vidmob WARC

Performance Marketing in 2022 →

How Intelligent Creative Lights the Way Forward as Third-Party Audience Signals Dim

KPI ▲
46%
Purchase Rate

Messaging

CTA

Flashlight

Byline: Andrea Ward, VidMob CMO

Combining creative data from ad units with media performance data can help marketers optimize design and content, improving business results.

→ The deprecation of third-party cookies, used by advertisers to understand an individual's digital behavior across websites and devices, means that marketers have to find alternatives for driving ad performance, with ad creative impact being a key opportunity.

→ Application of machine learning and artificial intelligence offers speed, scale and clarifying insights about how visual and audio elements can affect ad performance and, in turn, drive marketing performance.

→ An example of this type of analysis showed that delivering on-screen text in the first three seconds resulted in higher purchase conversions.

Why it Matters

The pendulum will need to shift to creative for driving advertising performance. Google, for instance, estimates that **creative drives 70% of overall performance of ads.** When you consider this statistic existed before signal loss became a pressing concern, it indicates how much harder creative will have to work in the future.

creative accounts for

70%

of performance

30%
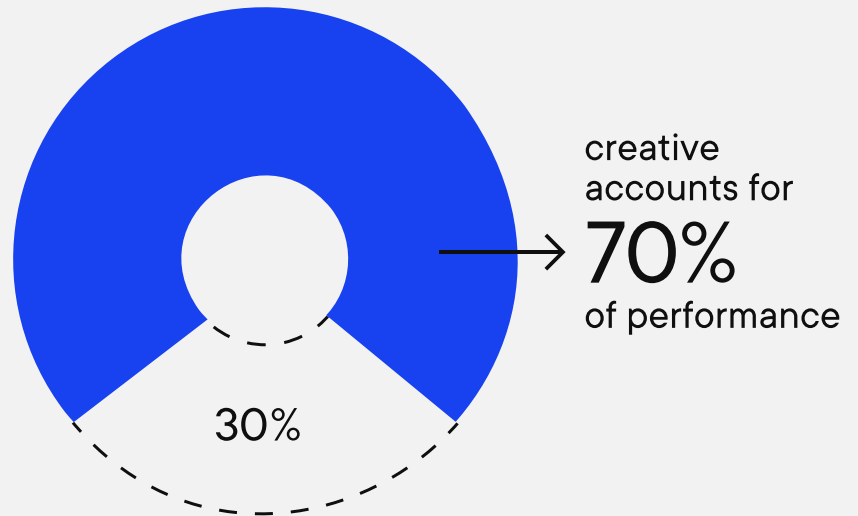
Takeaways

1 Recent technological advancements give marketers the access to creative data to better understand performance drivers and bridge the gap between creative and media at scale.

2 A VidMob study found, among other insights, that **modifications in the creative, like leading with text, led to a 46% higher rate of purchase conversions.**

3 Intelligent Creative data and methods offer media buyers and creative teams a common language, and they can employ creative improvements to optimize marketing performance.

4 Now insights on best practices can be understood not only by ad platform and industry but also by brand, product, audience, context, market, and cultural nuances.

Definitions ⟶

Creative Data

This is data drawn from the DNA of ad creative by transcoding the visual, written or audio elements of static or video ads into a data point expressed in tags. These elements fall into a wide range of categories such as sentiment, objects, branding, text, people and color.

Intelligent Creative

This describes the combination of creative data and performance analytics that provide actionable insights to offer an understanding of how creative is driving meaningful measurable impact.

