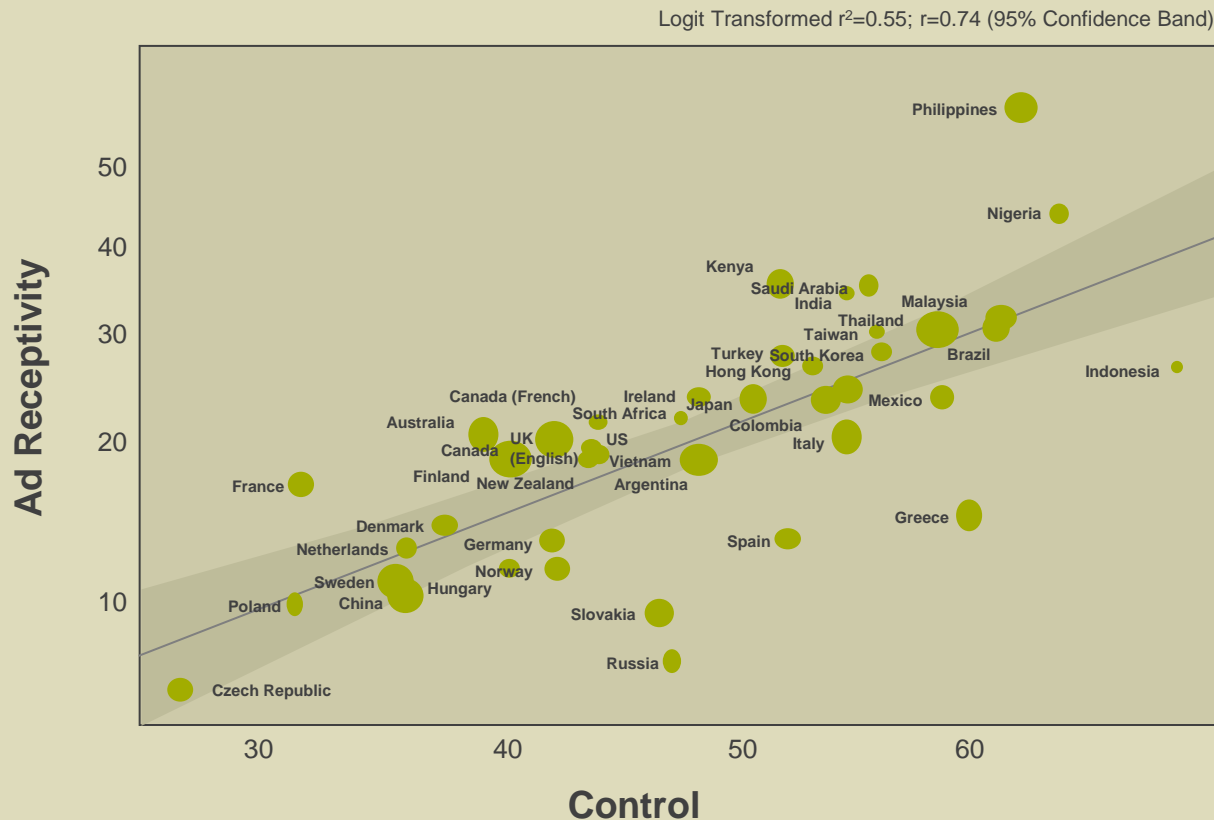


Control is the main driver of ad receptivity

In countries where respondents feel they have greater control over ad exposure, advertising receptivity is higher.

Correlation analysis also confirmed a very strong respondent-level relationship between control and receptivity for all devices, especially smartphones.

See appendix for country level receptivity data.
Q: How would you characterize your attitude towards the following formats of video advertising? How much control do you feel you have over whether you do or don't watch the following formats of video advertising?



TV “gets away” with less control over ads due to familiarity

Audiences feel most in control of their ad exposure on computers.

Lower control over ads on Live TV does not damage ad receptivity (presumably due to acceptance of status quo).

Q: How would you characterize your attitude towards the following formats of video advertising? How much control do you feel you have over whether you do or don't watch the following formats of video advertising?



VIDEO ADVERTISING (% favorable)

VIDEO SKIP CONTROL (% have control)



Acceptance of status quo

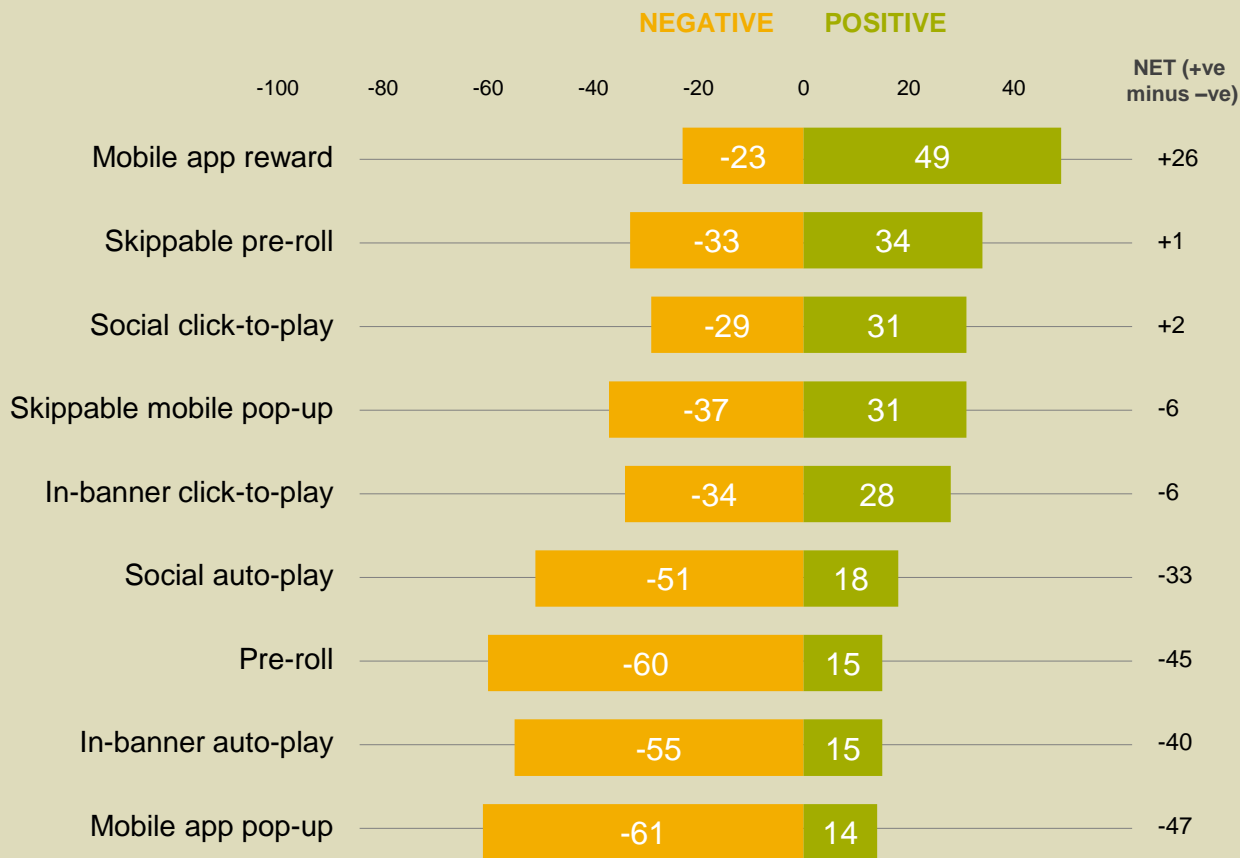
Demand for formats which respect control

Stat testing at 90% confidence level:
■ Higher than row average ■ Row Average ■ Lower than row average

Given importance of control, it makes sense that skippable video formats are preferred

Beyond rewards-based ads, audiences prefer formats that give them some control of their viewing, like skippable & click-to-play.

