

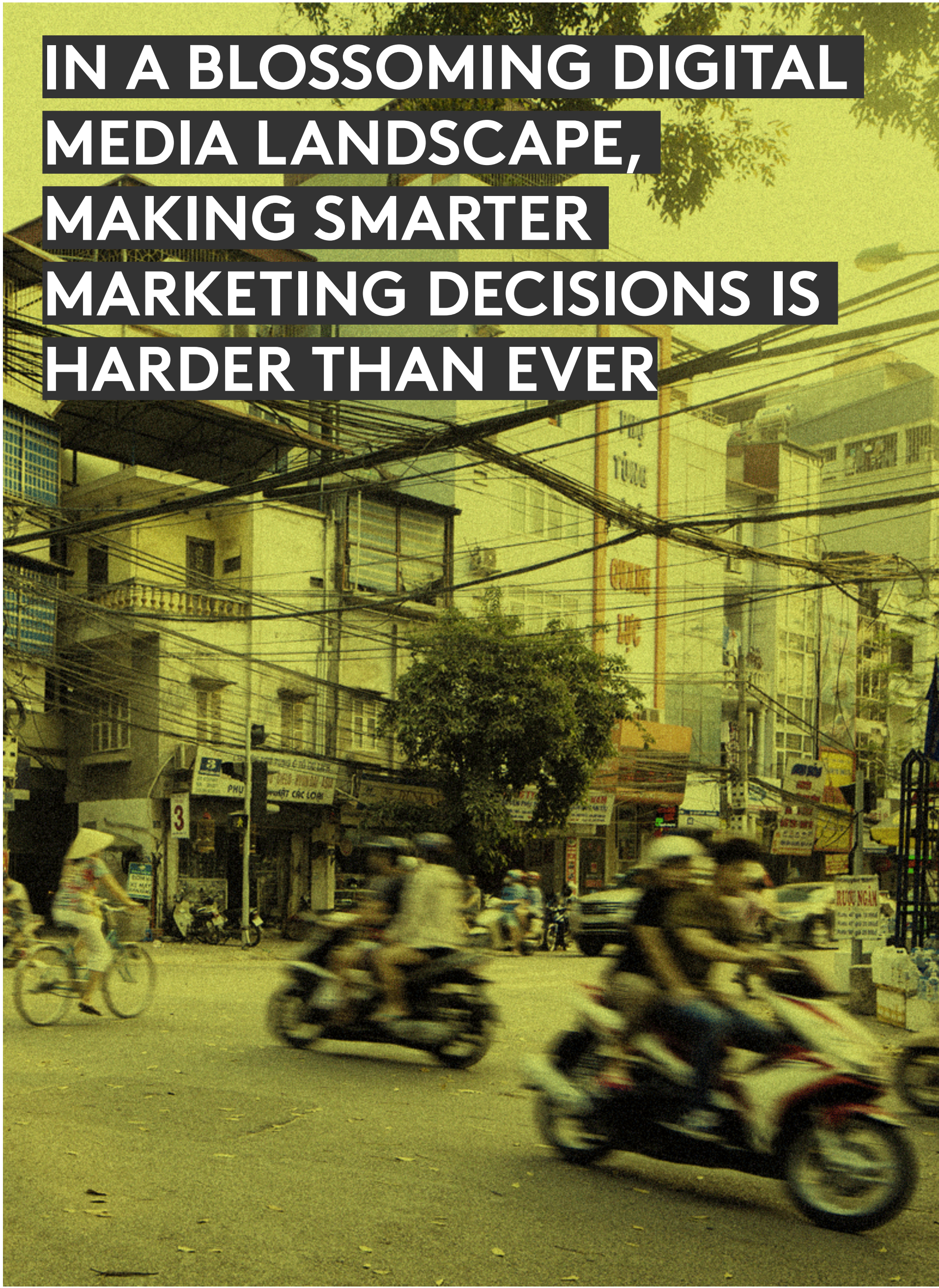
THE ROLE OF YOUTUBE IN BRAND BUILDING



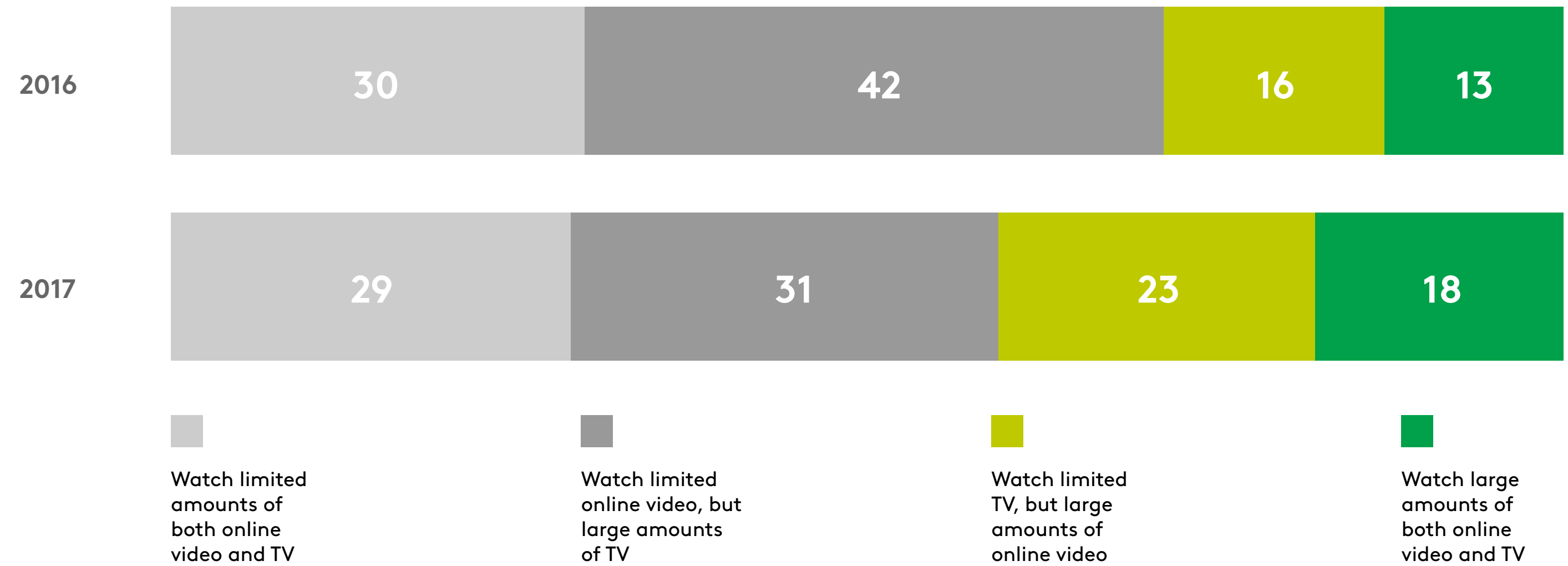
SOUTHEAST ASIA REPORT
OCTOBER 2018

KANTAR MILWARDBROWN

IN A BLOSSOMING DIGITAL MEDIA LANDSCAPE, MAKING SMARTER MARKETING DECISIONS IS HARDER THAN EVER



SOUTHEAST ASIA AVERAGE: AMOUNT OF TIME SPENT ON VIDEO PLATFORMS



With the continuing proliferation of media across Southeast Asia (SEA), the decisions that a marketer needs to make are becoming ever more difficult and needs even better sources of credible information when it comes to how to reach and engage with a changing audience.