Where to Start

While marketers are understandably concerned about what we call "signal loss" coming from the deprecation of the third-party cookie and changes to Apple's IDFA, marketers can now use Intelligent Creative to drive better marketing and ad performance. It drives performance in three ways:

⟶ Ensuring that ad creative is meeting the best practices of each advertising platform, before and in-flight,

⟶ Knowing which creative elements in ads drive performance with key buyer segments, and

⟶ Knowing the right approach for each ad type and driving efficiencies with creative collaboration and automation tools.
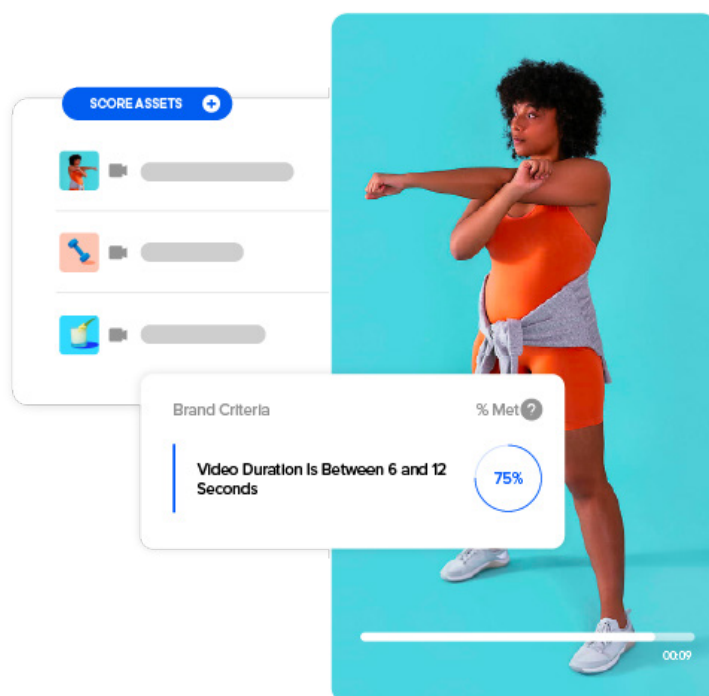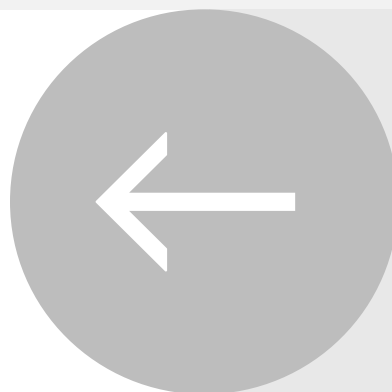
Creative: The Main Driver of Campaign Success

Ad tech, particularly programmatic, encourages marketers to focus on optimizing placement to their target audiences, targeting the right person in the right place at the right time. However, the creative itself has always been the main driver of campaign success.
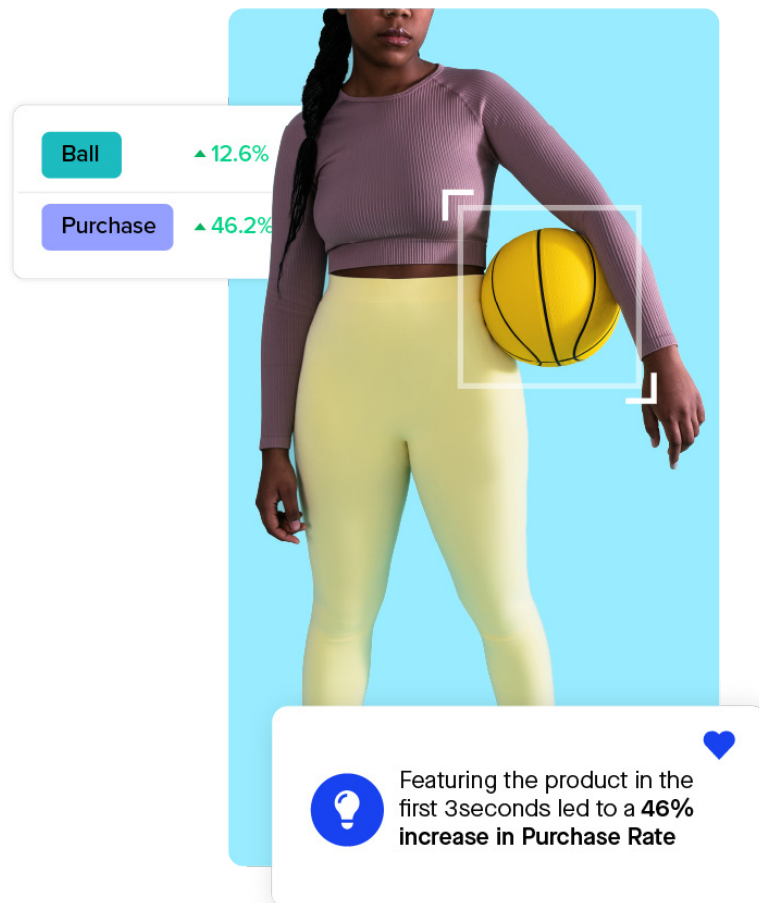
There are various views on the extent to which creative elements impact campaign performance, but no matter who you ask, creative takes the lion's share.

