

THE
360°
EFFECT

UNDERSTANDING IMMERSIVE VIDEO

M/GNA

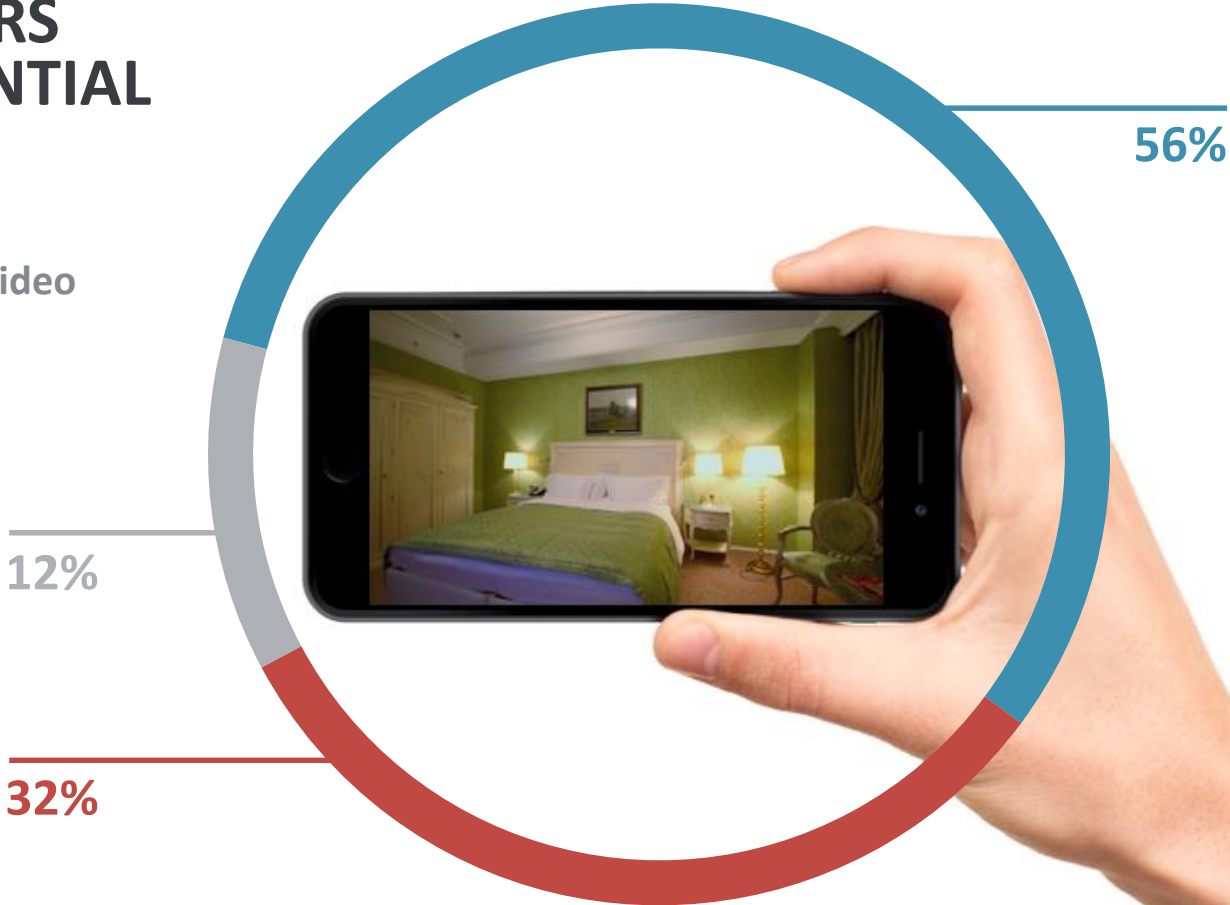
IPG MEDIA LAB

YuMe
by RHYTHMONE

360° VIDEO OFFERS UNTAPPED POTENTIAL FOR MARKETERS

Past Experience with 360° Video

- Yes, I have experienced 360° videos before today
- No, today was the first time
- Not sure



BUT,

**WHAT DO CONSUMERS
THINK ABOUT 360°
MARKETING?**



AND

**HOW SHOULD
MARKETERS
APPROACH 360°?**

METHODOLOGY

1°

Participants recruited from nationally representative online panel across PC, smartphone, and smartphone compatible VR devices (n=2,159)



2°

Initial survey with demographic and media consumption questions



3°

Participants randomized to single test cell and select content to view. Note that VR device owners were instructed to take survey on smartphone and have VR device nearby



4°

Post exposure survey to measure traditional brand metrics and gather qualitative feedback

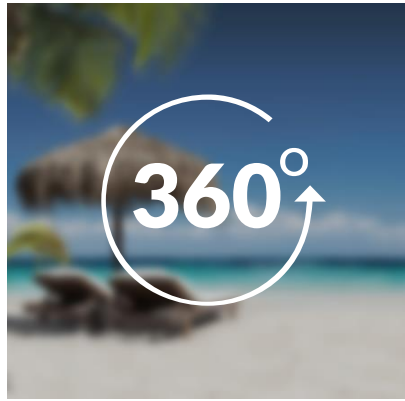


WHAT WE TESTED



CROSS-DEVICE

Testing was conducted on PC, Smartphone, and Smartphone compatible VR devices (Google cardboard, Daydream and other VR devices)



360° BRANDED CONTENT

360° Branded Content for 3 brands in different industry verticals



STANDARD BRANDED CONTENT

Standard Branded Content (non-360°) from each test brand for benchmarking



4 ADDITIONAL STRATEGIES

1. **Ad versions** (:30 version)
2. **Instructional cues**
3. **Contextual Theme:** 360° ad in front of content with similar theme/topic
4. **Contextual Format:** 360° ad in front of 360° content