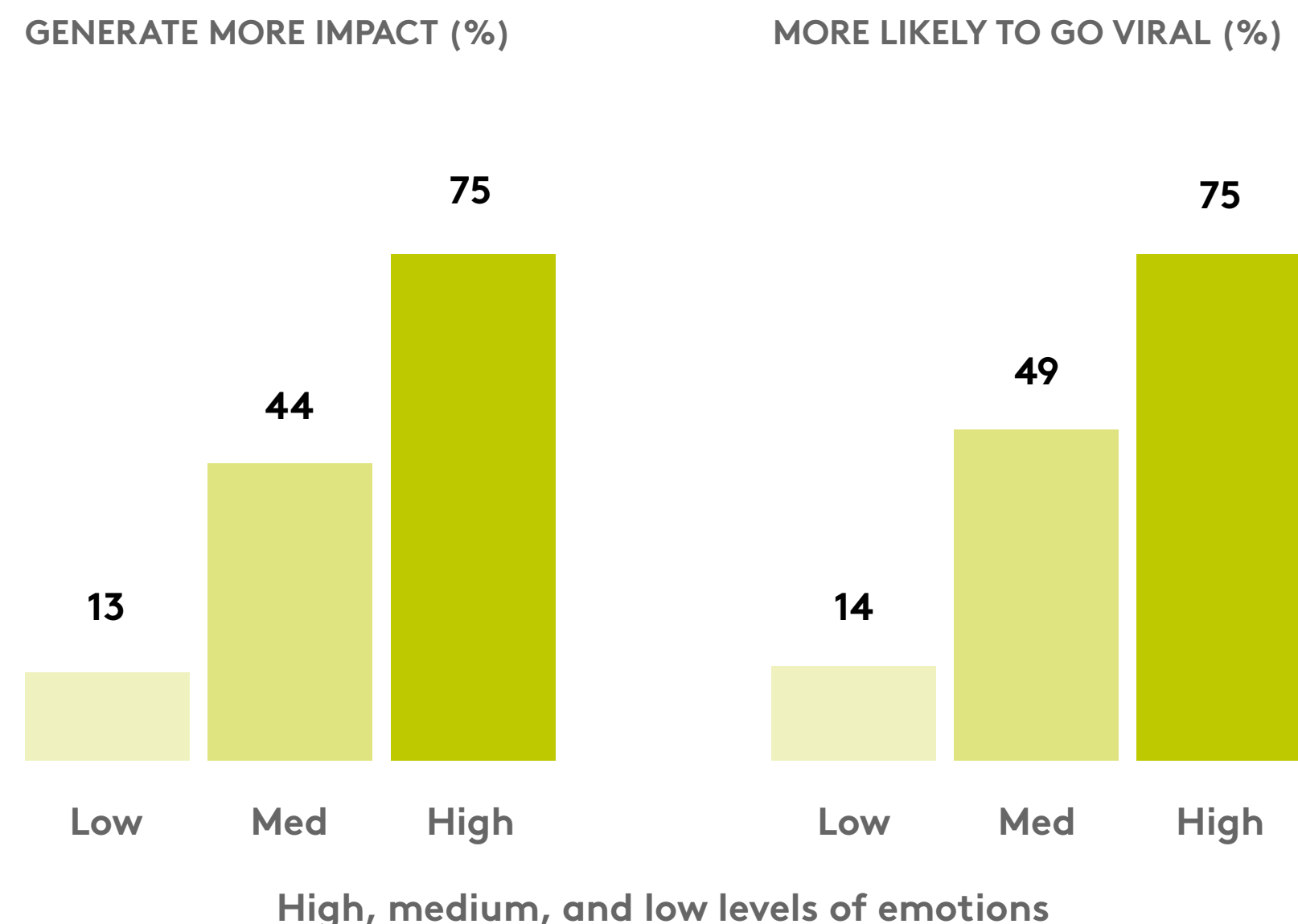
In the face of this change, marketers need sources of credible, empirical information and evidence to make smarter and better-informed planning and budget decisions that will lead to greater success for their brands and businesses.

One immediate opportunity for marketers to consider is the growing consumption of video content online in comparison to TV which has remained a firm staple of media plans in this region, even until today.

Across SEA in 2016, only 29% of consumers claimed they watched large amounts of online video but limited amounts of TV. In 2017, the picture had already changed quite dramatically, with 41% now claiming as such.¹

Video ads are also continuing to play a bigger role in brand building, given their capacity to evoke strong emotions

ADS THAT EVOKE STRONG EMOTIONS GENERATE HIGHER IMPACT



As video ads continue to play a growing role in the landscape, it is also key for marketers to acknowledge their potential as a medium through which to engage more effectively with audiences.

Video has great capacity - via audio and visual cues - to tell fuller stories that can evoke strong emotions and connect with audiences. We know that ads that evoke strong emotions do generate significantly higher impact, and are more likely to go viral than those considered to have lower emotional connection.²

So, it seems that the increasing viewership of online video, combined with a strong potential and capability for this medium to engage and drive positive brand impact, really does present some interesting possibilities for advertisers to explore. First though, more understanding is needed to inform the decisions that advertisers should take to capitalise on this opportunity.

With this question in mind, Google has asked Kantar Millward Brown - with its deep and broad experience of digital

and traditional media effectiveness - to further investigate the respective and complementary roles of TV video and online video in SEA, with an ultimate view of helping advertisers understand how best to leverage these media, to actively support brand building in the region in a more efficient and impactful way.

The main source for this investigation is Kantar Millward Brown's proprietary CrossMedia campaign database. It contains 42 multimedia campaigns, with an average of four channels, airing between 2015 and 2018. Ads were analysed across Indonesia, Thailand, Malaysia, Philippines, Vietnam and Singapore. Whilst the majority of campaigns were for various CPG categories, the database also covers finance, telcos and electronics.