Google estimates targeting optimizations account for just 30% of campaign success, while creative drives 70% of overall ad performance. Nielsen suggests creative's contribution towards sales is almost 50%, while the contribution of targeting is less than 10%.

Other factors such as reach, recency, brand and context can also come into play.

With the advent of digital advertising and ad exchanges, the balance began to shift towards media. The rise of ad tech tools tried to cover for sub-optimally designed creative because each ad was guaranteed to reach a specific audience on a particular channel at the right moment. Teams invested in technologies and strategies to become proficient at this optimization "dial", because it was easy to measure, manage and report on impact. However, now with signal loss, it is more difficult to reach target audiences.

With Intelligent Creative, the creative itself becomes a performance "dial", and teams can adopt technology and processes to utilize creative insights to drive creative improvements as a strong driver of performance. Intelligent Creative is the next frontier for campaign optimization, not only delivering better marketing performance for the brand, but also delivering a better user experience.

Ball ▲12.6%

Purchase ▲46.2%

Featuring the product in the first 3seconds led to a **46% increase in Purchase Rate**

Introducing Creative Data

Recent technological advancements make creative optimization for each media platform more useful to marketers. Creative data is a new kind of first-party data powered by artificial intelligence that is becoming more recognized and used by marketers, particularly on new and emerging advertising channels, such as social media. It detects the visual and audio elements in content and measures the impact each has on ad performance. **The insights gleaned from combining creative and media data sets is called "creative intelligence".**

It offers a whole new level and scope of insight without being reliant on signals from cookies or mobile IDs, so it is emerging at an opportune moment. Data also can help with automating tedious tasks for creatives when they are trying to keep up with the need for digital content across products, markets and languages. Chiligum, (recently acquired by VidMob), for instance, can make versioning easy and deliver hundreds of ads in a fraction of the time. Other creative data offerings are showing up as well, such as early stage startups like The Source in Paris and cutting-edge agency holding companies like dentsu international.

Tagging ads to deliver this type of detail used to be impossibly time-consuming, especially for video., which involved watching and re-watching time-coded ads to painstakingly label everything.

Now artificial intelligence (AI) and machine learning (ML) technology can perform this task across hundreds of thousands of ads within minutes. ML technologies such as computer vision, optical character recognition, and natural language processing can programmatically unpack the creative attributes of any piece of content, frame by frame, delivering creative data at scale.

The data becomes much more insightful when it is combined with first-party performance metrics like clicks, views and purchases, providing the 'why' behind creative performance. It can help brands focus on the visual and audio details in ads that drive desired outcomes. VidMob's technology, for example, applies computer vision and ML to tag almost every visual attribute a viewer encounters in an ad. This data set is then combined with real-time, cross-platform performance metrics to yield deeper insights about how these elements impact view duration, purchases, and other consumer actions.