MAJOR BRANDS ACROSS DIFFERENT INDUSTRY VERTICALS PARTICIPATED

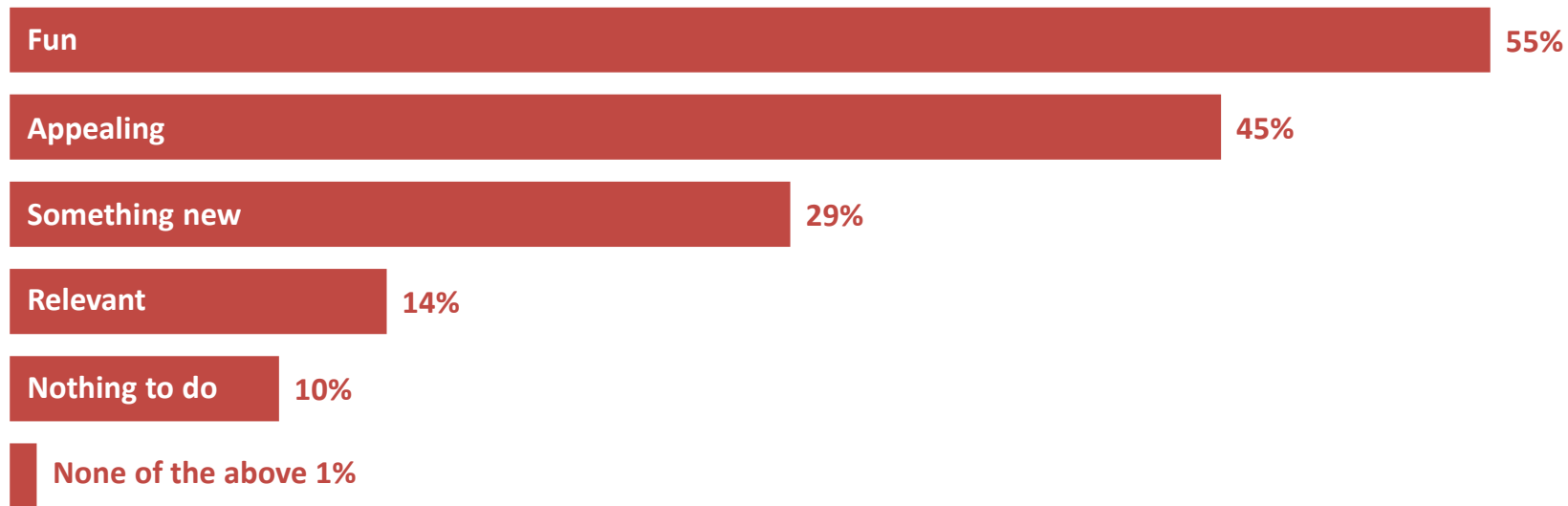




THE CONSUMER^o POV

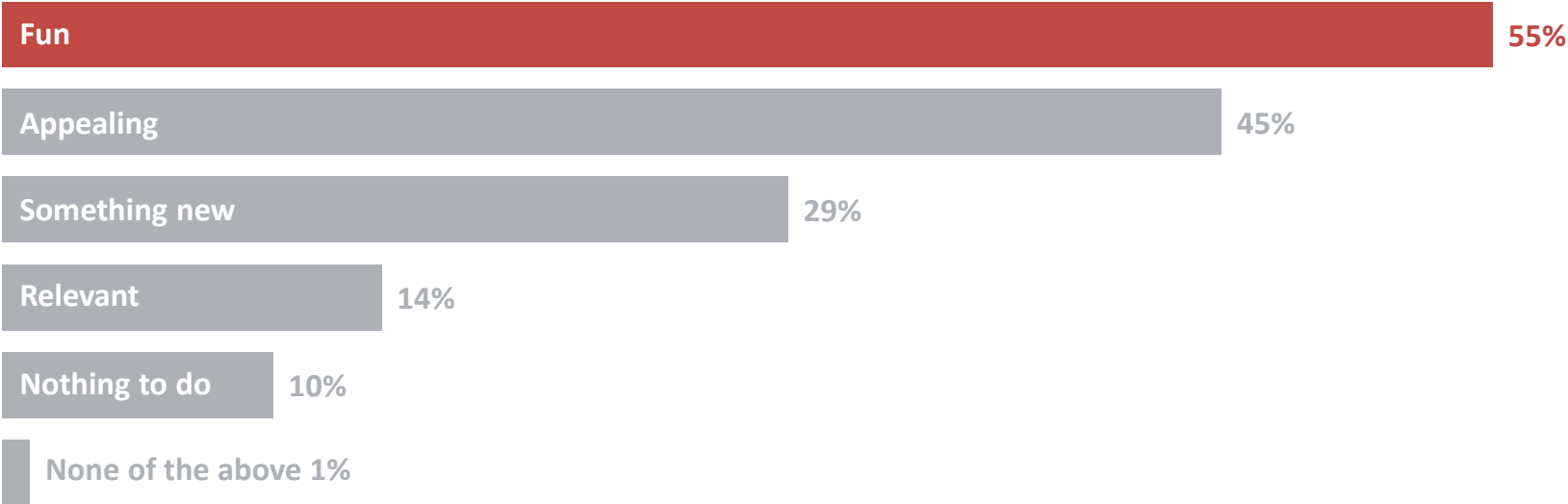
CONSUMERS ARE EXPECTING FUN WITH 360°

Reasons For Engaging With 360° Video



CONSUMERS ARE EXPECTING FUN WITH 360°

Reasons For Engaging With 360° Video

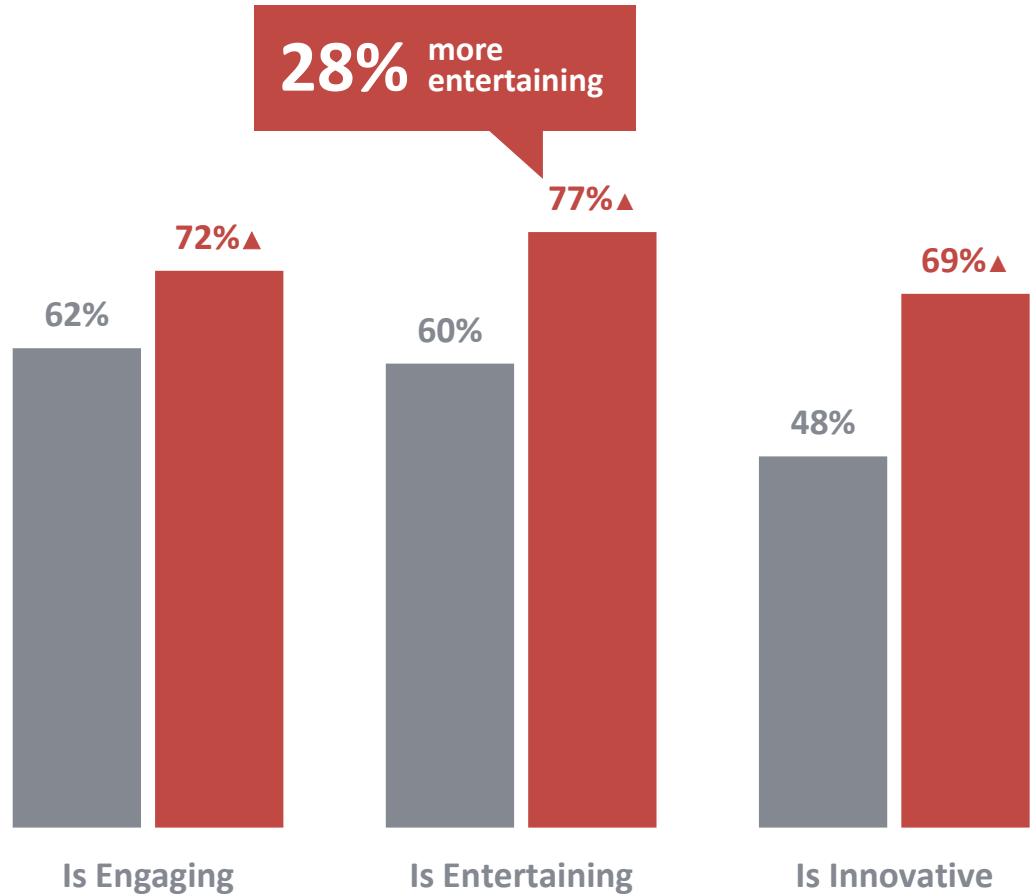


Q: Which of the following statements match your reason(s) for interacting with the 360° video?
Total Who Engaged N=1,420

AND 360° VIDEO DELIVERS!

Opinions of Branded Content