Q: How would you characterize your attitude towards the following formats of online video advertising?

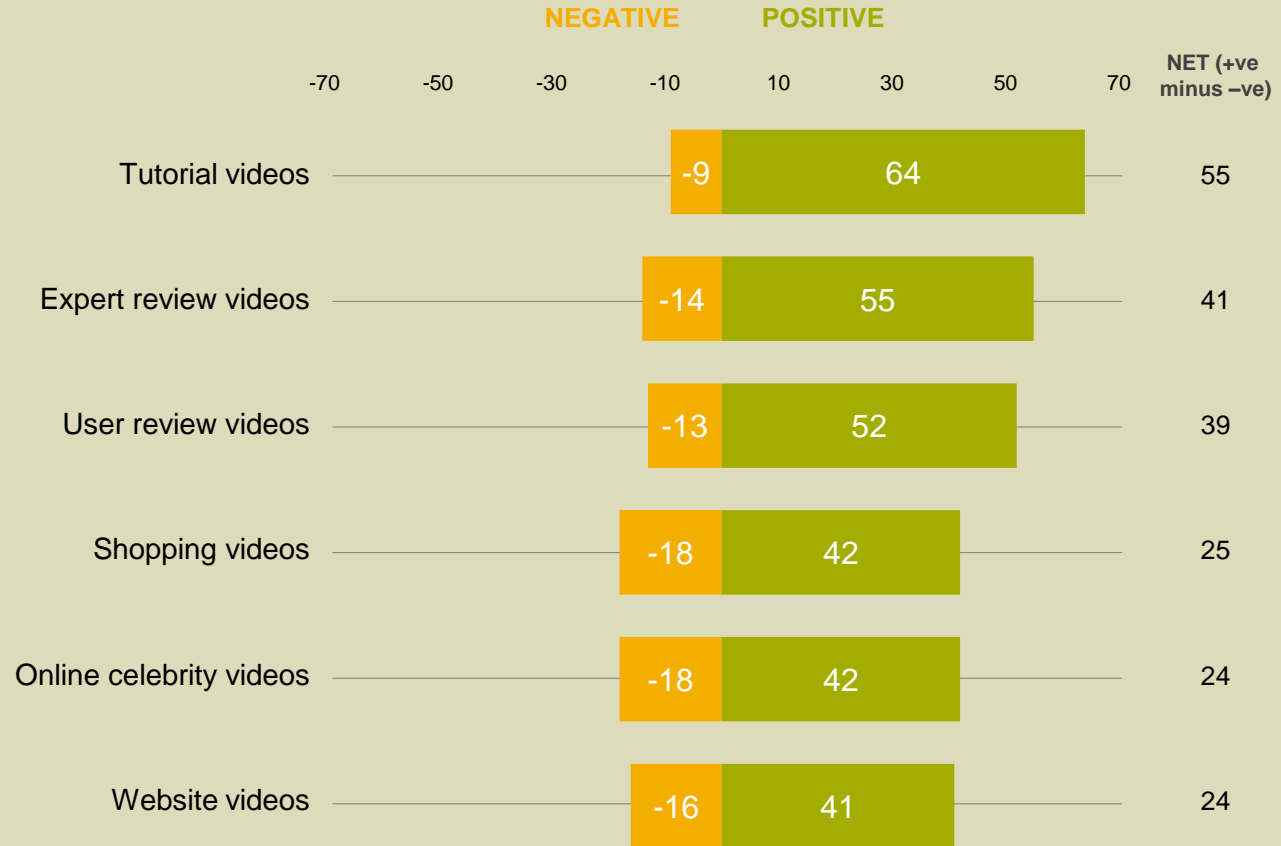


People are more receptive to branded videos that are not advertising

While they may be of more niche appeal, tutorial videos are very popular. Review videos may mean giving up some control over content, but are also well received.

The implication is that brands need a broader video content strategy beyond paid online video.

Q: Beyond advertising, how would you characterize your attitude towards the following formats of online video?



Right Content

How can marketers optimize video ads across screens and avoid having viewers skip them?



A skippable world brings new creative challenges, so brands need to consider digital early in the creative process

Humor is the main way to prevent skipping ads; it was the top reason in 30 of 42 countries studied. Quickly establishing brand or category relevance also helps.



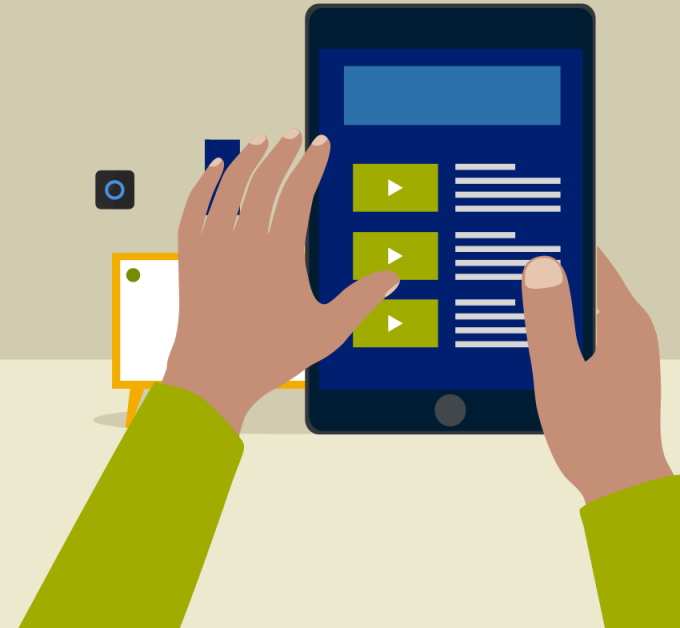
See appendix for list of countries where humor is not the primary reason.

*Q: Sometimes video ads are shown online and you have the option to skip. What makes you less likely to skip and more likely to pay attention to an ad?**

Exploring creative response across screens

AdReaction Video copy testing

- Parallel copy testing for 20 ads in eight countries, across TV, online video and mobile video ad formats
- Surveyed more than 10,000 consumers.
- Web-based interviewing via Millward Brown's LinkNow solution on ZappiStore.



Some ads are highly engaging

These three ads are very strong creative performers which are likely to do well wherever they are placed.

But can even great ads such as these be optimized to maximize their performance in digital channels?



AUSTRALIA



Beware the cliff

Even with highly engaging ads, many skip away as soon as they can.

We see this pattern for YouTube skippable pre-roll and Facebook auto-play.

While advertisers don't pay if the ad is skipped, this is about maximizing impact.

Video Playback Behavior



Focus on skip resistance...

Increase consumer engagement by capturing attention in the first few seconds.