Among the campaigns analysed, in almost all cases TV and YouTube were the only channels focusing on video ads exclusively.

Across these campaigns, the share of total investment was 46% on TV, with the largest online video contributor being YouTube, with 10% share of spend. In order to present empirical findings showing robust relativities between TV and online video, the basis of this

paper is confined to findings of these two largest video contributors; TV and YouTube.

The paper also looks at those aspects of media effectiveness that are critical from a cross media standpoint. There are three key areas which will bring the best returns to marketers and their brands should they be optimised. These are:

REACH

Building absolute and incremental reach with YouTube and TV

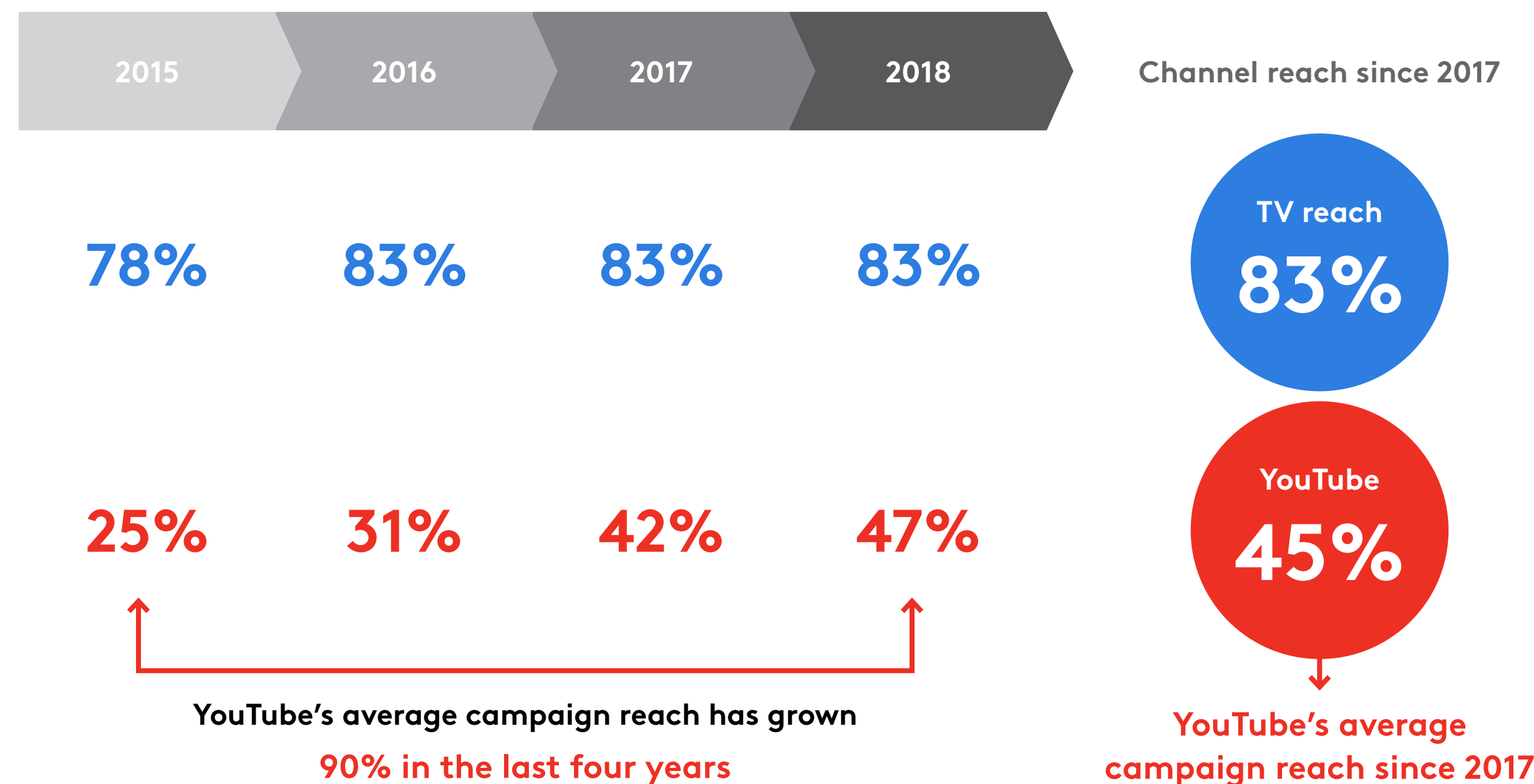
BRAND IMPACT

Building brand impact with YouTube in terms of Awareness, Association, Motivation

CAMPAIGN SYNERGY

Building stronger campaign synergy between TV and YouTube

REACH FARTHER WITH YOUTUBE



YouTube campaign reach is strengthening across Southeast Asia, while TV reach remains flat - albeit high, and with a majority share of investment