- Standard Branded Content
- 360° Branded Content



CONSUMERS SAW 360° AS INNOVATIVE BECAUSE IT WAS ABLE TO SHOWCASE THE VERSATILITY OF THE BRAND

Innovation Feedback



“IT SHOWED A LOT OF DIFFERENT
OPTIONS FOR THE CRUISE SHIP,
NOT THE SAME EVERYDAY STUFF”

“EVERYTHING THAT IS OFFERED”

“IT SHOWS NEW
AND EXCITING
THINGS TO DO
IN A CRUISE”

“IT SHOWS WHAT THEY
OFFER ABOVE OTHERS
WITH THE 360° VIEW”

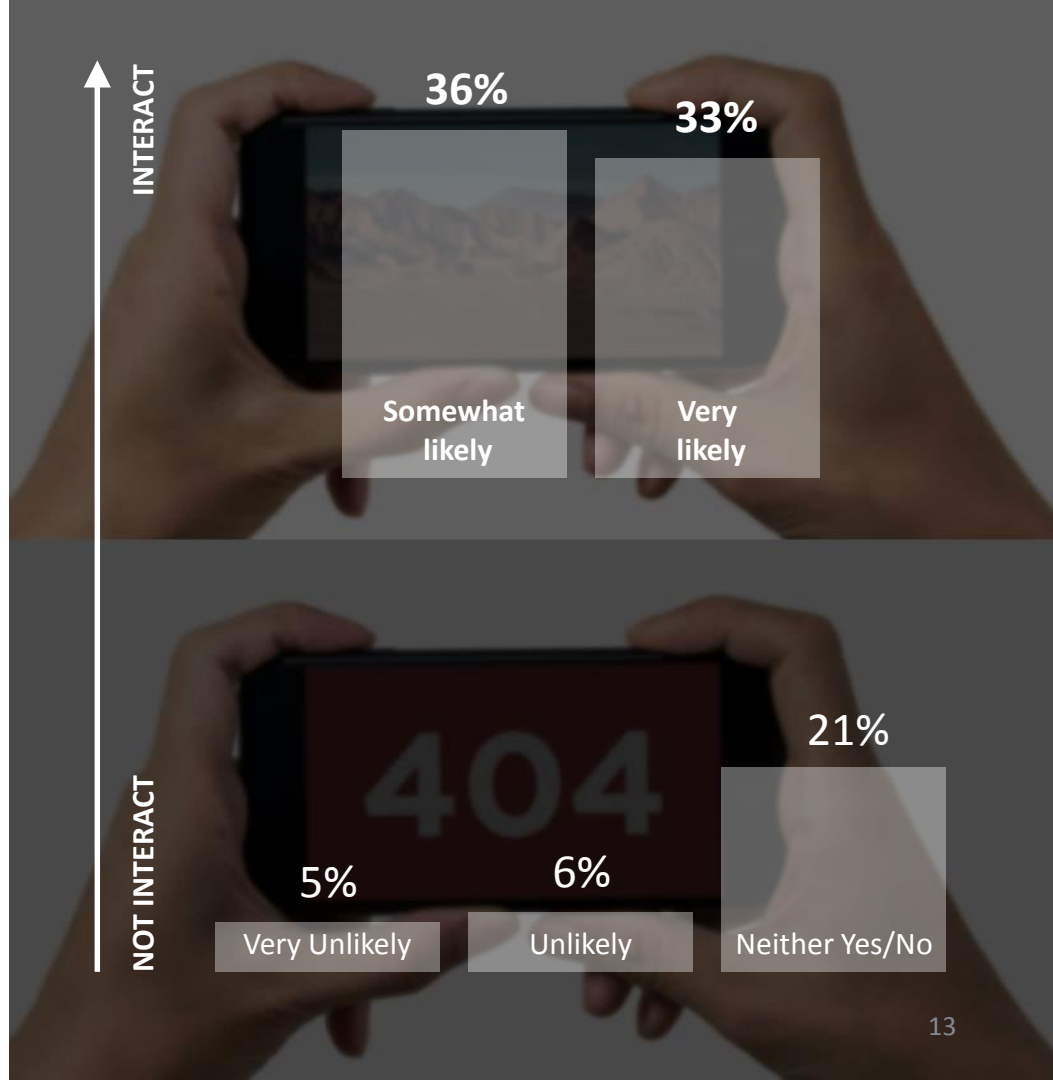
“ABLE TO EXPERIENCE THE
DIFFERENT VIEWS AND FEELS
FROM THE POINT OF VEHICLE”

