

POWER IN DIGITAL: HOW GREAT CREATIVE WINS

An Undertone Research Study, conducted by System1 Research, 2017

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UNDERTONE'S PERSPECTIVE

At Undertone, we believe in a creative-first strategy. It is creative that connects consumers with brands, grabs and holds their attention, and drives engagement.

Performance metrics and third party ad effectiveness studies consistently prove that Undertone's captivating creative works. To determine why our high impact ads are so successful and pinpoint the keys to building results, we partnered with a leading research agency to conduct a series of thorough studies.

ROOTED IN SCIENCE

To ensure our results were both detailed and accurate, we collaborated with System1 Research: a global consultancy named number one in research innovation by GreenBook Industry Trends Research Report (GRIT) six years running—ahead of Google, Nielsen, Millward Brown, Ipsos, and GfK.

Our joint approach was based on the Nobel Prize winning work of Dr. Daniel Kahneman; his work proved that 95% of consumer decisions are driven by thinking that is fast, intuitive, and emotional, known as System 1 thinking.

The study also leveraged the work of Dr. Paul Ekman, the leading authority on emotions and facial expressions.

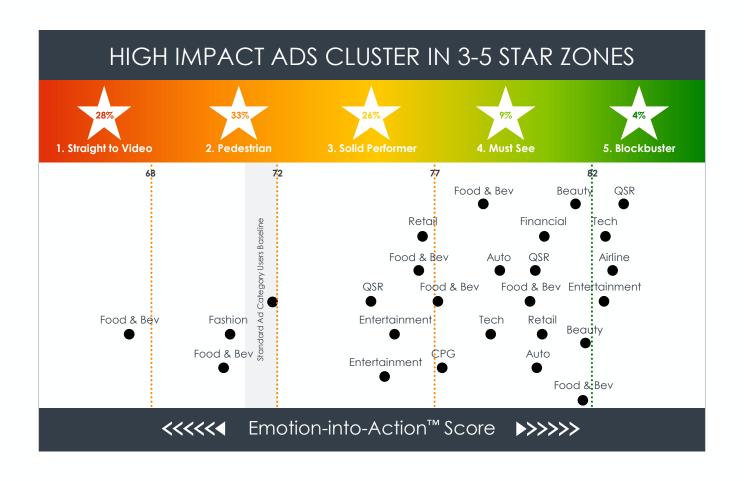
THE TEST

We compared 25 of Undertone's proprietary large canvas ads with ten standard display ads (5 Rich Media, 5 Static) and established a baseline by aggregating the standard ad scores.

Methodology details are included at the end of this report.

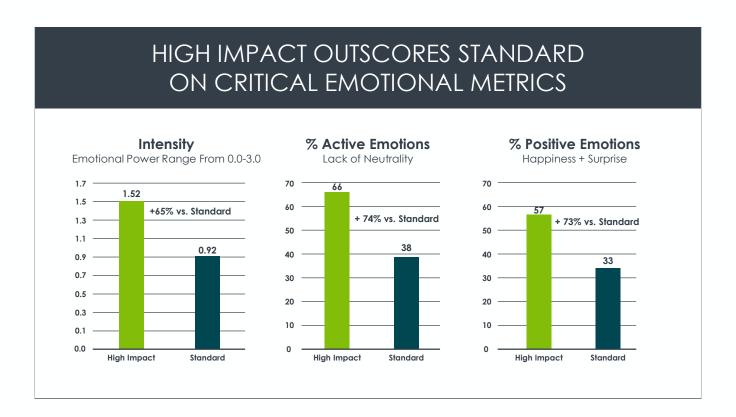
RESULTS

- 60% of high impact ads scored in the 4-5 star rating range (out of a possible 5), putting them in the top 13% of all System1 Researchmeasured ads (4.6X the expected scoring incidence at those rating levels).
- Nearly 90% of high impact ads tested scored 3 stars or higher—130% above System1 Research's benchmark.
- The standard ad baseline (all standard ads aggregated) was 2 stars, significantly lower than 88% of the high impact ads measured.



RESULTS

- High impact ads outscored standard ads by over 60% in each of these three key metrics:
 - Emotional Intensity (a numerical score of how deeply an emotion is felt)
 - Active Emotions (% respondents feeling any emotion other than neutrality or indifference)
 - Positive Emotions (the most commercially valuable emotions: happiness and surprise)



- Emotion leads to action. The tested individual high impact ads outperformed Millward Brown MarketNorms for purchase intent in their vertical by 8%-56%. Average high impact purchase intent was 55%.
- Unaided awareness for high impact ads averaged 71%.
- 3 out of 4 respondents linked assets to the correct brands.