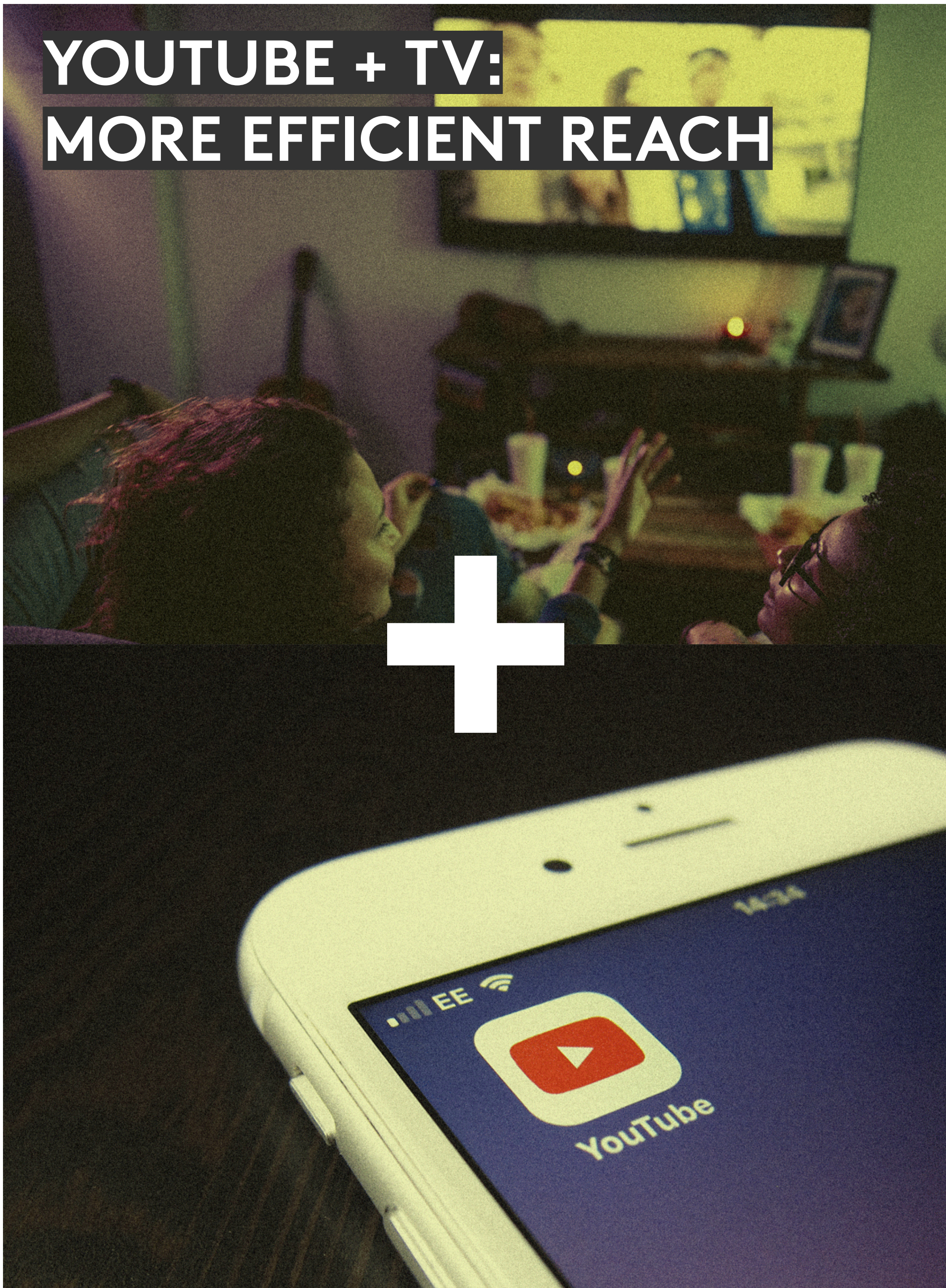
When considering how to build incremental reach in SEA, advertisers can consider TV and YouTube as complementary media, as opposed to individual or mutually exclusive channels.

TV is still a very important medium across this region in terms of reach, with TV campaigns analysed reaching 83% of the audience in 2018. TV's share of investment remains high, increasing from 39% in 2015 to 48% in 2018.

Meanwhile YouTube investment has moved only from 8% in 2015 to 11% in 2018 (amongst the campaigns analysed), yet its relative reach is growing fast.³

The data then show a dramatic increase in YouTube's reach over the past four years. Therefore it is critical for marketers to explore the role that YouTube can play alongside TV, in a complementary media strategy, especially given its relatively high reach compared to its share of investment.

YOUTUBE + TV: MORE EFFICIENT REACH



YouTube is ~2x more efficient than TV at reaching audience with current levels of investment

Even with the current levels of relatively low investment, YouTube is **~2 times more effective than TV** at generating reach with target viewers, a statistic that is bound to give more confidence to advertisers when making investment decisions, regardless of overall budget available.

And of course, efficient reach for online content can be influenced heavily by precise digital targeting strategies, which

only increases the potential power to extend this reach, and engage in more impactful brand building in the region.

In fact, in the case of the 42 SEA campaigns analysed, YouTube has been key in building 7% incremental reach in addition to TV, increasing to 10% incremental reach for those viewers who consider themselves to be light TV viewers.⁴

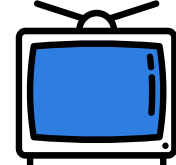

With this in mind, it is important to understand whether the incorporation of YouTube into the digital plan will emphasise existing reach or whether it has the potential to unlock reach to a different viewership, who may or may not be currently watching TV today, and importantly tomorrow and in the future.



incremental reach of YouTube for Light TV viewers

This presents an interesting opportunity to better leverage both platforms together, to extend reach beyond today's norms in a way that maximizes budget and brand planning potential.

CHANNEL REACH EFFICIENCY (CHANNEL REACH / INVESTMENT SHARE) 2015-2018

		
Reach	81%	35%
Investment share	46%	10%
Real efficiency (Average reach / investment)	1.8	3.5

YOUTUBE CURRENTLY UNDERLEVERAGED IN BUILDING BRAND IMPACT



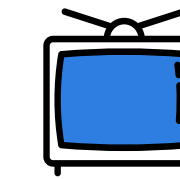
The impact that a campaign has on a brand determines its power to drive the key brand metrics that are linked to success, namely: awareness, association and motivation.

Driving **awareness** ensures that potential customers are conscious of the brand's existence and what it has to offer. It also contributes to saliency, meaning that the brand will be front and centre of mind when a consumer is thinking about the category.

Driving **motivation** helps convert awareness into a likely sale. This involves targeting potential consumers in a purchase mindset with advertising that inspires them to buy.

Asserting **brand associations** - the kind of ideas and values that the brand wishes to be associated with - will enhance positive perceptions of that brand. Association is a longer-term metric that has a halo effect. Although it may or may not impact sales immediately, it is critical in helping drive brand growth and loyalty over time, across channels.

On average, TV still contributes 1/3 of the brand impact, with approximately half of a campaign's share of spend



Share of SPEND

44%



Share of impact AWARENESS

30%



Share of impact ASSOCIATION

31%



Share of impact MOTIVATION

31%

Brands should think about the **brand and campaign objectives** they want to address when determining the balance of investment across media channels, the content they place on them, and the right creatives for these media.

To understand more about the opportunity for brand impact on YouTube, it is important to first look within the context of TV.

Almost half of total share of spend across all media is on TV. Based on the 42 campaigns analysed, **TV contributed almost one third of the impact⁵ on each of the key brand metrics.**

Due to increasingly sophisticated targeting and delivery mechanisms, as well the fact that viewers control the viewing experience, digital is more likely to reach its relevant audience with less effort. TV therefore has to work harder and make more impacts in order to convey the same message. This reality of context makes YouTube even more attractive as a channel in which to potentially brand build efficiently.

YOUTUBE HAS THE POTENTIAL TO DELIVER STRONGER BRAND ROI

YouTube delivers a comparatively stronger brand ROI to TV at current levels of investments

	TV	YouTube	YouTube's ROI compared to TV
Share of SPENDS	44%	10%	
Share of impact AWARENESS	30%	8%	1.3x
Share of impact ASSOCIATION	31%	10%	1.4x
Share of impact MOTIVATION	31%	11%	1.6x

2015-2018 campaigns (n42)

When advertising on proactive viewing platforms such as YouTube, online video ads can afford to be longer and deliver more complex messages to convey emotion more effectively - as opposed to the confines of an on-the-go feed environment, where ads need to be designed for single minded messages.