THE IRON IS HOT.

CONSUMERS WELCOME 360°, EVEN FOR MARKETING PURPOSES

Intent to Interact with 360°

Q: How likely are you to interact with 360° video ads or content created by brands in the future?
Total 360° N=2,952

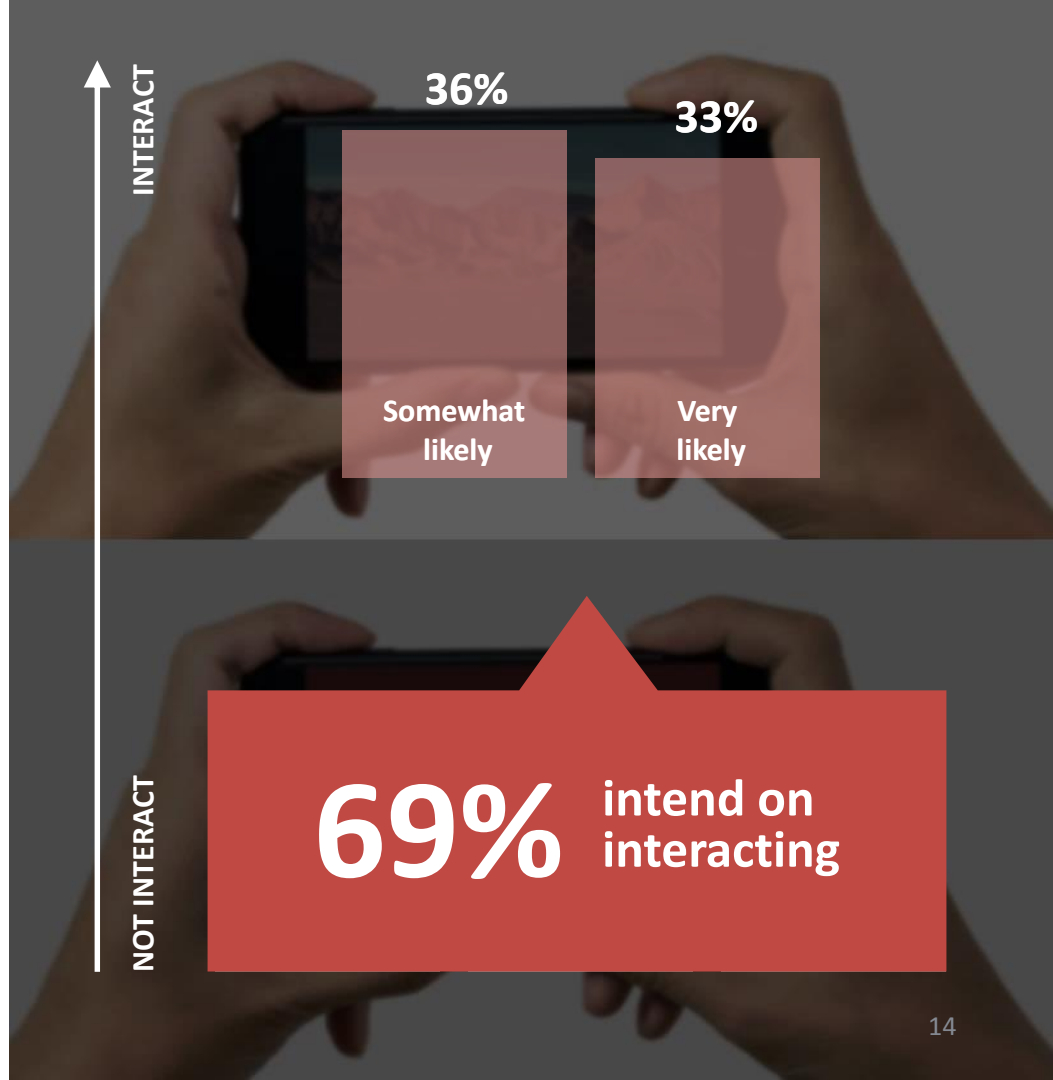


