CONTENT AS KING:

WHY GREAT VIDEO CONTENT IS THE KEY TO UNLOCKING HEARTS AND MINDS





As advertisers seek to understand how best to communicate their brand story and values, it's imperative to understand how consumers are affected by certain formats and ways of communication.

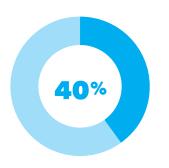
We surveyed over 2,400 users to understand the impact of digital advertising formats on consumers' perception of brands and products. The findings indicate that people are largely impacted by branded video in premium formats (especially new, innovative technologies), and that this trend has stayed consistent, causing advertisers to spend more year after year on content marketing and video.

LONG LIVE VIDEO

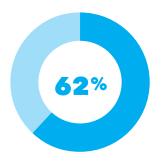
Everyone knows that content is crucial to attract, engage, and reach consumers. But while this may be true, it's important to consider the medium involved. Right now, the format to beat is clearly video, with 51% of brands investing more in 2018 than the year prior.¹ And with so many forms of video available, such as content, programmatic, and pre-roll, it's important to understand how to use video for building both brand connections and direct response.

Currently, video provides advertisers with a versatile medium to reach the audiences they want, where they want, to put the best spotlight on their story. But the question remains—what is the best way to reach your target, and how can you ensure they will pay attention to your message?





Of advertisers intend to invest more heavily in branded video in 2018.³



Feel it's the most effective content marketing medium.⁴

BRANDED VIDEO MARKETING IS KEY TO WINNING HEARTS AND MINDS

The line between content and advertising is blurrier than ever, thanks to the continued growth of native and the importance of paid channels for distributing marketing content. Marketers rely on a mix of owned, earned, and paid media to disseminate content that tells their brand story. Branded video falls into the latter category: communicating a brand story through valuable, engaging content that connects with audiences, leaving them with a better impression of your brand, and ultimately leading them down the path to purchase.

Branded video is an approach that works, and the numbers prove it. In a new global research study, Oath revealed that 43% of advertisers are purchasing branded video, and 2/3 see it as one of their biggest revenue opportunities.² Nearly 40% of advertisers intend to invest more heavily in branded video in 2018³, and 62% feel it's the most effective content marketing medium.⁴

That being said, great creative is always the key to cutting through. Brands have evolved beyond talking at users and touting brand or product benefits. The less a video feels "like advertising," the more informative, authentic, and original it seems. More than 61% of consumers agree: as long as the content is of good quality, they do not care if it's branded.⁵ The result is that video has the largest lasting impact on consumers by influencing perceptions, buying patterns, and intent.





The amount of searches for your brand name and services.6



More likely to drive awareness.7

ATTENTION IS THE WORLD'S MOST VALUABLE RESOURCE

It matters where an ad is served, and premium content has been proven to drive better awareness and discovery results for advertisers. In fact, it's proven that native advertising drives 53% higher brand awareness, and 3.6x the amount of searches for your brand name and services.⁶

Video is particularly effective in driving deeper understanding among audiences, making it the ideal vehicle for delivering more complex brand messaging that cannot be communicated within the confines of a standard ad unit. Our survey revealed that branded video is best viewed in a native environment. In one case study, when comparing branded video to non-native static ads, we found that branded video is 2.4x more likely to drive awareness.7









BE WEARY OF ZOMBIE-LINK CONTENT

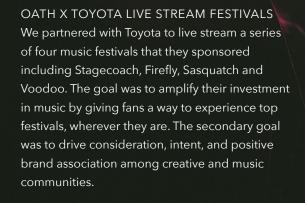
Branded video content will connect with audiences emotionally. This means funny, heartwarming, or educational material will trigger a response in the brain which makes the video compelling and shareable. The best content is story-driven, and places narrative and audience engagement at a higher priority than the selling of the brand. In other words, put the story first and the brand payoff will follow.

"Consumers are smarter about how they see marketing messages these days. Just seeing brand logos inserted into editorial doesn't offer them any value. Consumers appreciate when brands can deliver their value through informative, entertaining, and engaging content that they will remember and share with their friends."

-Kathryn Friedrich, Chief Business Officer, RYOT Studio.

Our research proves this. One study found that 3/4 of consumers don't mind ads if they are entertaining, and 67% feel engaged by ads that include a product or service that is relevant to them.⁹

Despite the hyper-focus on technology and automation over the last few years, emotion in advertising will always remain critical. It's the hook that helps audiences understand your brand, identify with it, and ultimately buy your product.