With only a 10% of share of spend across the campaigns analysed, YouTube asserts a solid share of brand impact at current levels of investment and, even at these share of spend levels, shows capability of returning stronger ROI than TV on brand metrics especially for Association and Motivation.

	2015 to 2016 (base n=25 campaigns)	2017 to 2018 (base n=17 campaigns)
YouTube campaign REACH	28%	45%
Share of impact AWARENESS	8%	11%
Share of impact ASSOCIATION	8%	12%
Share of impact MOTIVATION	9%	15%

Where Reach has been stronger in recent 2017-2018 campaigns, YouTube's brand impact has also been encouraging, inferring that more recent campaigns have been more effective not just in terms of the potential to reach viewers but also in terms of involvement - and meeting brand strategic objectives with the appropriate content.

A single exposure on YouTube delivered 2 times the impact as compared to a single TV exposure.

	TV	YouTube	YouTube's impact per exposure compared to TV
Average SHARE	32	5	
Share of impact AWARENESS	30%	8%	1.9x
Share of impact ASSOCIATION	31%	10%	2.1x
Share of impact MOTIVATION	31%	11%	2.3x

Part of TV's relative inefficiency is linked to the higher frequency it needs to convey the message. This can be most clearly seen when we analyse and compare relative brand contribution from TV frequency versus YouTube frequency of exposure. Here we see that one exposure on YouTube gives twice the impact as compared to TV. In the campaigns analysed, TV had an average frequency of 32 and YouTube only 5 - so there is most certainly room for optimisation and greater balance between the two channels.

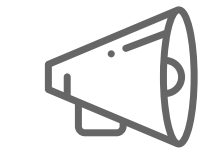
FREQUENCY AND FLIGHTING LENGTH COUNT

Continued plan campaigns of eight weeks or more on YouTube show higher brand impact than shorter plans.

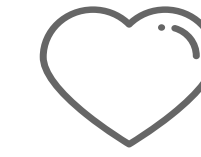
Amongst the campaigns analysed, there is comparatively higher uplift for all measures of impact if the campaign runs for eight weeks or more, compared to shorter campaigns, particularly in terms of driving motivation to buy.

For all key impact metrics, more than one exposure on average per week is needed through YouTube to deliver higher impact.⁶

YOUTUBE SHARE OF IMPACT



Create
AWARENESS



Build
ASSOCIATIONS



Drive
MOTIVATION

Campaign length

7 weeks or less
(base n=20 campaigns)

7%

8%

5%

8 weeks or more
(base n=14 campaigns)

11%

11%

14%

Additional impact
with higher campaign
length

+4%

+3%

+9%

Weekly exposure

Create
AWARENESS

Build
ASSOCIATIONS

Drive
MOTIVATION

Less than ~1 per week
(base n=23 campaigns)

8%

10%

6%

More than ~1 per week
(base n=11 campaigns)

10%

13%

10%

Additional impact
with higher weekly
exposure

+2%

+3%

+4%



PURPOSEFUL TV AND YOUTUBE CAMPAIGN SYNERGY PROVIDES BEST OPPORTUNITY FOR INCREMENTAL IMPACT

The SEA campaign analysis reveals that marketers could be better leveraging YouTube, alongside TV, to drive both greater incremental impact as well as take advantage of greater efficiencies available.

Synergistic effects are effects that would not happen if people had just been exposed to either TV or YouTube individually, and so present an opportunity to encourage campaigns to deliver to a sum greater than the parts.

However, the opportunity for synergies is dependent on two key considerations:

Channel reach overlap

Ensure people see ads on both the platforms

Creative synergy

Connect the same message across platforms to amplify the impact

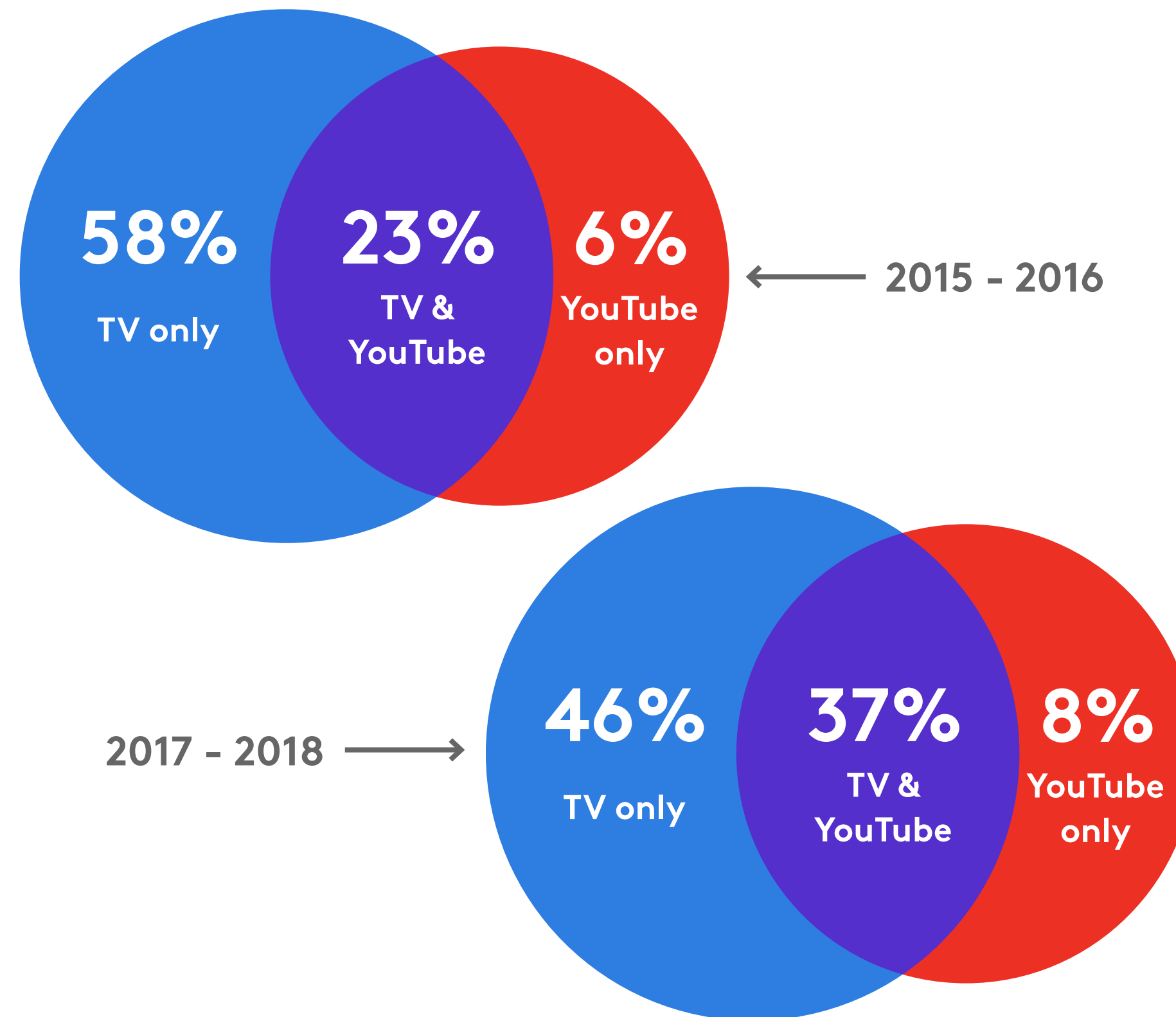
BETTER LEVERAGE CHANNEL REACH OVERLAP WITH TV PLUS YOUTUBE

YouTube continues to provide higher reach and higher incremental reach over TV, and its overlap with TV is also increasing.

In the 2017-2018 campaigns, reach from 'TV-Only' reduced to 46%, from a high of 58% in 2015-2016. Reach overlap between TV and YouTube in the same period has grown by 23% to 37%, and 'YouTube-Only' incremental reach has extended from 6% to 8%.⁷

This analysis reveals that it does not make good marketing sense to focus on any one single medium, nor to spend low on what might be a more efficient medium - such as YouTube - in order to achieve optimum reach.

Based on the analysis, the optimal planning scenario is for optimised TV **plus** YouTube synergies.



40%+
Reach



1 exposure
at least per week for
optimal frequency



**Equal weeks
on air,**
alongside TV to
provide maximum
campaign coverage

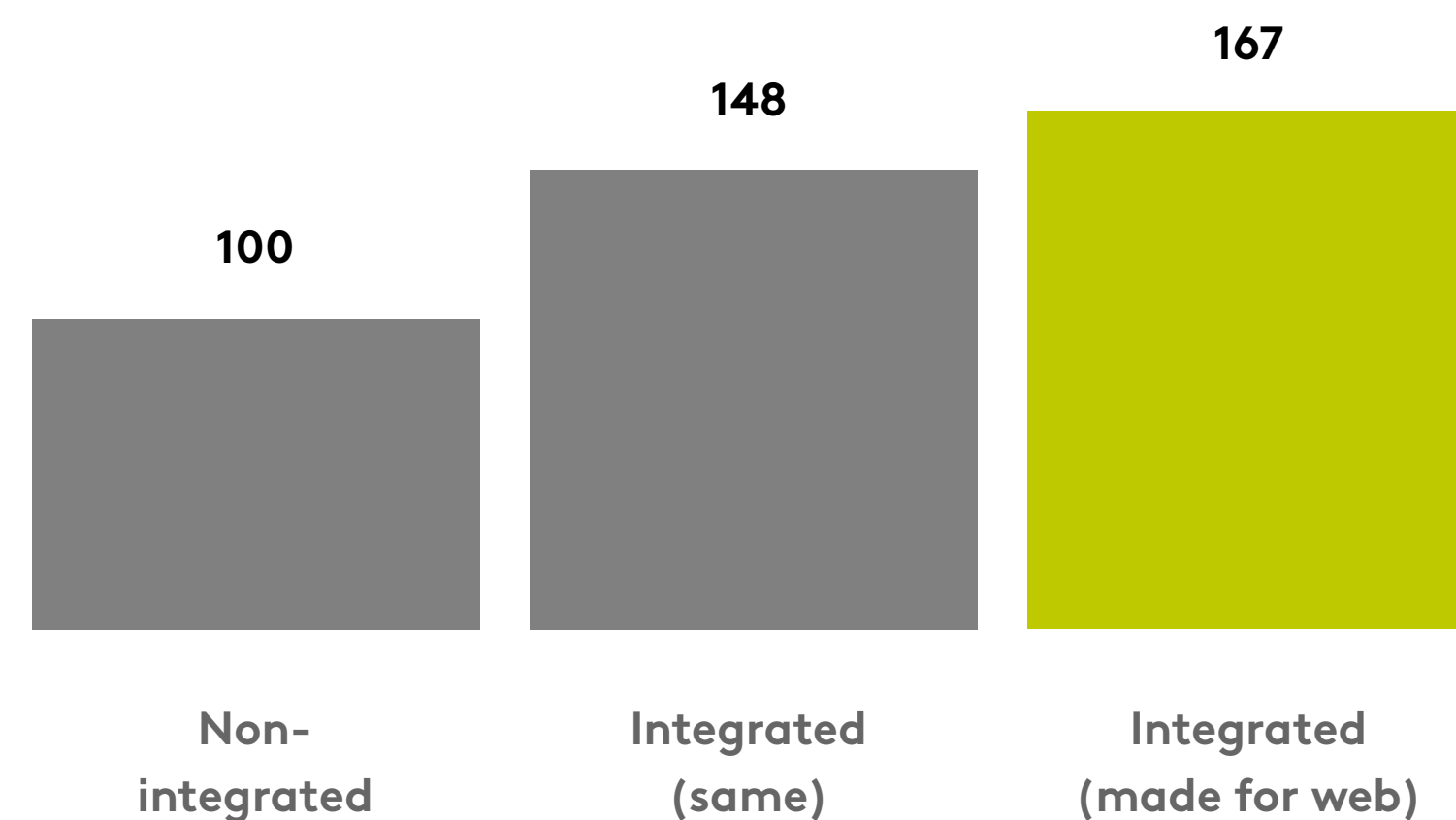
OPTIMISE CREATIVE SYNERGY WITH MEDIA-APPROPRIATE CONTENT

Whilst it is important to encourage more balanced media planning for positive impact on the brand, it will only really pay off if the quality of the creative idea and execution is optimised for both campaign synergy and for that medium. This means that the same message needs to be clearly communicated across platforms, in order to amplify potential for incremental gains.