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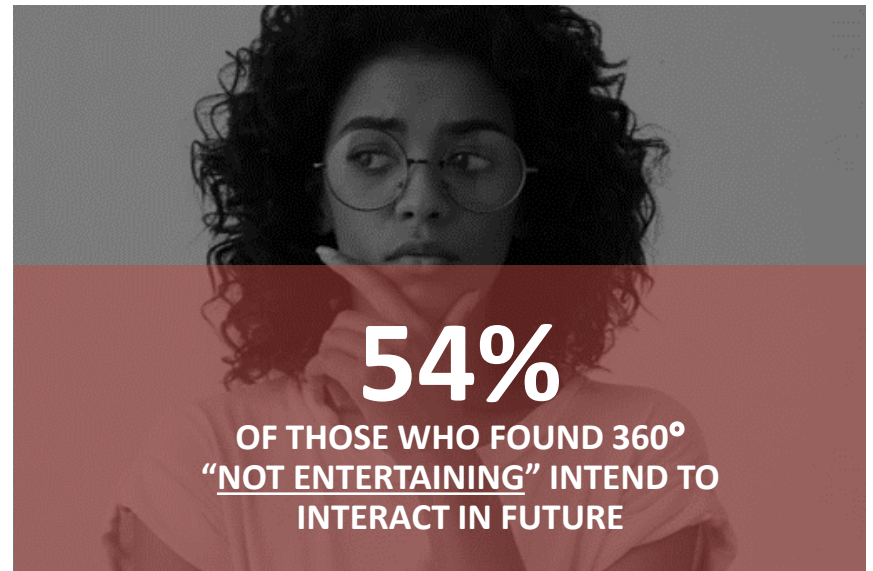
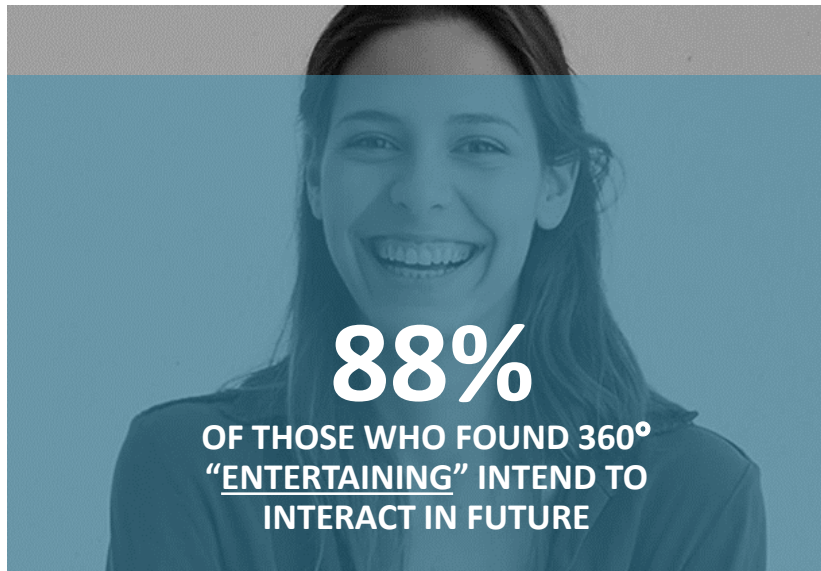
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GOOD EXPERIENCES BREED FUTURE ENGAGEMENT WITH 360° MARKETING

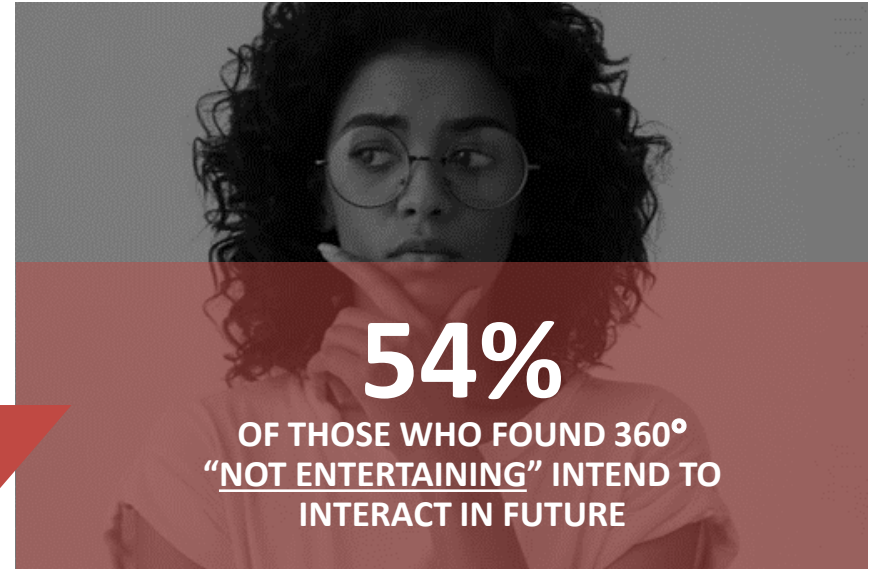
Intent to Interact with 360° in the Future