Oath partnered with Toyota in creating a custom branded destination and extending through ads across Oath's top properties, using video and native advertising to drive maximum awareness.





ENCOURAGE ENGAGEMENT

In 2018, content marketing is about creating interesting material that people actually want to engage with. Stop talking about your brand, and start creating content people want to read, watch, or listen to.

In a comprehensive **Oath Brand Love study** surveying 150,000 people around the world, Oath discovered that consumers are passionate about brands that set trends, constantly innovate, and always keep the customer experience top-of-mind. Elevating experiences–which makes up a big piece of the global brand love equation–is all about being thoughtful in each interaction with a customer. Every touchpoint should bring delight.¹⁰

Success lies in what we at Oath call the "engagement continuum." Brands must immerse audiences in their story from end to end by fusing creativity with programmatic. They must develop content rooted in data to create emotional connections, then optimize through programmatic, providing richer data and insights for further brand building. Only then can marketers capitalize on content that truly engages audiences, delivered automatically within any experience.

DORITOS X RYOT STUDIO SHOPPABLE VIDEO

The PlayBod campaign saw Doritos partner with three of the biggest YouTube gamers to prove that they are the boldest game in Europe. RYOT Studio worked in close partnership with OMD and Doritos to produce exciting, interactive video content, where the players had to see if they could handle XBOX One gamers for real. The content was distributed through XBOX, a creative canvas for Oath, to its highly engaged audience.



MOBILE VIDEO FORMATS EMERGE, PAVING A NEW PATH

Mobile and video are converging, creating new opportunities. Perhaps mobile video's biggest draw is its reach. With 72% of the over 231 billion digital video viewers regularly watching video on their smartphones, 2/3 of advertisers expected to increase mobile video spend by at least 25% in 2017.¹¹

Oath's engaged mobile audience is already using their phones to access our premium content. With nearly 70% of our audience on mobile, we deliver an ad experience that's mobile best, human first.¹²

THE NEW REALITY

Mobile video is one of 2018's fastest growing ad formats, accompanied by an entourage of game-changing innovations. From 6-second video, vertical video, programmatic native, and immersive 360°/AR/AI/VR/MR video ad units, mobile's potential to redefine the video advertising industry is endless–and Oath is leading the charge.

6-second videos: The attention spans of online consumers continue to shorten. While online video consumption is growing for all video lengths, the share of short-form video is growing. 3/5 of consumers watch videos that are one minute long or less every day.¹³ In a study conducted with 500 advertisers, we found that 34% of advertisers say they are investing more in *6*-second videos this year.¹⁴ *Immersive formats*: From the ever-changing landscape of digital marketing, immersive formats have emerged to enhance the consumer experience, enabling viewers to surround themselves in the video experience. New formats like 360° video and VR are no longer experiments for just a handful of brands. They make an incredible impact on users, and are ever more accessible. Companies like RYOT Studio and Oath present the ability to help brands reach their audiences in new ways such as these.

Consumers are more familiar with virtual reality technologies than ever before. Our study revealed that 60% of users have experienced 360° video, and over 3/5 are interested in seeing 360° video ad formats. 1/2 of users have experienced virtual reality, and 55% are interested in VR advertising.

No wonder 1/3 of advertisers say virtual reality its a strategic priority next year.¹⁵







Higher ad recall.

THE INVESTMENT IS WORTH THE OPPORTUNITY

When asked a series of questions regarding the impact of 360° video vs. standard display ads, we found that there were higher results for those who experienced 360° video and no standard ads. This lead to:







AFI X RYOT STUDIO CASE STUDY

American Family Insurance and RYOT Studio partnered to design and create a first-of-its-kind 360° branded video series. This series celebrated men and women who relentlessly pursue their dreams and achieve happiness by being fearless. The goal for American Family Insurance was to understand how consumers feel about the 360° experience, and how viewing the content impacted perception of their brand.

"At American Family Insurance, we're always on the lookout for meaningful ways to lift up, celebrate and shine a light on dreamers - people united by an unwavering passion, determination and drive for pursuing their dreams. Using immersive 360° video and virtual reality in partnership with RYOT Studio, allowed us to do just that, all the while putting consumers in control of the viewing experience." –Emily Adler, Media Manager at American Family Insurance.¹⁷

In order to measure the goals of this campaign, we partnered with Nielsen to hone in on consumers' experiences and understand how content and experience increase various brand impact measures. A set of respondents were exposed to either 360° video or standard video across desktop, smartphone, and a virtual reality headset.