Creative data is drawn from the DNA of ad creative by transcoding every visual, written or audio element of static or video ads into a data point expressed in code. These elements fall into a wide range of categories such as:

Sentiment   What feeling does the ad evoke? What is the expression on the model's face?

Objects   What products or services are featured in the creative?

Branding   Where is the brand logo positioned? How big is it? When does it appear?

Text   What does the ad copy say? When and where does it appear?

People   Who is featured in the ad? What are they doing?

Color   What colors are used in the creative? Do they complement or contrast?

The Era of Intelligent Creative

You may have heard the phrase 'creative intelligence' (MIT recently carried out an extensive study on it, and the findings were presented with VidMob in a film at Cannes Lions 2021). What's behind that phrase is the data and analytics that go into understanding how creative is resonating with audiences. **Its value lies in using it to optimize creative, and that end result is what we call 'Intelligent Creative'.**

Creative intelligence allows marketers to take a more granular approach to analyzing individual ads and helps them understand how individual elements of design or audio impact outcomes.

They may discover, for example, that featuring a product demo in the opening scene drives a clickthrough-rate twice as high as when it's shown at the end. Or, they may find that a certain wallpaper pattern in the background, or the direction of a model's glance, leads to a significant lift in three second view-through rates.

At the end of 2020, VidMob analyzed over 8,000 e-commerce holiday creatives that ran on Facebook and Instagram, a combined 1.7 billion impressions. This analysis revealed insights about the ad copy that made tangible differences to online purchase rates.

These insights don't necessarily apply to all creatives. Outcomes will vary according to brand, product, audience, platform, context, and market. For instance, an actor's gaze may be engaging in some cultures but perceived as aggressive and off-putting in others. A color scheme that drove results one week may not the next.

Only by continually analyzing how individual creatives perform in specific environments and markets can marketers really understand the why behind ad performance.

Eye Gaze

KPIs ▲

2.3x
View Through Rate

Leading with text – In the case of the e-commerce ads, delivering on-screen text in the first three seconds resulted in **46% higher purchase conversions.**

Word choice matters – Using the word 'shop' in the call-to-action resulted in a purchase **rate five times higher** than with 'get' or 'find.'

How Creative Intelligence Can Become Intelligent Creative

Of course, data-informed insights without action don't drive performance. **Marketers need to act on insights delivered by Intelligent Creative to make their advertising drive better results, and measure performance over time to ensure** that they are refreshed to coincide with "ad decay", a result of the lifecycle of any ad unit. The metric that drives performance must be identified to determine the right action, because the marketer's meaningful metrics can range from upper-funnel metrics, such as view-through rates, to ROAS and purchases.

Intelligent Creative is a privacy-conscious way to measure creative performance and improve ad creative to drive outcomes. It leverages an alternative and more effective way to optimize campaigns against specific goals.

To do this, marketers need to delve deeper into areas where they need to address non-compliant creative and enable mid-campaign optimization. VidMob does this through Creative Scoring, which enables marketers to improve creative performance and multiply its brand impact, by ensuring ad creative meets ad platform best practices and is consistent with brand mandatory creative elements. Creative Scoring is often done pre-flight so non-compliant ads can be fine-tuned before media dollars are spent.

Case Studies →
Intelligent Creative in Action

Below are three examples where Intelligent Creative drove creative performance by identifying elements that impacted marketing performance. These insights were used to improve and optimize creative against brand metrics.

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Cervejaria Colorado beer boosts clicks and views on Facebook and Instagram

Cervejaria Colorado is one of the most recognizable craft brewers in Brazil. Before releasing new 'Brasil com S' beer, it wanted to increase social engagement with a minute-long video, "Manifesto," on the brand's site.

VidMob created teaser videos for Facebook and Instagram to drive click-throughs to the full video. It used creative data to identify key insights based on existing creative assets:

Subtle branding, where Colorado's bear logo appeared in the initial frames, increased view-through rates.

Live action and dramatic movements outperformed static creatives.