GOOD EXPERIENCES BREED FUTURE ENGAGEMENT WITH 360° MARKETING

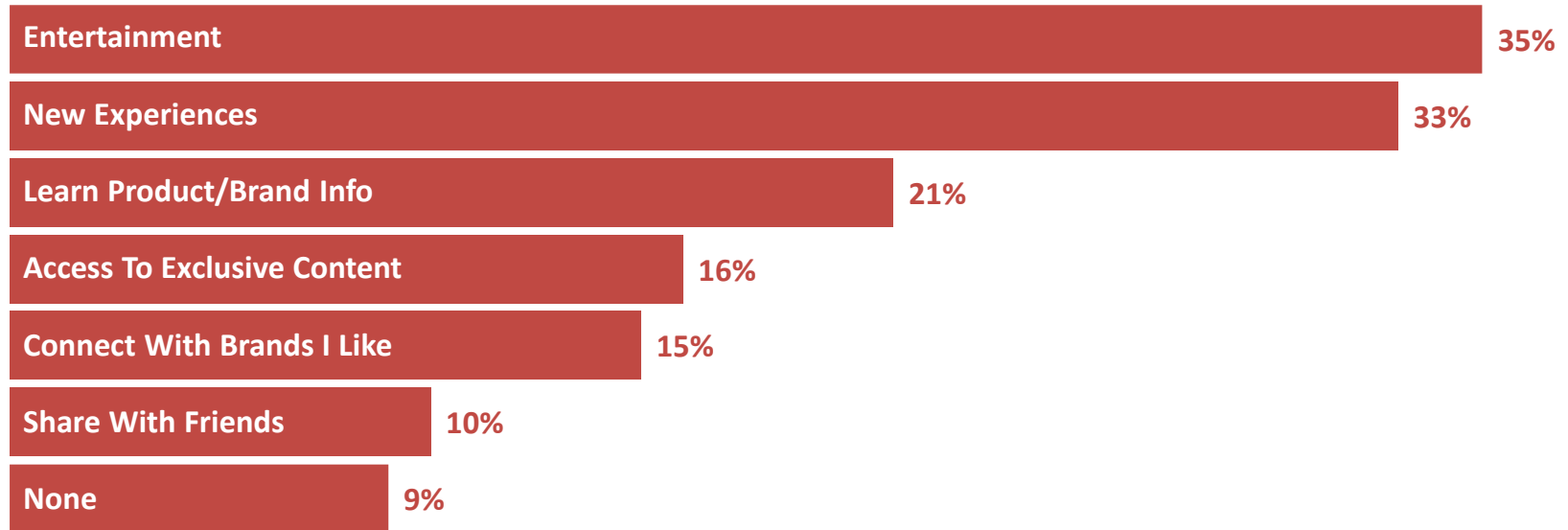
Intent to Interact with 360° in the Future

EVEN THOSE WHO DIDN'T ENJOY OUR 360° VIDEO WILL GIVE IT ANOTHER SHOT IN THE FUTURE



THEY CRAVE NEW EXPERIENCES AND ENTERTAINMENT

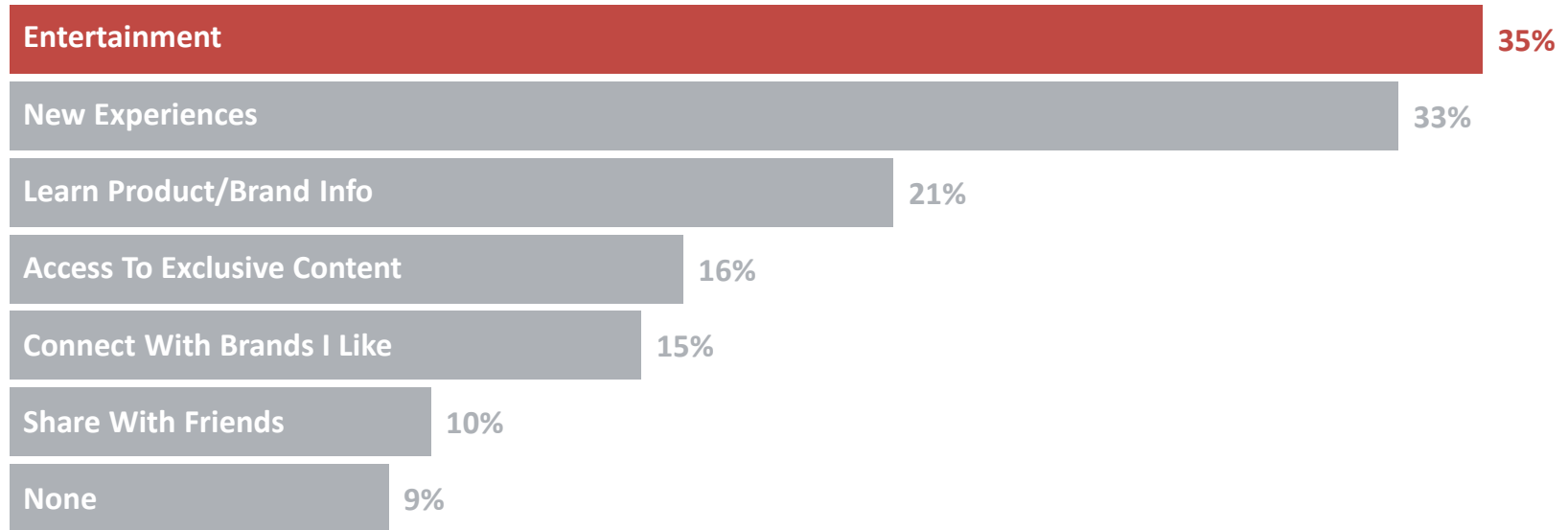
Reasons for Future Engagement with 360°



Q: Which of the following would be a reason for you to interact with 360° video ads or content created by brands in the future? (Please select all that apply)
Total 360° N=2,952