GERMANY



AUSTRALIA



Nestlé

AUSTRALIA



And maximize viewing opportunities

This ad was loved; but too many would miss it in a skippable format because the first few seconds were not gripping enough.

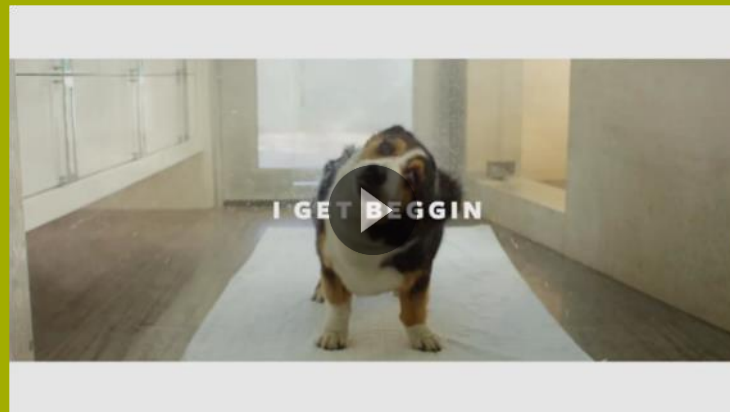
The OLX logo is displayed in a stylized font. The 'O' is purple, the 'L' is yellow, and the 'X' is orange.

BRAZIL



Integrate the brand in the first few seconds

Unlike ads on TV, if you don't feature the brand within the first few seconds of digital video, you've lost the opportunity to impact approximately half of your audience.



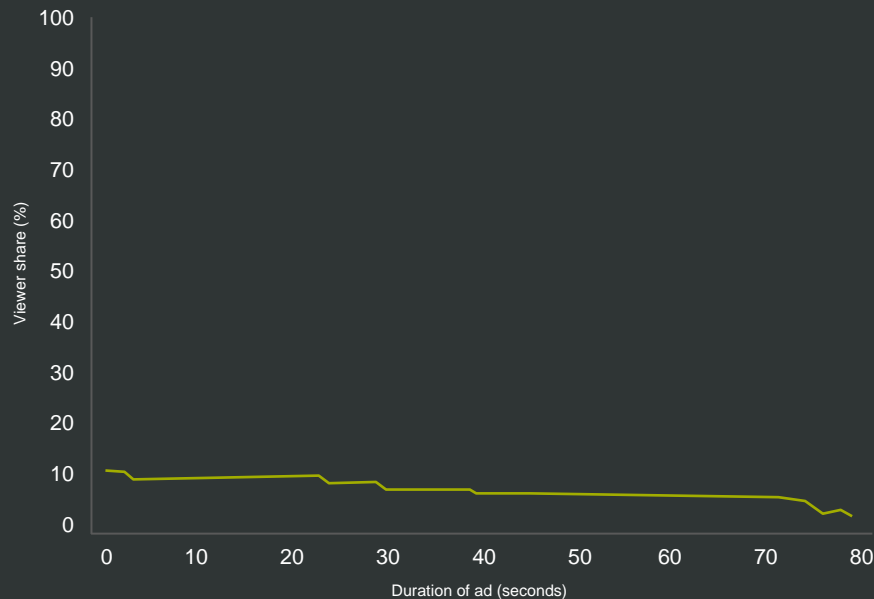
The click-to-play challenge

If given a choice, most consumers don't click-to-play.

Again, this is not about cost, but maximizing impact.

Video Playback Behavior

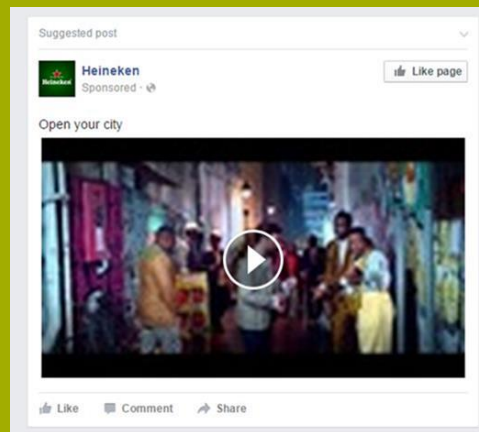
Facebook click-to-play



Getting the click

For Facebook click-to-play, the initial frame and the introductory text is crucial: it needs to be creatively engaging.

But the ad needs to deliver on the promise of that frame and introduction. These are two good examples.



UK



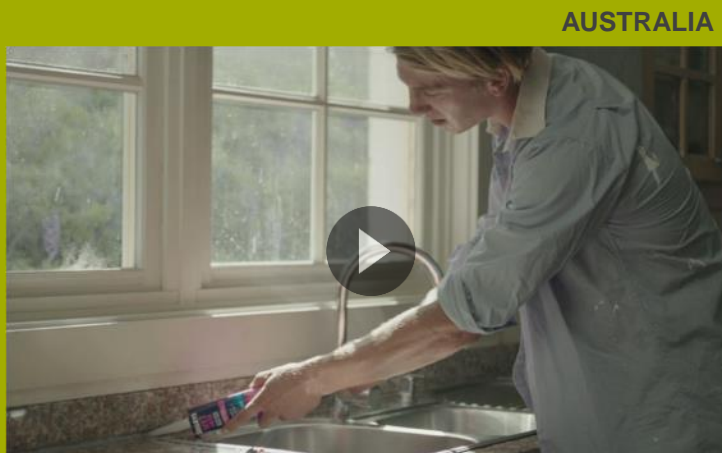
USA

Size matters

If the ad is likely to be seen on a mobile device, keep screen size in mind.

Small details may be lost. For example, the brand needs to be clearly visible, as in this Vanish Gold ad.

This Selleys ad works well on TV and online; but if it were to be shown on mobile, the brand might be lost.



The Selleys logo is displayed in a bold, blue, sans-serif font with a registered trademark symbol.

Consider length

Shorter ads were more likely to keep people to the end. While this Beggin' ad was loved, for some it was too long.



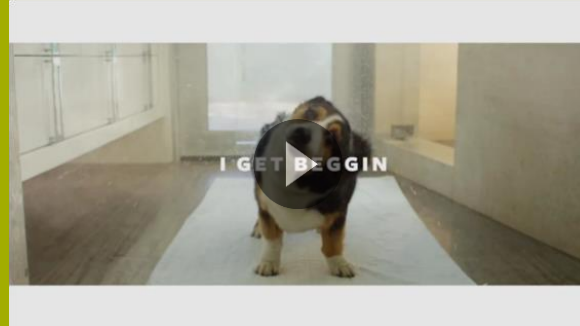
GERMANY



AUSTRALIA



USA



Tailor to the context

This ad performed very well on digital formats; but when we tested it in a TV context, appreciation was not so strong.