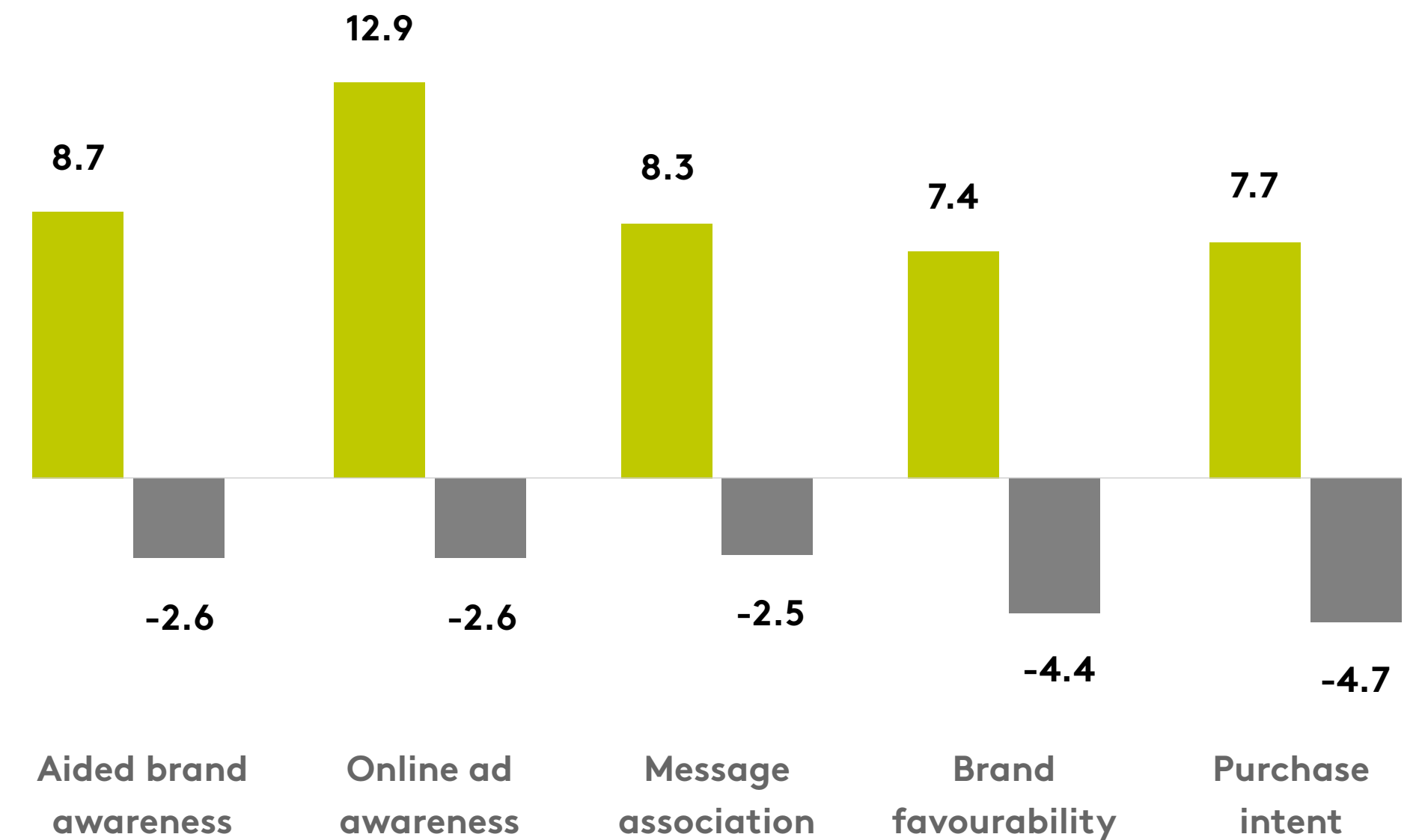
In fact, our analysis shows that well-integrated campaigns with customised creative leads to an impressive increase of +67%⁸ on Brand ROI over non-integrated campaigns. That's a lot of additional ROI to be rewarded with at the price of good upfront planning and creative discipline.

Creative synergy amplifies brand campaign impact by +67%

Brand ROI by platform / combination



Impact on brand measures¹⁰



Integrated campaigns that are not purposefully adapted for online media also see a strong lift, but not at an optimal level and non-integrated campaigns are not efficient at all.

In conclusion, if there is no strong campaign creative that is well integrated across media, then the media mix will almost certainly be unable to reach its potential.

The role of good planning and creative optimisation then cannot be underestimated when building

synergistic campaigns, and poorly performing creatives can actually have a detrimental impact on the brand.⁹

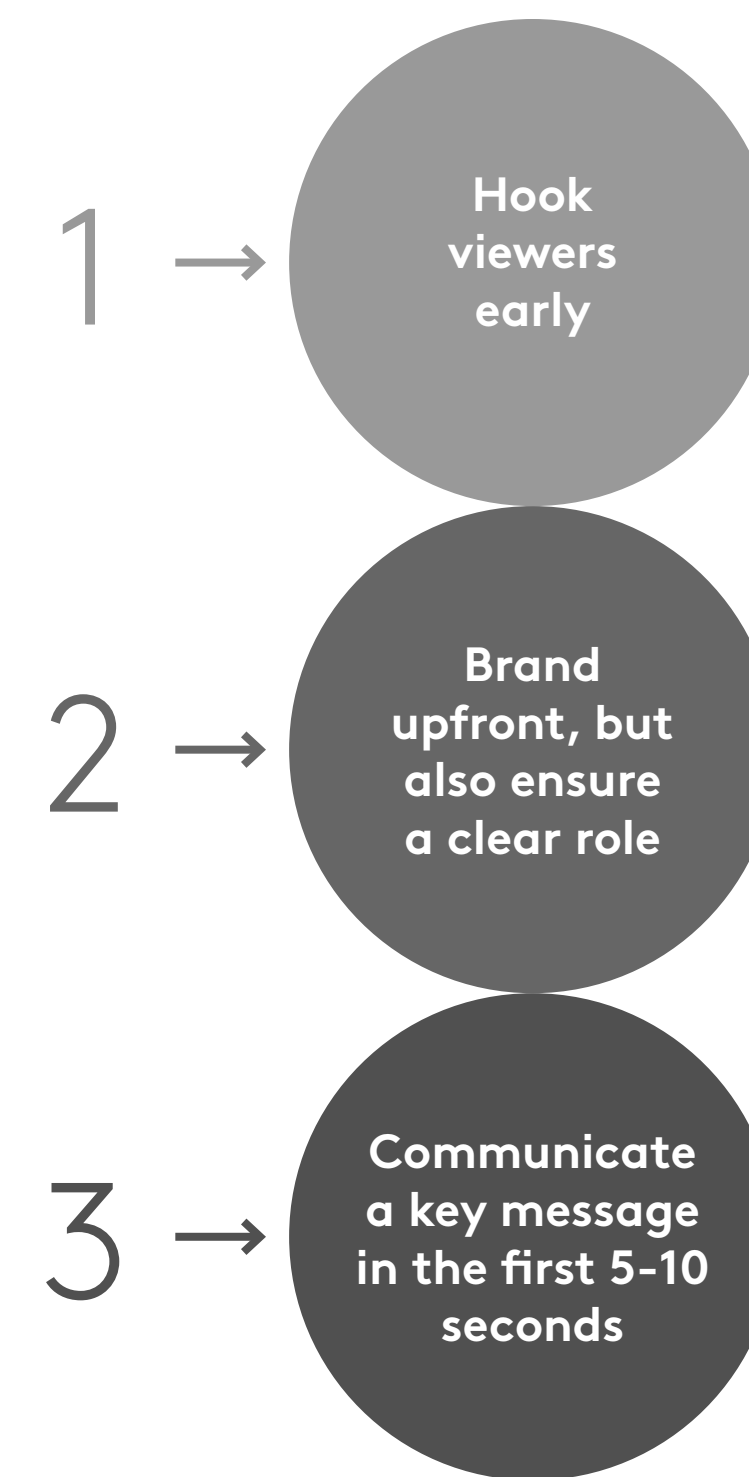
In fact, all key brand metrics are influenced negatively when the creative quality is not optimal, particularly those related to favourability and purchase motivation. On the other hand, the brand is elevated in all aspects when it has a strong creative to support.