THEY CRAVE NEW EXPERIENCES AND ENTERTAINMENT

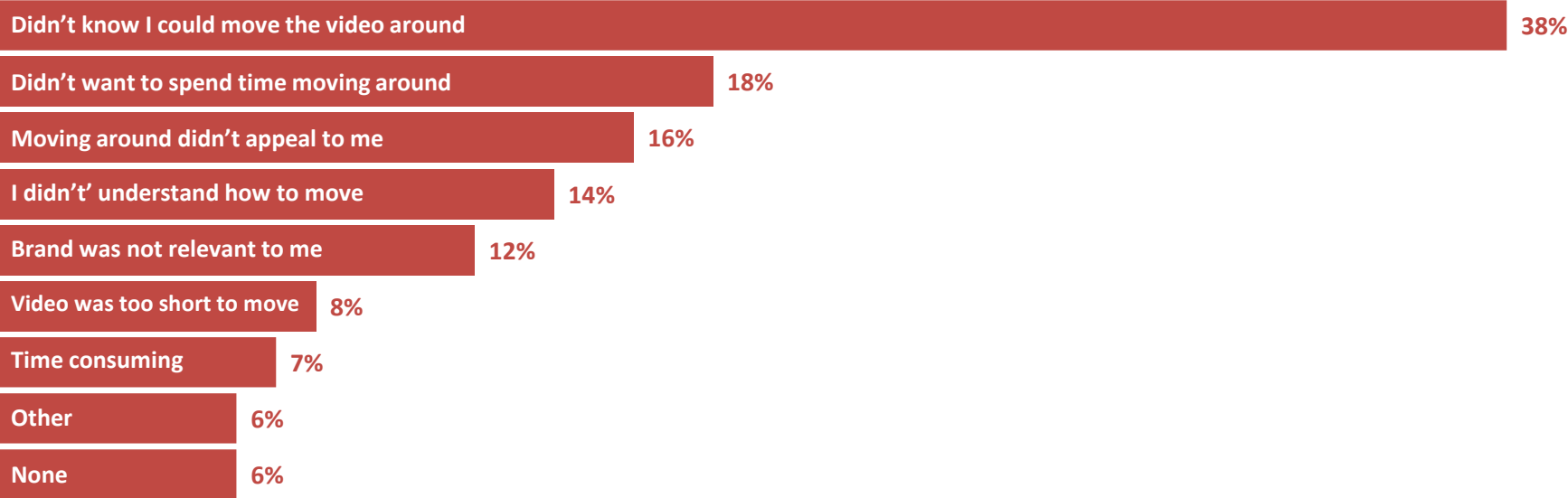
Reasons for Future Engagement with 360°



Q: Which of the following would be a reason for you to interact with 360° video ads or content created by brands in the future? (Please select all that apply)
Total 360° N=2,952

PRIMARY BARRIER FOR 360° IS SIMPLE LACK OF EDUCATION

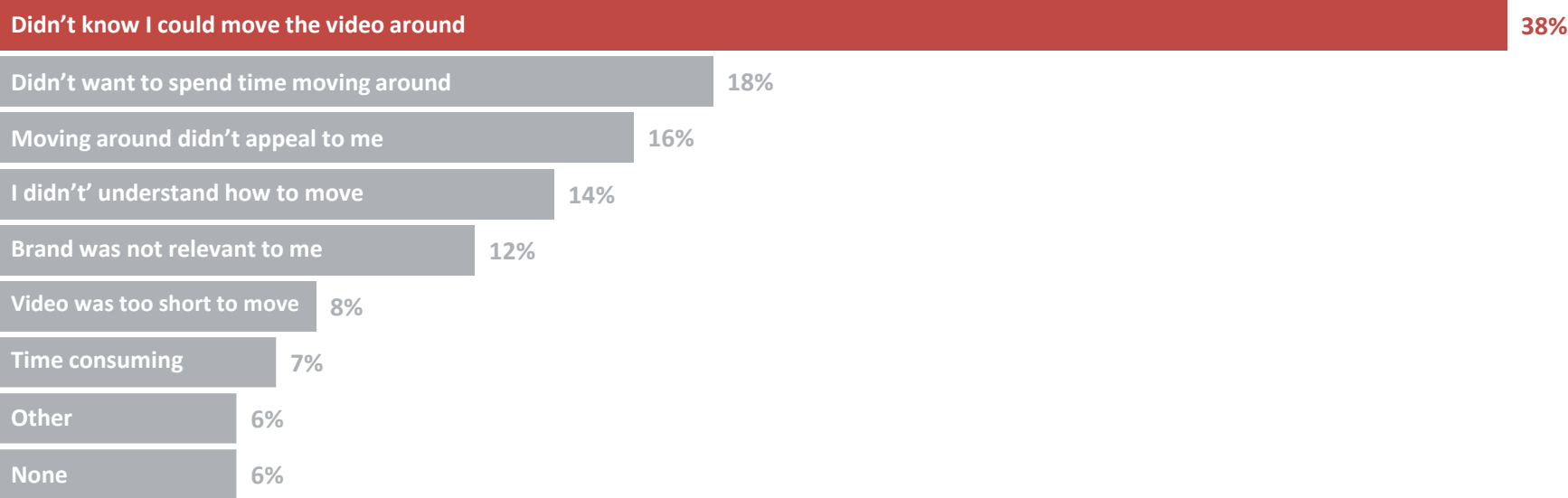
Reasons for **NOT** Engaging with 360° Video



Q: Which of the following statements match your reason(s) for not moving around within the 360° video? (Please select all that apply)
Total 360° N=2,952