GEICO®

USA



Right Content – Summary

CREATIVELY

capture attention

ENGAGE

in the first few
seconds

TAILOR

length to the context



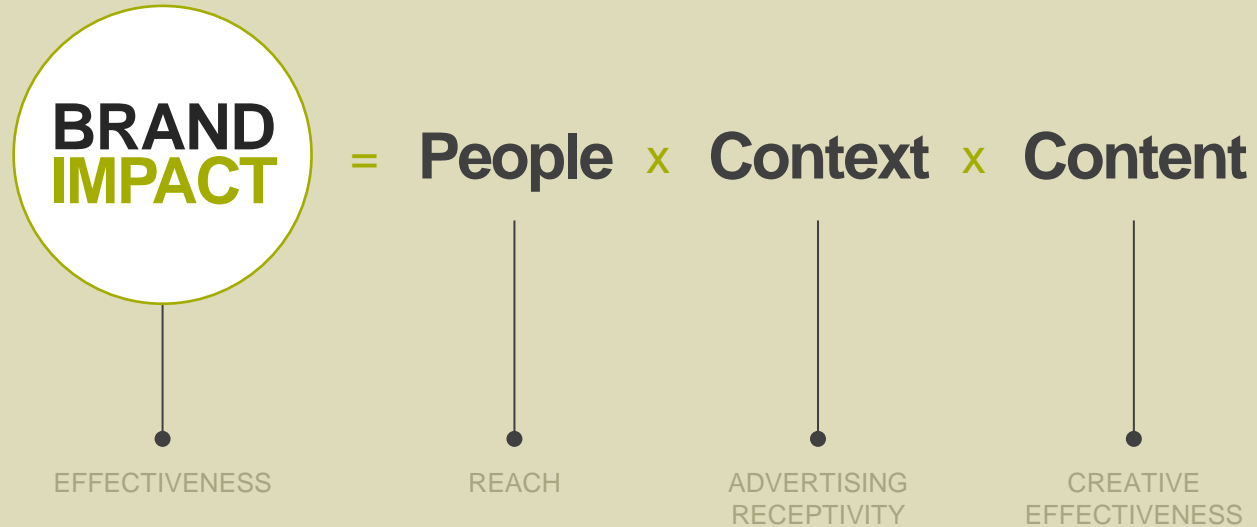
Effectiveness learning and further reading



Ad receptivity is related to effectiveness, but they are not the same thing

High receptivity makes the advertisers' task easier, but overall effectiveness (the sum of content effects across multiple contexts) still needs to be measured for individual campaigns.

Stated assessments of receptivity are also unable to account for factors such as levels of clutter, specific placements, etc.



Millward Brown effectiveness learning shows that video on different channels has different roles

CrossMedia studies show that TV tends to generate the most impact per person for engagement metrics, likely due in part to high receptivity

Early findings from Brand Lift Insights studies are that mobile video outperforms online video. Since this is not due to higher ad favorability it must be due to other receptivity factors such as lack of clutter and format novelty.

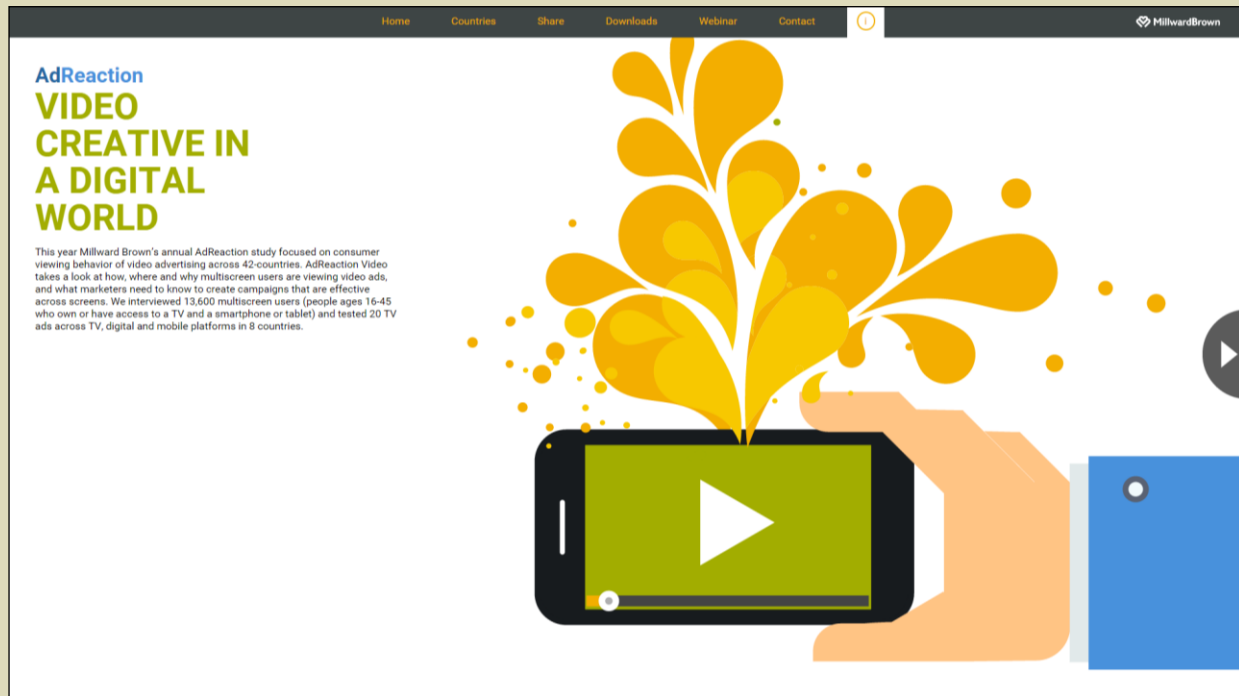
Source: Qualitative assessment of Millward Brown CrossMedia and Brand Lift Insights databases

Impact per person	 TV	 COMPUTER	 MOBILE
Engagement (Awareness)	★★★★★	★★★★	★★★★★
Associations (Message)	★★★★★	★★★★	★★★★
Motivation (Purchase Intent)	★★	★★	★★★★

More detailed AdReaction Video data

Free country level data can be found on the [AdReaction Video website](#).

For more detailed local country reports with analysis and insights, please contact your local Millward Brown office.



The screenshot shows the homepage of the AdReaction Video website. The navigation bar at the top includes links for Home, Countries, Share, Downloads, Webinar, and Contact, along with a search icon and the MillwardBrown logo. The main content area features the title "AdReaction VIDEO CREATIVE IN A DIGITAL WORLD" in blue and green text. Below the title is a paragraph of text: "This year Millward Brown's annual AdReaction study focused on consumer viewing behavior of video advertising across 42 countries. AdReaction Video takes a look at how, where and why multiscreen users are viewing video ads, and what marketers need to know to create campaigns that are effective across screens. We interviewed 13,600 multiscreen users (people ages 16-45 who own or have access to a TV and a smartphone or tablet) and tested 20 TV ads across TV, digital and mobile platforms in 8 countries." To the right of the text is a large illustration of a hand holding a smartphone displaying a play button, with a stylized orange and yellow plant-like graphic growing from the screen. A play button icon is also visible on the right edge of the illustration.

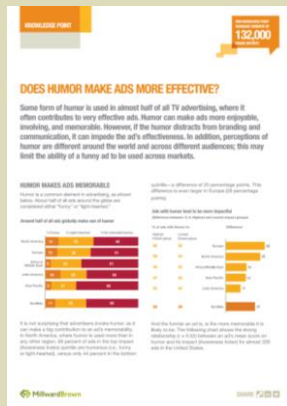
Further reading

Millward Brown regularly publish evidence-based learning relating to video placement and creative.

This learning is based on our creative development and in-market media & digital effectiveness solutions which help brands optimize marketing performance across media channels.

For more information, please contact your local [Millward Brown office](#).