Visuals of locally-sourced ingredients increased click-through rates 31%, with citrus fruits driving a 37% increase on Instagram in-feed.

Showing a close-up shot of the bottle increased click-through rates 8% on Instagram and Facebook infeed.

Short text overlays, particularly the word 'Brasil', increased click-through rates by 27%.
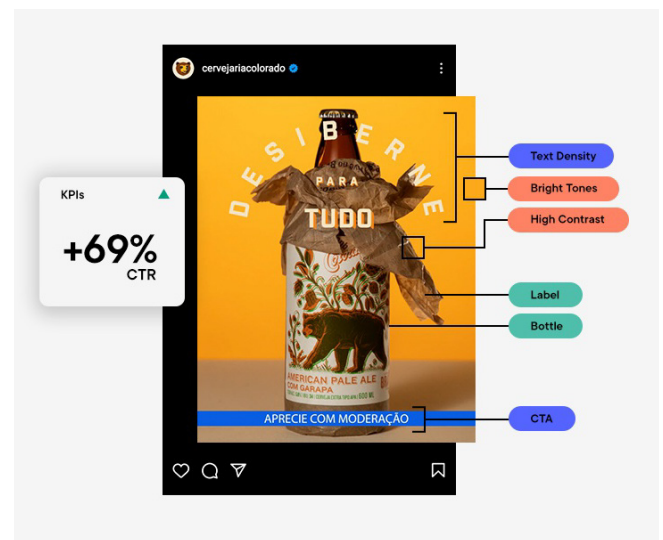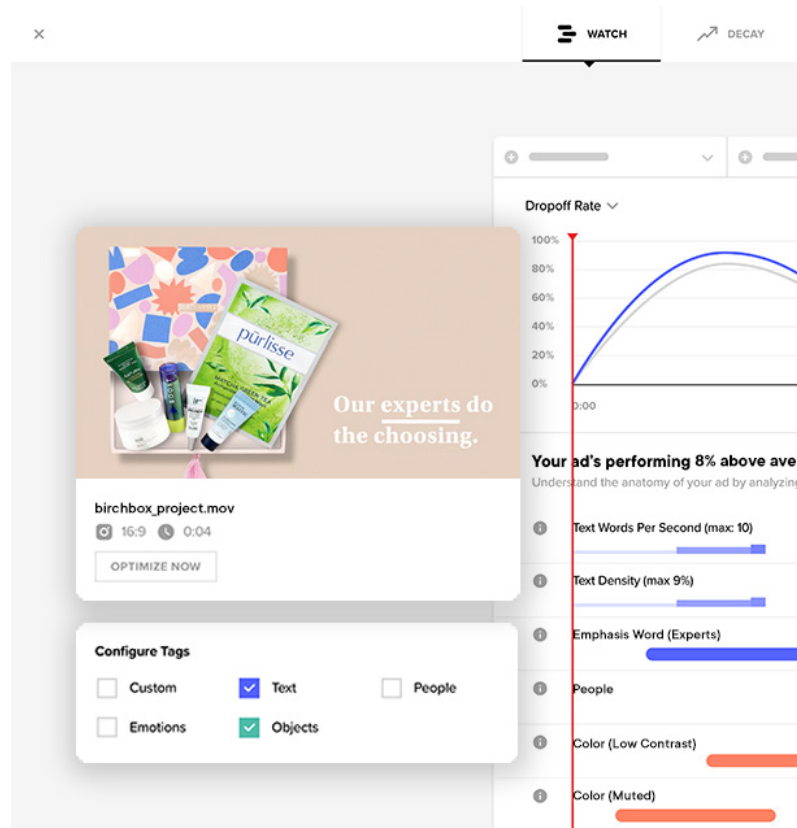

→ Results

The new assets drove **dramatic increases in click-through rate of 69% and view-through rate of 72%,** significantly increasing social engagement with 'Manifesto.'