TELL YOUR STORY IN THE MOST APPROPRIATE AD FORMAT GIVEN THE BRAND OBJECTIVE

Of course campaign integration is easy to talk about in principle, but getting the media format right for the particular job that the advertising has been created to do also requires some purposeful thought.

The beauty of YouTube is that it lends itself to a full range of options for length of creative, and each of them can play a focused and specific role in amplifying the impact of any integrated campaign against brand objectives.

Three key 'rules of engagement' remain critical however, regardless of type of ad length ultimately employed:



With the viewer having ultimate control over whether they choose to watch content, it is absolutely critical that these rules are followed, for greater chance of landing positively.

Many people do not want to see online advertising, therefore the first seconds count disproportionately to whether the ad will land successfully or otherwise. We know from research¹¹ that the average time to skip the ad on YouTube is 6.8 seconds (as opposed to Digital platforms generally which is 2.6 seconds, noting that on YouTube you can only skip at the fifth second). It is important then to arouse intrigue early, and ensure that the brand appears early and a key message is communicated to encourage full viewing.

Ultimately, the type and length of video to use rests with the objective that the marketer is aiming to address for the brand.



Storytelling across YouTube ad formats is key



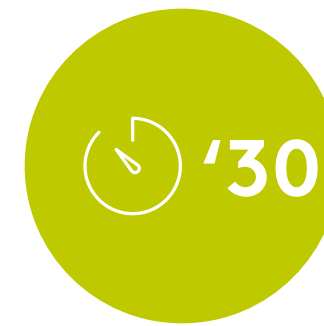
Saliency

- Potential high reach and resonance
- Surprise and delight
- Saliency
- Reinforcement
- Limited messaging



Basic ideas & reminding

- To stretch budget
- Cut downs
- Simple communication needs



Complex messages

- New product
- New campaign or after long hiatus
- Complex or multiple messages
- New variant



As an event

- Developing stories
- For high involvement
- Buzz



As a reward

- Assume low reach/social potential or niche/transient relevance
- Inspiring stories
- For fans who can't get enough
- Immersion

Shorter ads can play a strong role when brand salience or simple messaging needs to be reinforced, or if basic ideas need to be (re)communicated.

Longer form better serves more complex communication where deeper, emotional and/or multiple messaging is required. Objectives such as a new product or variant launch, or if it is a new campaign, would be served better with a full '30 spot.

Fuller length videos should be considered carefully, again dependent on the job they are required to do relative to brand objectives.

Reward-based long form videos that give the viewer ultimate control (they can be skipped or clicked to play) are often preferred, however they give best return with an already engaged audience and are not the best vehicle for gaining incremental reach, for example.

Another example is that '60 ads give freedom to give a platform for developing a storyline and creating engagement, but may not create short term motivation.

Regardless of length, ultimately all aspects must be considered before deciding what best meets objectives, however across the range there will always be a YouTube format to give the best support that the brand needs in that particular moment.

IN CONCLUSION

In conclusion, we have learnt that there are some foundational movements in the SEA media landscape that are revealing some exciting and interesting opportunities for marketers to take advantage of in upcoming planning.

Fundamentally the analysis suggests that YouTube should always be considered as a foundational complement to TV. To optimise ROI, budgets and plans should be set to first meet optimal levels of YouTube Reach for maximum returns, given efficiencies relative to TV, followed then by allocating the remainder of budget to TV and other media.

4

KEY POINTS TO TAKE INTO YOUR NEXT PLANNING SESSION

1

Maximize Reach - Plan for TV plus YouTube

- YouTube has delivered 8% incremental reach over TV across campaigns in 2017-2018
- YT delivers 10% incremental reach amongst light TV viewers

2

Combine YouTube ads with TV across campaigns

- YouTube adds 2x efficient reach compared to TV
- YouTube delivers 1.4x brand ROI compared to TV at current investment levels
- YouTube adds 2x higher impact per exposure compared to TV

3

Plan equal number of weeks on air alongside TV

- 8+ weeks on air delivers ~2x share of brand impact compared to less than 8 weeks

4

Leverage creative synergy to maximise brand campaign impact

- Integrated campaigns with customised creative leads to +67% higher impact
- Choose creative length dependent on complementary brand objective to be addressed

References:

1. Kantar TNS Connected Life: Time spent on activities
2. Kantar Millward Brown Digital Creative Best Practice 2017
3. Kantar Crossmedia Research Studies ASEAN 2015-2018, 42 Campaigns
4. Average Incremental Reach Of Youtube Over Heavy/Medium/Light Tv Viewers
5. Share of Impact, & (Impact ROI = Share of impact / Share of spends)
6. Share of Impact by higher or lower than 0.8 frequency per week;
Frequency per week = avg channel frequency / campaign length on channel
7. Reach overlap between TV and YouTube
8. Kantar Crossmedia Research Studies Asean 2015-2018
9. ARF Ground Truth How advertising works March 2016, Kantar Millward Brown Cross Media Database 2015-2018
10. Figures shown are the average difference between control and exposed group responses and are significant @95% confidence interval
11. Kantar Millward Brown Global Digital Creative Testing Database

Kantar Millward Brown is part of Kantar, WPP's data investment division. We collaborate with a wide network of advertising, research and media agency experts around the world, bringing added value to our clients. We use the latest technologies and innovation to develop flexible solutions marketers need to grow businesses today.

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