Related Millward Brown learning:



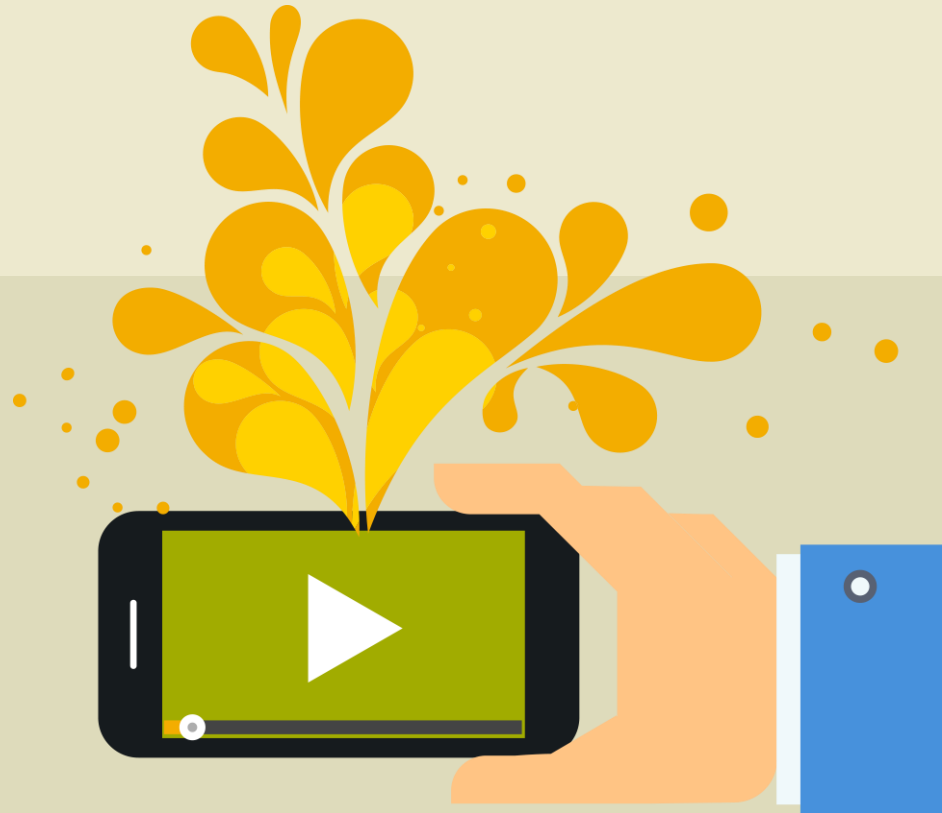
Related Millward Brown solutions:

- [CrossMedia](#) - optimize media effectiveness across channels
- [Brand Lift Insights](#) - optimize digital effectiveness
- [LinkNow for TV & Digital](#) – determine if your ad is strong enough to run

AdReaction

VIDEO CREATIVE IN A DIGITAL WORLD

Appendix



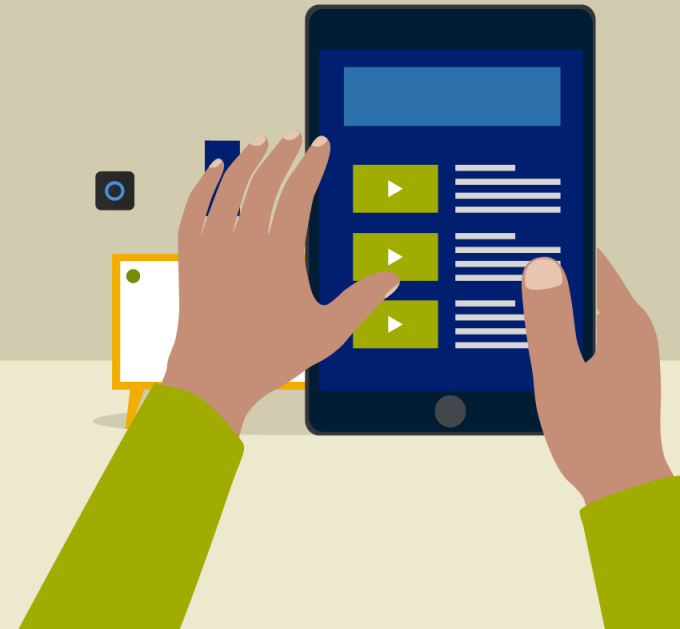
Appendix contents

Supplementary content

1. Video viewing by screen, by country
2. Screen usage approaches
3. Video advertising receptivity by country
4. Video advertising receptivity by location
5. Reasons for not skipping by country

