# Four Creative Considerations: eCommerce Holiday Ads



### SUMMARY

2020 thus far has been unlike any other year. The COVID-19 pandemic has affected every household. With the holiday season around the corner, advertisers need to optimize brand messaging to drive sales in these truly unprecedented times. E-commerce sales have already jumped nearly 40% in the second quarter of 2020<sup>1</sup>, as consumer spending has increased steadily within online channels, leading brands to start planning for strong digital campaigns for the holidays.

While the nation's retail industry has been at a standstill for months, the personal savings rate hit an all-time high of 33% in April 2020<sup>2</sup>, indicating that consumers may be ready to indulge in spending.

This holiday season is shaping up to be one of the most pivotal moments in e-commerce history, so how can brands be prepared to take advantage?

#### SUMMARY / CONTINUED

For this analysis, VidMob examined different messaging tactics used by retail & e-commerce brands on Facebook, Instagram, Facebook Messenger, and Facebook Audience Network during the 2018 and 2019 holiday seasons. We analyzed a total of 8,366 ads across 35 retail and e-commerce brands (49% Apparel, 26% CPG, 14% Other) that ran in the US in Q4 2018 and Q4 2019.

Using online purchase rate as the performance indicator, we found:

- Video ads drove higher sales than static ads:
  Video yielded a 48% higher purchase rate vs static.
- Optimal video ad duration was 10-15 seconds: 10-15 second video drove 148% higher purchase rate vs ads that were 5 seconds and under.
- Leading with text was best:

  When copy was present in the first 3 seconds of an ad, purchase conversion was 46% higher.
- Word choice mattered especially with the call to action:
  Using "Shop" as a CTA had a 5x higher purchase rate than "Get" and "Find".

These findings hold true in 2020, even as marketers shift strategies due to COVID-19. When we ran the analysis from March 15, 2020 to September 15, 2020, we found that videos are driving higher sales than static ads, 10-15s videos continue to be the optimal range to drive purchases, and leading with text is best, the latter even more so in 2020.

#### METHODOLOGY

VidMob analyzed a total of 8,366 ads, which generated over 28,000 computer vision tags, across 35 retail and e-commerce brands. Ads ran on Facebook, Instagram, Facebook Messenger, and Facebook Audience Network ("Facebook properties") during Q4 2018 and Q4 2019. The goal was to understand the most successful messaging tactics within the retail and e-commerce space. Ads analyzed covered a combined **1.67 billion impressions**.

| <b>8,366</b> | <b>35</b> | <b>1.67B</b> | <b>429</b> |
|--------------|-----------|--------------|------------|
| Ads          | Brands    | Impressions  | Campaigns  |
|              |           |              |            |

This study includes 429 paid campaigns from an array of US retail and e-commerce advertisers and success was determined using online purchase rate. Purchase rate is defined as the percentage of viewers who complete an online purchase within the 28-day click, 1-day view attribution window of the ad. Purchases include both on-Facebook purchases and off-site purchases (enabled via the Facebook Pixel). Moreover, the campaigns and ads in this study include only those bought against the objective "Conversions" within Facebook Ads Manager in order to ensure that the data sample was e-commerce driven. All insights are statistically significant at 90% confidence.

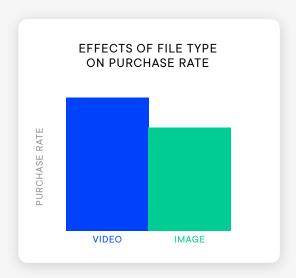
Analyses were conducted using VidMob's Al-powered Creative Intelligence™. VidMob's technology applies computer vision, optical character recognition, and machine learning to tag virtually every visual attribute a viewer encounters in an ad. This data set is then combined with real-time, cross-platform performance metrics to yield deeper insights about the impact the creative's visuals—such as objects, shapes, words, sentiments, colors, logos—have on view duration, purchases, and other consumer actions. To date, VidMob has tagged over 1.3 billion visual elements across ads that generated more than 1.9 trillion impressions.

#### DETAILED FINDINGS

# 1

## **Video Ads vs Static Ads**

When comparing static and videos ads, we found that video ads on Facebook properties drove a 48% higher online purchase rate compared to static ads. Despite the benefits of video, advertisers were 54% more likely to run a static ad than a video ad on Facebook properties during the 2018 and 2019 holiday seasons, likely due to the increased cost of producing and buying video ads.