We found that 360° video can drive incremental impact for brands, allowing consumers to control their experiences when consuming content. This makes them feel like they learned something new and obtained practical information. As a result, respondents were more engaged with 360° content, driving a 38% higher lift in brand affinity than standard video.¹⁸

Consumers love innovative content, and when brands partner with award-winning content creators, the results speak for themselves. Premium content matters, and 360° video succeeds in delivering incremental value over standard video.

17 RYOT/American Family Insurance Develop First-Of-It's Kind 360° VideoProgram', Oath, 2017, 18 RYOT/American Family Insurance Develop First-Of-It's Kind 360° Video Program', Oath, 2017



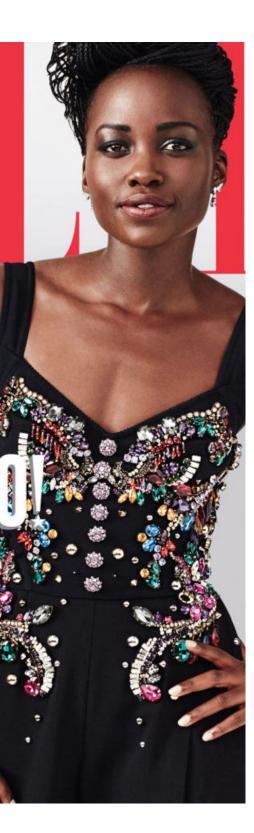
TAKE THE ROAD BEST FOLLOWED

In a study done by eMarketer asking 455 marketers about their greatest branded video challenges, 30% replied that producing engaging content and accessing the best audiences was their biggest challenge.¹⁹ The purpose of branded video is to engage consumers and influence the buyer journey. By sequencing exposure to that content, marketers hope to foster growing engagement with a brand. But one thing is clear: in a cross-device world, digital video has emerged as a must-have strategy for creating deeper connections with consumers. Marketers have long understood targeted video's unparalleled ability to make an impact; digital, when combined with programmatic technology, gives us the means to do it more effectively than ever before.

RYOT Studio helps brands with everything from polished production to tech innovation, breathing life into brand stories with data-driven insights and scalable distribution. Content solutions, like white label production, branded content, and innovation, can help brands communicate their stories with fewer resources by aligning with publisher content.



P.11 19 eMarketer, "Content Marketing Challenges According to US* B2B Marketers, Sep 2017 (% of respondents) " September 2017



BRANDED VIDEO TOOL BOX

To create a successful native advertising campaign, it's helpful to keep these three key tactics in mind:

Work with the pros.

All brands have a story to tell consumers, but telling it in a way consumers want to hear can be challenging.

It's been proven that brand familiarity can increase as much as 36%, brand recommendation can increase as much as 19%, and message recall can increase as much as 120% with more professional videos on mobile ads.²⁰

Work with a team of top, multi-disciplinary talent with diverse thinking. RYOT Studio is a team of recognized artists, filmmakers, and innovators. Our work has received Academy Award and Peabody nominations and even won an Emmy. We work across every medium including publishing, television, and media.

Use innovative formats.

Catch the attention of your audience and bring your story to life through innovative formats. At RYOT Studio, we think "story first," always. Then we develop innovative formats to tell those stories like no one else. We empower brands to tap into the storytelling power of immersive formats using emerging technology, such as white label VR and AR production.

Be where your audience is.

Native ads can have a broad reach, and Oath can help you reach across properties, apps, and beyond. Partner with brands to create content that matches your voice. Premium placements put your brand content in the best light. With RYOT Studio and Oath, you can attract the highest quality audience and engaged users—all delivering the best results for your brand.

1/3 of consumers have changed their content consumption behavior in the last few months; they are looking for more trustworthy, premium sites with expert opinions.²¹ 67% say they feel much less favorable towards brands when their ads are next to low quality content.²²



WELCOME TO OUR WORLD

As these formats continue to grow in popularity, it's important to partner with a studio that understands how they work best.

RYOT Studio is a premium end-to-end content marketing solution that brings your brand story to life. Fueled by rich customer data, scaled distribution, premium publishing, and award-winning creative expertise.

Ready to engage your audience with more meaningful stories? Reach out to your RYOT Studio partner or reach us at <u>oath.com/brands/ryot-studio</u>