Background

1. Video viewing device definitions
2. Methodological details
3. Smartphone penetration by country

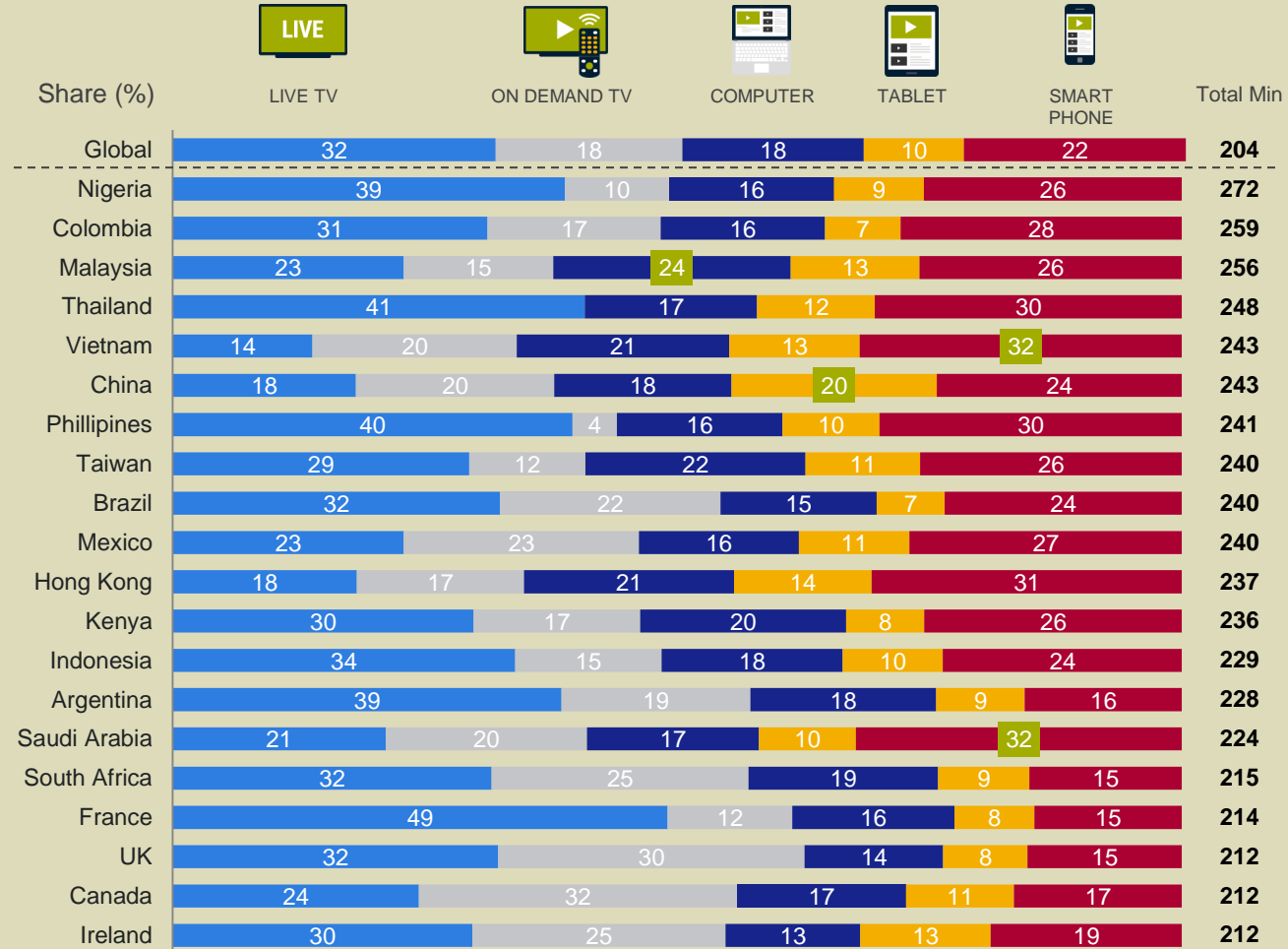


Video viewing varies by country (1 of 2)

Digital's share of viewing is as high as 66% in Vietnam and 65% in Hong Kong.

Smartphone's share peaks at 32% in Vietnam and Saudi Arabia. Tablet's share peaks at 20% in China.

Total video viewing is over 4 hours among multiscreeners in Nigeria, Colombia and Malaysia.



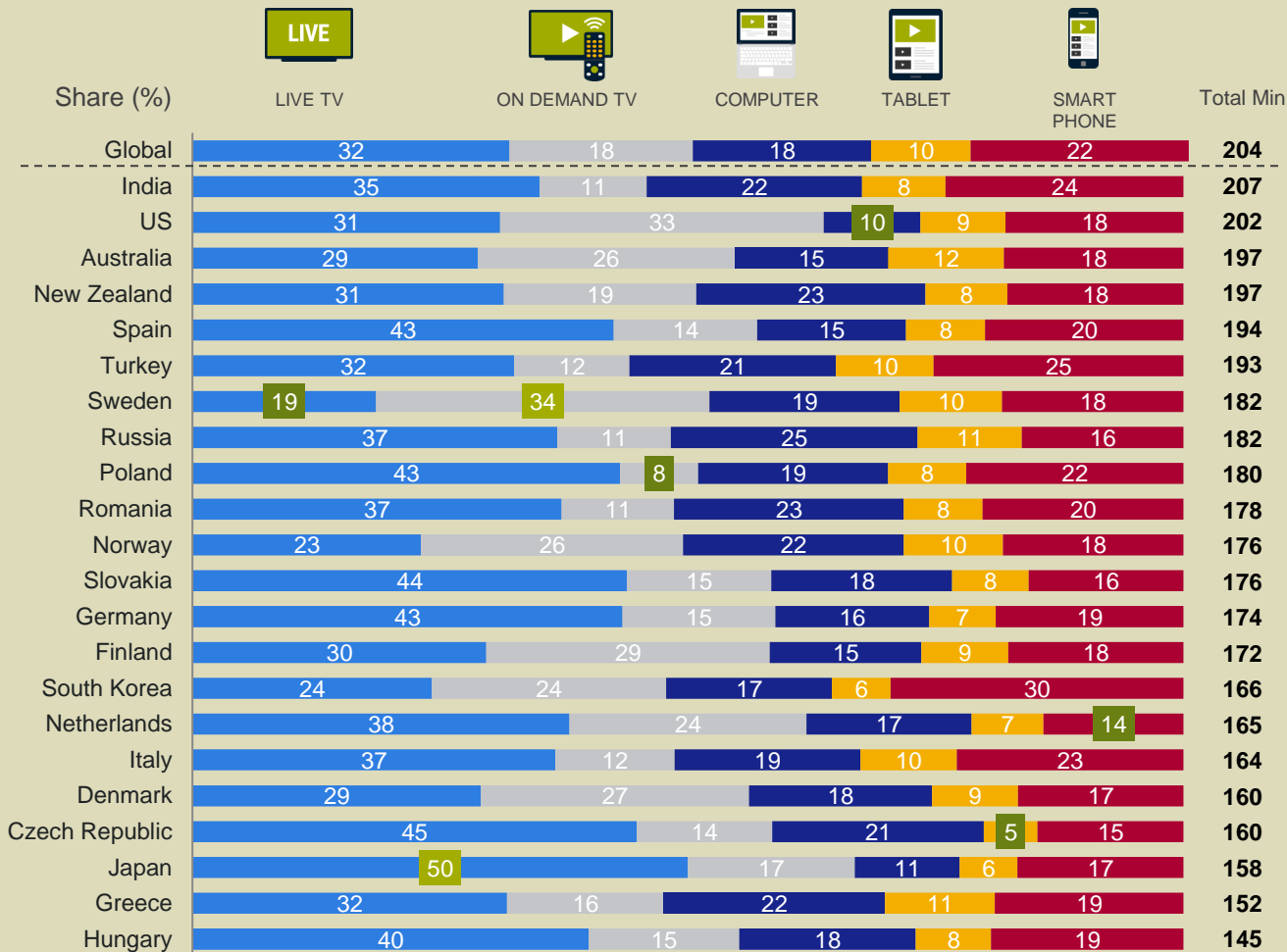
* On Demand TV not asked in Thailand

Video viewing varies by country (2 of 2)

TV's share of viewing is highest in Japan (67%) and the US (64%). Japan is mainly still Live TV, whereas On Demand leads in the U.S.

Sweden, the U.S. & Canada are the strongest On Demand TV markets.

Total video viewing is lowest among multiscreeners in Greece and Hungary.



Approaches are similar across devices






Video viewing is mainly about entertainment and relaxation, regardless of device. All mindsets can apply to all devices.

Live TV is more about relaxation and “just passing the time” to avoid boredom.

Video on computers is more often searching for information or education

Q: Now please think about which of these applied to you yesterday when you were...

Lean forward/active

	 LIVE TV	 ON DEMAND TV	 COMPUTER	 TABLET	 SMARTPHONE
I was looking to educate myself	20	14	25	20	20
I was looking for information	28	17	34	26	29
I was focused	12	11	15	13	11
I was looking to share an experience with other people	11	11	13	12	13
I was looking to be entertained	56	49	58	45	51
I was looking for something interesting	40	30	43	32	38
I was looking for escapism	14	12	16	12	12
I was relaxed	48	37	42	34	35
I was just looking to pass the time	41	30	36	29	35
I was bored	31	26	28	25	29

Lean back/passive

No single viewing approach has a strong correlation with advertising receptivity

Stat testing at 90% confidence level:



Higher than row average



Row Average



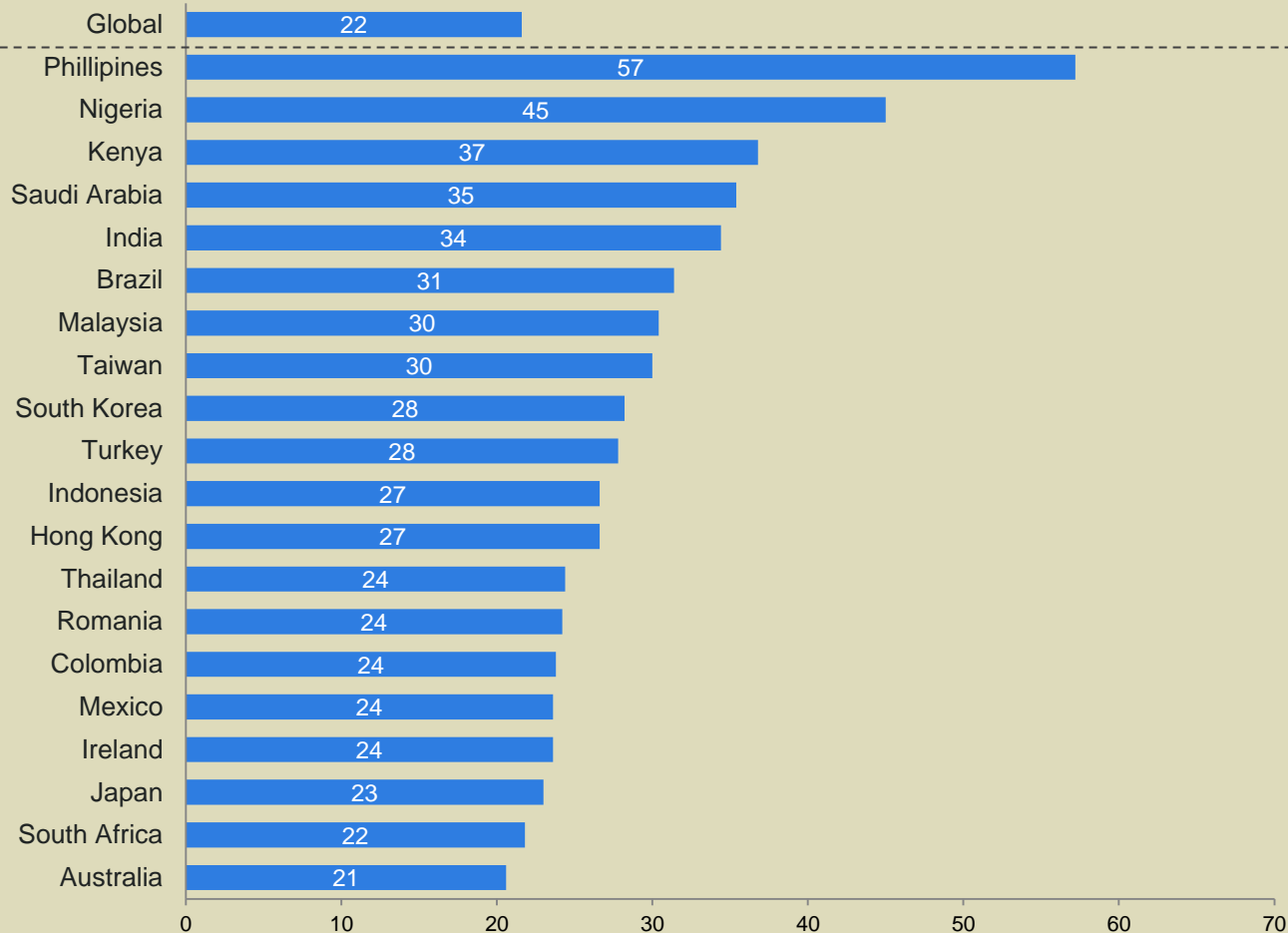
Lower than row average

Video ad receptivity varies by country (1 of 2)

Consumers from countries in Asia, Africa and Middle East were the most receptive.

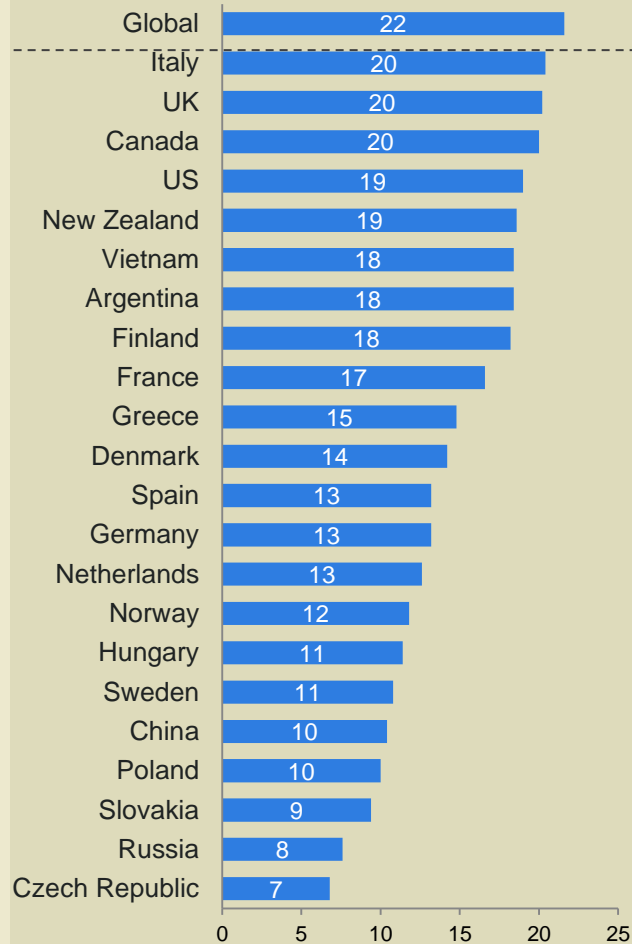
Countries in LatAm are also generally quite positive about video ads.

Just three European countries (Turkey, Romania and Ireland) are in the top 20 most receptive countries.



Video ad receptivity varies by country (2 of 2)

North American and European countries are the least receptive to video ads, while receptivity is also low in China.