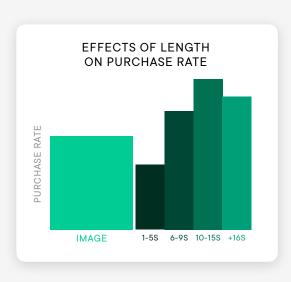
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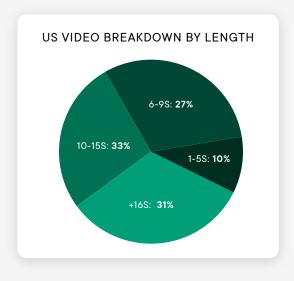
## **Short Ads vs Long Ads**

Duration often fluctuates depending on the number of messages, as well as the type of messages, being conveyed in an ad. Using data to inform this decision allows advertisers to intentionally position each message in their ad.

Video ads on Facebook properties that were 10 to 15 seconds in duration had a purchase rate 19% higher than the overall average, 184% higher than the lowest-performing duration, 1 to 5 seconds, and 12% higher than 16+ seconds videos.

Ads lasting 10 to 15 seconds generally have enough time to convey key messaging but are short enough to still be effective in a social environment. This length was the most common across industries and accounted for 33% of all video ads on Facebook properties.

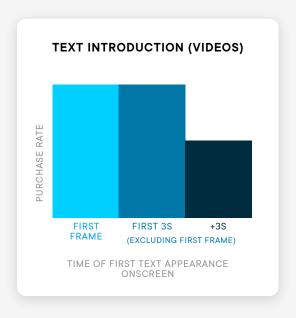




# 3

# **Opening with Text on Screen**

Advertisers focus on the importance of the first 3 seconds of a video to capture viewers' increasingly short attention spans. We found that leading with text on-screen was a successful tactic for driving conversions on Facebook properties during the 2018 and 2019 holiday seasons. Whether that was text in the first frame or text within the first 3 seconds, leading with text **drove online purchases by 46**% over ads that did not lead with text.



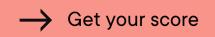
# 4

# **Call-to-Action Copy**

Direct response ads must tell consumers what to do next. Messaging choices are endless so we investigated which words have the greatest impact on purchase conversion. Looking at CTAs present in the first 3 seconds of a video (to control for viewer drop off), we found that displaying the word "Shop" as a call-to-action had an average purchase rate of almost **5x higher** than using "Get" or "Find."



Does your video Ad's duration, text, and messaging fit with platform best practices? Use our Mobile Fitness Score Generator to find out.

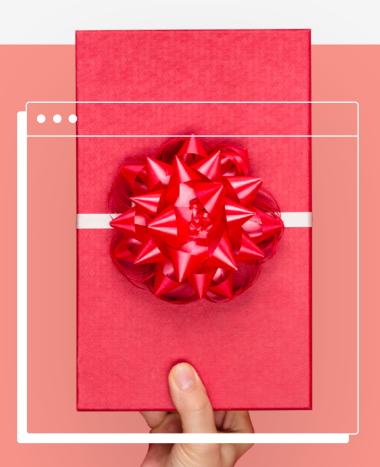


#### TAKEAWAY

## How to Use This Data to Improve Your Holiday Creative

This report offers insights about the effectiveness of creative attributes as observed by a large sample of ads published within the Facebook ecosystem during the 2018 and 2019 holiday seasons.

You can use these findings directionally when deciding what type of creative to produce and types of CTAs to test. However, what worked for the ads analyzed in this study may not work for all campaigns. Every brand campaign has unique characteristics. It is often the small details—like word choice, logo size, color choice—that determines if a consumer will engage with an ad. These details produce different results from one platform to the next.



Creative is the #1 driver of campaign success.

Make sure your holiday campaigns are powered by Creative Intelligence.

If you want to receive custom creative analysis, identify performance trends, and produce data-informed ads for every digital and social platform contact us at:



support@vidmob.com

#### ABOUT VIDMOB

VidMob is a creative performance platform that provides an end-to-end solution to help brands improve their marketing results with intelligent creative. VidMob is the only company in the world to receive a certified creative marketing partner badge from every major social and digital platform.

A portion of every dollar VidMob receives is used to fund pro bono creative services for non-profits through its 501(c)(3) VidMob Gives. Most recently, the company was included in Inc. magazine's annual list of the Best Workplaces for 2020 and VidMob received the 2020 Creative Intelligence Technology Innovation Award from Frost & Sullivan. Learn more about VidMob at <a href="https://www.vidmob.com">www.vidmob.com</a> and VidMob Gives at <a href="https://widmob.gives">vidmob.gives</a>.