CONSUMERS REACT

66 A fun way **Upbeat** and I don't remember to play creative. The music seeing any ad with the was perfect! quite like this one. product. 46 It was great to Surprised It's neat how see all the options that I there's a cute little and benefits. could video right next to shake the recipe. my phone and change I liked all the images of Clever, screens innovative the people enjoying use of video. their vacations. I want Inviting. to go! 46 Much better than the usual I loved seeing how all the ad. I wanted just about colors changed the way everything I saw! the room looked and felt.

KEY TAKEAWAYS

Creative matters. The best examples evoke the types of intense emotions that connect consumers with brands. It's the difference between grabbing attention in a split second and being wholly ignored.

The ad container matters. High impact delivers stunning, rich experiences that are packed with emotional resonance. They significantly outperform standard display.

Great emotional creative is critical to full funnel success. It drives awareness, brand affinity, and purchase intent.

CONCLUSION

Consider what prioritizing the emotional power of your creative may mean. Making it the centerpiece of a campaign will prompt consumers to take notice, while ignoring emotion's power will likely lead to indifference. Many of the best ads lead to digital and real-world conversation, consideration, and action.

We look forward to receiving your feedback on this study and are happy to share more proof of Undertone's ability to drive results for your brand.

Contact us at insightsteam@undertone.com

10 CREATIVE BEST PRACTICES

- **Use Energy Wisely** There is only a certain amount of energy a consumer will spend on an ad. Don't make the user work too hard to interact, be entertained or get educated.
- Be Concise, Be Focused Provide an intuitive, simple narrative. Feature/functionality overload divides attention, increases frustration, and slows down loading time.
- Offer Instant Gratification Consumers prefer to interact quickly, make an impact, and move on. A simple slider is preferable to an unsatisfying game.
- Entertain, Then Educate Brief opening animations disarm consumers into learning what a brand has to offer.
- **Set The Mood** Preferably a positive one that will be met with happiness or surprise. A negative reaction is not the worst outcome – feeling nothing is.
- **Design For Specific Devices** Don't rob the user of a thoughtful, engaging experience. Design for the touch event if on a mobile device. If it's a responsive ad, be sure to change copy and functionality for the appropriate device.
- **Keep Intro Animations Brief** These should not be longer than 3-5 seconds. You risk losing the user's attention with every added second.
- Let's Get Physical, Physical Take physical attributes (like finger sizes) into account when designing for mobile experiences. Functionalities in close proximity to one another may cause the wrong action.
- Use Native Smartphone Functionality Thoughtfully These include shake, tilt, twist, and pan. Limit to 1 functionality and 2-3 frames, with the 2nd or 3rd frame being the final frame.
- Make Calls To Action Visible The minimum size of a button cross-device should be 80px x 80px. Width can be extended, but 80px height is highly recommended.

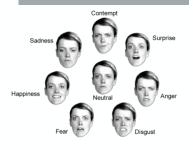
SCOPE & METHODOLOGY

25 high impact ads (large canvas ads with interactive features) across a variety of verticals were compared with 10 standard ads (5 rich media/5 static) across the same verticals. High impact and standard ads from the same campaigns were used whenever available.

150 genpop adults active in the appropriate vertical were exposed to each ad. They indicated their emotional response by choosing a facial expression from a wheel of seven emotions and one neutral option, selecting the degree to which they felt that emotion. They then provided thorough, "voice of the customer" comments. Also measured were unaided brand recall, brand asset linkage, and purchase intent. Before concluding, respondents were re-exposed to the ad, providing their reactions to each key emotional element of the creative narratives.

Emotions Experienced







KEY METRICS

System 1 Research's rating system has traditionally been utilized as a TV commercial evaluation tool. Their partnership with Undertone presented an opportunity to apply these concepts to digital creative at scale.

Emotion-Into-Action, System1 Research's 5-star rating scale.

Incidence across thousands of campaigns

5 star ("Blockbuster"): 4% of all ads

4 star ("Must See"): 9% of all ads

3 star ("Solid Performer"): 26% of all ads

2 star ("Pedestrian"): 33% of all ads

1 star ("Straight to Video"): 28% of all ads

The rating scale is System1 Research's proprietary metric, informed by the following:

Emotional Intensity: scored on a 0.0-3.0 basis, summarizes how deeply respondents experienced a given emotion.

Active Emotions: % respondents feeling any emotion, barring neutrality as indifference leads to inaction. In System1 Research's words: "Feel nothing, buy nothing."

Positive Emotions: the most valuable emotions—happiness and surprise are upweighted in the star ratings.