Birchbox increases conversion value by 17% on YouTube

The beauty box subscription service <u>Birchbox</u> offers products tailored to individual needs. The brand aimed to encourage casual shoppers to subscribe by increasing brand awareness and conversions on YouTube.

VidMob analyzed Birchbox's previous creative performance on YouTube and used creative data to identify elements impacting past performance. The findings:

1   Displaying Birchbox packaging before the product generated higher conversion rates.

2   Video assets required a clear and concise call to action.

3   Branding needed to be in the first five seconds to drive recall, or later to drive awareness and consideration.

→ **Results**

Three new videos optimized for YouTube incorporated these findings, **resulting in a 17% increase in conversion value and an 86% reduction in cost per action**, a dramatic impact on ROI.

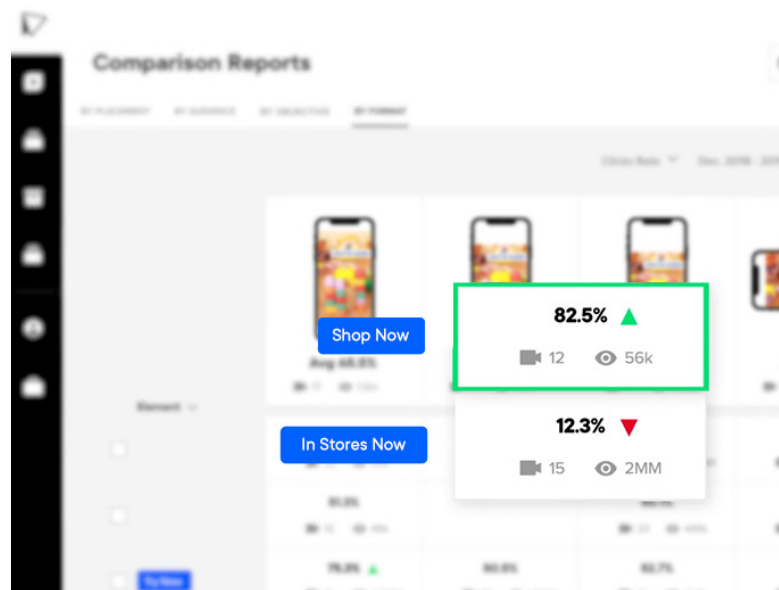# Discount School Supply gains 32% lift in ROAS on Facebook

Discount School Supply offers high-quality, affordable school supplies. It wanted to optimize 'business-asusual' creative to increase return on ad spend (ROAS) on Facebook.

VidMob used creative data to analyze past Facebook ads and identify aspects impacting performance. These included that:

1 Visually busy assets were ineffective, so ads needed less upfront text and background clutter.

2 A full shot of an actor was less effective than creative focussed on his or her hands manipulating art and craft products.

3 Displaying a multitude of products was more effective than focussing on one.

The major shifts in how brands can target consumers are creating challenges across the marketing ecosystem, but opportunities, too. Intelligent Creative is one development that can move the emphasis back to advertising creative, which has sometimes been put on the back-burner compared with media selection. Now more than ever, marketers have to prove their results; creative is the next frontier to achieve this.

⟶ **Results**

Discount School Supply's existing assets were optimized to produce new creatives, resulting in **a 32% lift in ROAS and an 8% lower cost per purchase.**

About the Author

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Andrea Ward is Chief Marketing Officer at VidMob, an Intelligent Creative technology company that provides the fastest path to creative that works.

Why VidMob?

The world's leading platform for Intelligent Creative, VidMob offers an end-to-end solution to help brands improve their marketing results by unifying creative and data. As the only company in the world to receive a Certified Creative Marketing Partner badge from every major social and digital platform, our access to creative data is unparalleled.

A portion of every dollar VidMob receives is used to fund pro bono creative services for nonprofits through its 501(c)(3) VidMob Gives. Learn more about VidMob at **vidmob.com** and VidMob Gives at **vidmob.gives**.

→ See how your ad performance stacks up: **request a demo**