

THE TIME FOR A NEW VIDEO AD MODEL IS NOW

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Credit: Leo Patrizi/iStock

Streaming and digital delivery of video content has upended consumer expectations when it comes to their ad experience on linear TV and digital video. With consumers having more ad-free viewing options available, media companies and marketers need to figure out how to make advertising a welcomed part of their experience wherever and however they are viewing content. Today, a huge opportunity exists to improve video ad experiences in a way that pleases viewers and improves the strong ROI that linear and digital video provide. Who is ready to help make the change?

Here's one place to start. In 2016, Turner formed a consortium, the Turner AdLab, to fuel the future of video advertising. While the company had measurable success with initiatives like audience-based targeting and outcomes-based advertising, it also made strides in a less disruptive ad experience through reduced commercial loads and native storytelling. However, it was clear that wide-scale industry transformation and adoption is necessary for true innovation.

"Advertising delivered when wanted, needed, and appreciated."

—Turner AdLab Advisory board credo

The north star of Turner AdLab was and remains today a future where advertising is delivered when wanted, needed, and appreciated. This concept was built around conclusions from the book, "Beyond Advertising: Creating

Value Through All Customer Touchpoints," authored by two advisory board members, Wharton marketing professor Jerry Wind and co-director Catharine Hays, of the Wharton Future of Advertising Program. The AdLab's advisory board was purposely created to ensure a variety of perspectives, and includes executives from media, agencies, marketers and ad tech, as well as academics, researchers and creative directors.

Much of the AdLab's research and studies aim to answer these questions:

- How can we transition from advertising disrupting the viewing experience to enhancing it?
- What data, technology, and choices do we need to leverage and empower our consumers so they feel advertising is more relevant to them?
- Once we solve for these challenges, how do we challenge and change the ingrained behavior that many people use to avoid advertising?

To reach a world where advertising is wanted, needed, and appreciated, a dual focus was established: ad experience and ad effectiveness. And thus, all research conducted by the Turner AdLab falls into one of the following four areas:

Consumer: To develop solutions, we need to better understand consumers and their mindset/receptivity to advertising today. The goal of this research is to establish a framework to create more relevant ad experiences and leverage ad receptivity for more efficient media planning, buying, and selling.

AdAge

Build: The industry has witnessed tremendous innovation in how we frame an advertiser's message. We no longer sell just 15-second or 30-second ads, but also integrated marketing messages and native ads that allow advertisers to own an entire commercial pod to tell their story. We need to better understand new formats, their optimal role in the consumer decision journey, as well as create new advertising formats.

Deliver: Emerging technology is our friend. Companies like You.i allow for amazing new uses of screen real estate that have the potential to transform advertising into an enhancement instead of a disruption. And that coupled with better data means that every day we get closer to true addressability. This research is focused on in-lab and live tests of emerging technology that can evolve advertising capabilities.

Impact: We need to set a new path for audience measurement. But before we can set that path, we need to understand what variables are correlated with advertising success or positive ROI. This research is focused on testing various outcome, media, and brand variables to identify which have the greatest ROI effect. The focus should be on the results of the campaigns, not merely how many consumers were exposed to the message.

Learn By Doing

Next year marks Turner AdLab's third, and the plan is to be more experiential, quick and nimble by applying a "learn by doing" approach. The insights and learnings gathered over the last two years set a strong foundation to focus on two paths for learning by doing for future activities:

Outside In

Turner AdLab will leverage an outside-in lens through the development and launch of a startup program called AdLab Accelerators. The program will identify companies specializing in creative, delivery and targeting breakthroughs.

Inside Out

Turner AdLab will grow on the success of the inside-out approach and continue to develop and research concepts through a "consumer-first" lens. The startups identified through AdLab Accelerators and the concepts stemming from the insights program will be affirmed through consumer testing to verify whether they truly improve the viewer's advertising experience.

As research comes out of the field and is evaluated, the Turner AdLab Advisory Board aims to be as transparent as possible in sharing the research and view of the implications. And while these efforts will lead to some change, we know that more effort is needed across our industry.

Want to help? If you'd like to join the board, partner on research initiatives, or provide new technologies to explore through the Accelerators program, please email: TurnerAdLab@turner.com. Let's start building the future now.

ABOUT ^{turner}ignite

Turner Ignite is focused on reimagining advertising. Powered by unrivaled branded content services, data-rich ad targeting capabilities, first-of-its kind social optimization tools and global distribution, Turner Ignite empowers brands to build more meaningful connections with consumers and drive return on investment at scale. The business unit is backed by Turner's wide-scale audience of diverse fans within its portfolio properties, including leading media brands Adult Swim, Boomerang, Cartoon Network, CNN, Great Big Story, HLN, SuperDeluxe, TBS, TNT, truTV, Bleacher Report and Turner Sports' high-profile coverage of the NBA, Major League Baseball, NCAA Division I Men's Basketball Championship, ELEAGUE, UEFA and professional golf. In addition, the company has digital sales partnerships with the NBA, NCAA and PGA.



AdLab Studies

Here is just a sampling of the work AdLab is doing:

Six unique segments of viewers across the spectrum of "Ad Receptivity."

Segments range from most receptive "Legacy Loyalists" to the least-receptive, "Pay to Avoids."

Eight different emotional need states identified.

States range from "Amplify" to "Unwind/Rebalance."

Ten "Future Forward" trends enumerated.

Examples include the "Radically Real," seeking truth and authenticity, and where consumers curate content to fit their own needs

The "Consumer Data Value Exchange," a list of benefits for which consumers would be willing to trade their data. Learnings include consumers...

1. Preferring better recommendations or a more seamless experience versus just getting "free stuff," and
2. Are OK with sharing platform/usage behaviors or category and brand preferences with companies, but not OK with sharing photos/videos, income or health information

Several insights into viewing behaviors and ad formats found by experimenting with cutting-edge You.i TV technology.

Viewers welcome ad overlaps into their content, but only if it reduces ad loads during breaks; "non-content" moments like menus/guides, loading screens, next-on takeovers, and more are prime branding moments where viewers welcome advertising and it is easily noticed.