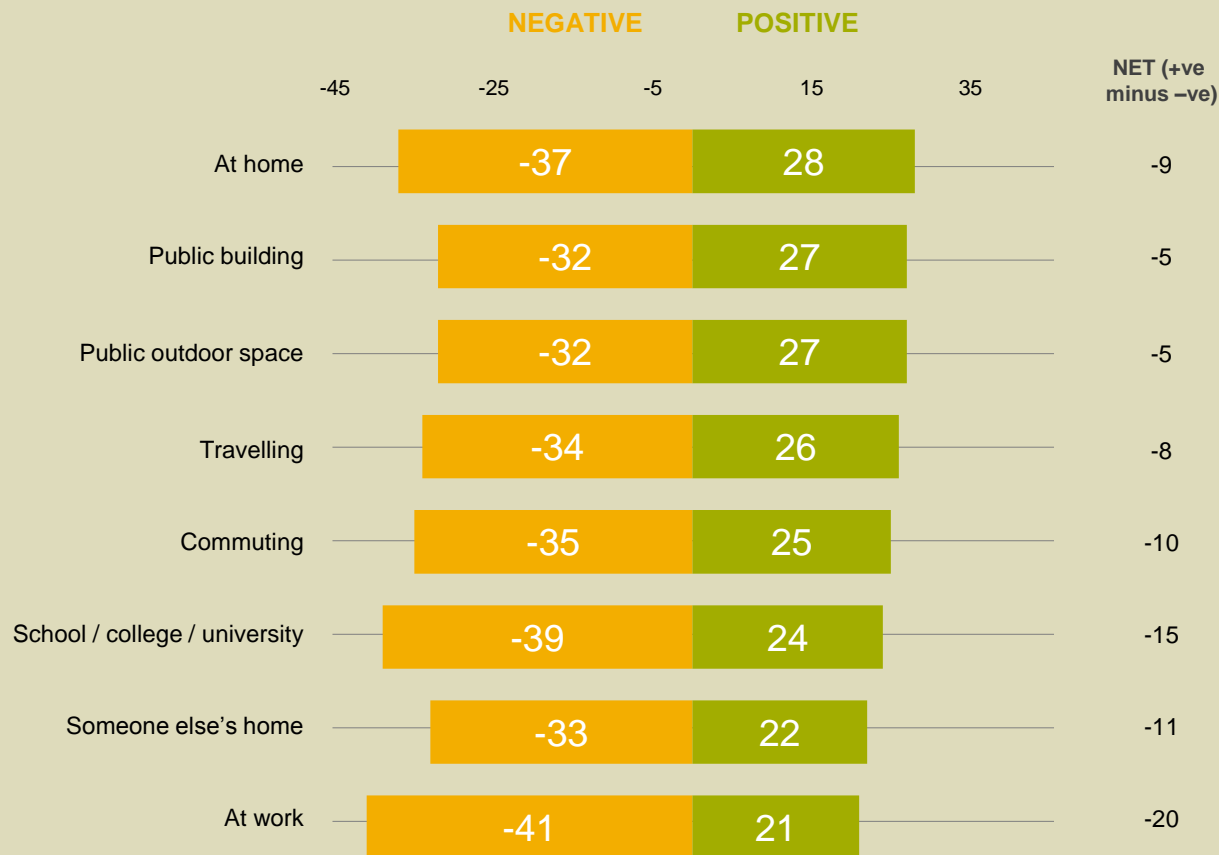
Average of devices receptivity

Receptivity by location

There is limited variation in how video ads are viewed based on location.

People are a little more receptive at home, and least receptive at work.

Q: How would you characterize your attitude towards video advertising when you are in each of the following places?



Reasons for not skipping ads varies slightly by country

Humor is the primary factor in most countries.

Japan is the only country where humor is not one of the top two reasons for not skipping ads, the main factors in Japan are category and characters.

Q: Sometimes video ads are shown online and you have the option to skip. What makes you less likely to skip and more likely to pay attention to an ad?

Most important reason for not skipping ads (countries where humor is not top of the list)

FOR A CATEGORY I'M INTERESTED IN	SOMETHING INTRIGUING HAPPENS	GIVES ME SOMETHING IN RETURN
Taiwan	Hong Kong	South Korea
Thailand	Mexico	Italy
Sweden	Germany	Finland
Philippines		Argentina
Japan		

Methodology

Both the video viewing survey and the copy testing research used cutting-edge survey sampling approaches to generate robust and reliable insights.

AdReaction Video viewing & receptivity:

- Methodology: mobile-interviewing via On Device Research
- Sample definition: 16-45 year-old multiscreen consumers (people who own or have access to both a TV *and* either a smartphone *or* a tablet)
- Survey length: 10 minutes
- Total sample size: 13,600 (minimum 300 per country)
- Countries: Argentina, Australia, Brazil, Canada, China, Colombia, Czech Republic, Denmark, Finland, France, Germany, Greece, Hong Kong, Hungary, India, Indonesia, Ireland, Italy, Japan, Kenya, Malaysia, Mexico, Netherlands, New Zealand, Nigeria, Norway, Philippines, Poland, Romania, Russia, Saudi Arabia, Slovakia, South Africa, South Korea, Spain, Sweden, Taiwan, Thailand, Turkey, UK, US, Vietnam

AdReaction Video copy testing:

- Methodology: web-based interviewing via LinkNow on ZappiStore
- Sample definition: varied based on advertising target
- Survey length: 10 minutes
- Number of ads: 20
- Advertising contexts: 5 (TV, YouTube skippable pre-roll, Facebook auto-play, Facebook click-to-play, mobile video)
- Total sample size: 10,739 (minimum 100 per ad)
- Countries: Argentina, Australia, Brazil, France, Germany, Mexico, UK, US

Survey definitions

This study relies on participants' interpretation of our survey questions.

On Demand TV viewing is a rapidly evolving space, still unfamiliar to many people.

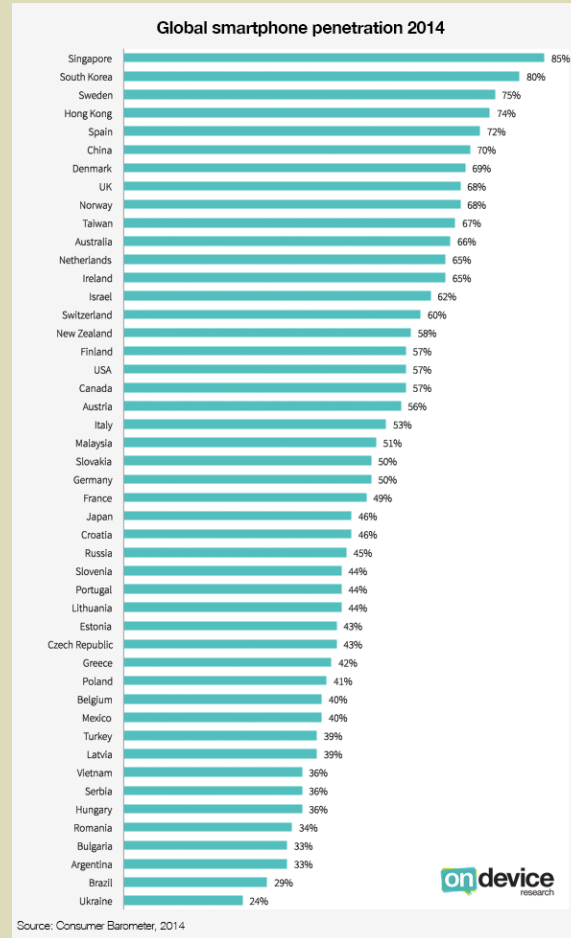
Although our On Demand TV viewing questions were only asked of people with access to a "Television connected to the Internet", it is possible that On Demand TV figures may be overstated and may contain some Live TV viewing.

DEVICE / VIEWING TYPE	SURVEY WORDING	INTENDED INTERPRETATION	POTENTIAL INTERPRETATION
Live TV	Watch live television	All TV viewing	Some people may have interpreted Live TV as meaning only TV shows which are shown live (e.g. sports events) and assigned pre-recorded content (e.g. documentaries) to On Demand
On Demand TV	Watch video on demand on a TV	On demand services on TV or DVR viewing	
Computer	Watch video content on a laptop or PC	All computer-based video viewing	Seems to have been understood
Tablet	Watch video content on a tablet	All tablet-based video viewing	Seems to have been understood
Smartphone	Watch video content on a smartphone	All phone-based video viewing	Seems to have been understood

Smartphone penetration by country

AdReaction's sample of 16-45 year-old multiscreen consumers is an advanced sub-group of the overall population.

This penetration data from Google helps put our sample in context. Smartphone users are relatively "mainstream" in countries such as UK but still a more niche target in other countries such as Brazil.



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