PRIMARY BARRIER FOR 360° IS SIMPLE LACK OF EDUCATION

Reasons for **NOT** Engaging with 360° Video



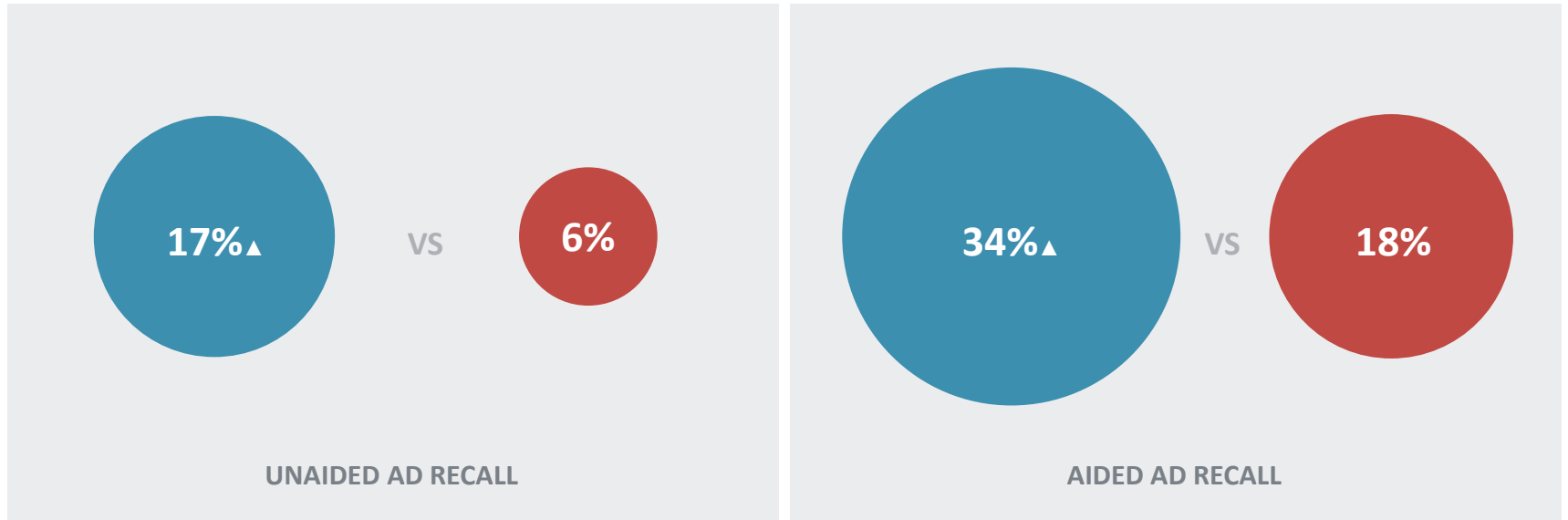
Q: Which of the following statements match your reason(s) for not moving around within the 360° video? (Please select all that apply)
Total 360° N=2,952

BRAND
CONNECTIONS:
**A MISSED^o
OPPORTUNITY**



360° VIDEO FAILED TO MAKE STRONG CONNECTIONS BETWEEN VIDEO & BRAND

AD RECALL - Impact of 360° Video ● Standard Branded Content ● 360° Branded Content



360° VIDEO FAILED TO MAKE STRONG CONNECTIONS BETWEEN VIDEO & BRAND

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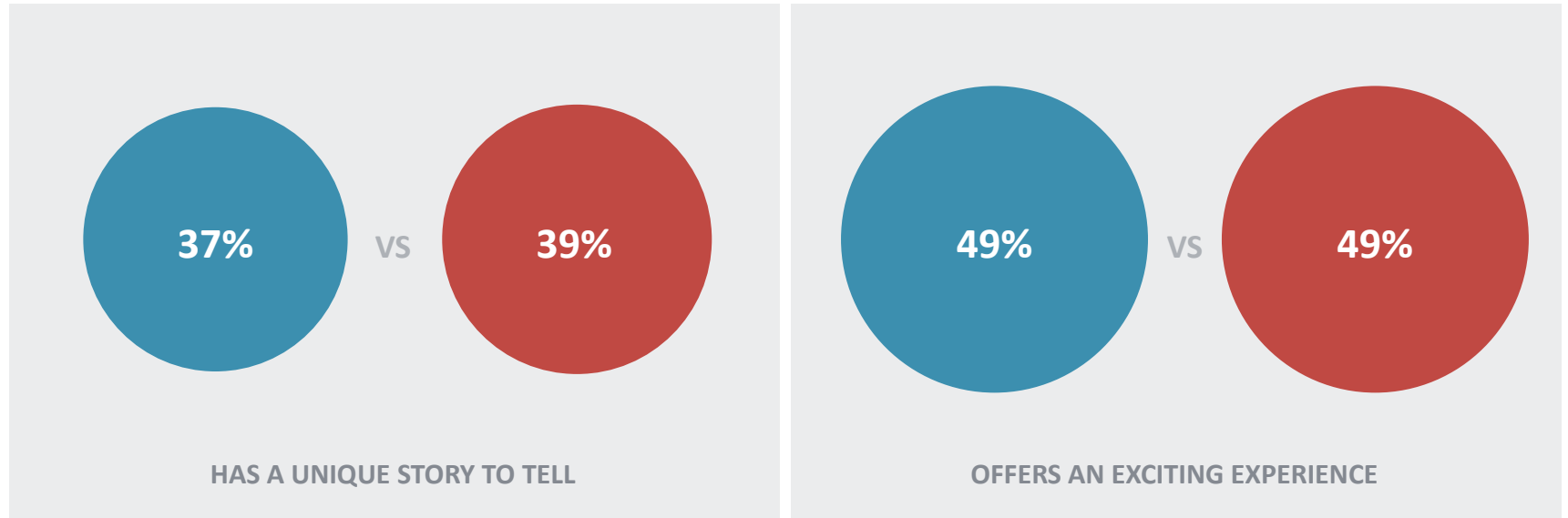


THEREFORE, BENEFITS OF 360° ARE NOT TRANSFERRED TO THE BRAND

BRAND ATTRIBUTES - Impact of 360° Video

● Standard Branded Content

● 360° Branded Content



WHEN THE CONNECTION BETWEEN BRAND AND CONTENT IS MADE, BRANDS REAP THE BENEFITS OF 360°

PERSUASION METRICS - Impact of 360° Among Those Who Recalled Brand

● Standard Branded Content ● 360° Branded Content

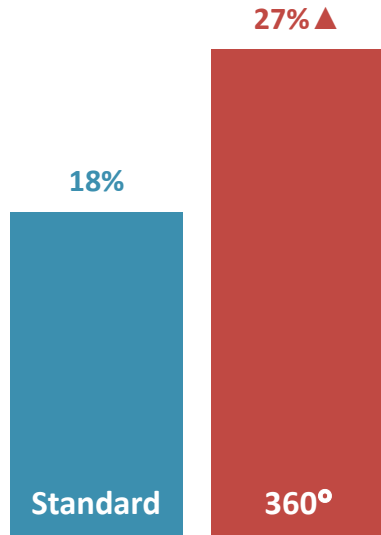


NEW TECH
IS NOT^o
FOR ALL



SOME FOUND 360° OVERWHELMING...

Opinions of Branded Content
"IS OVERWHELMING"



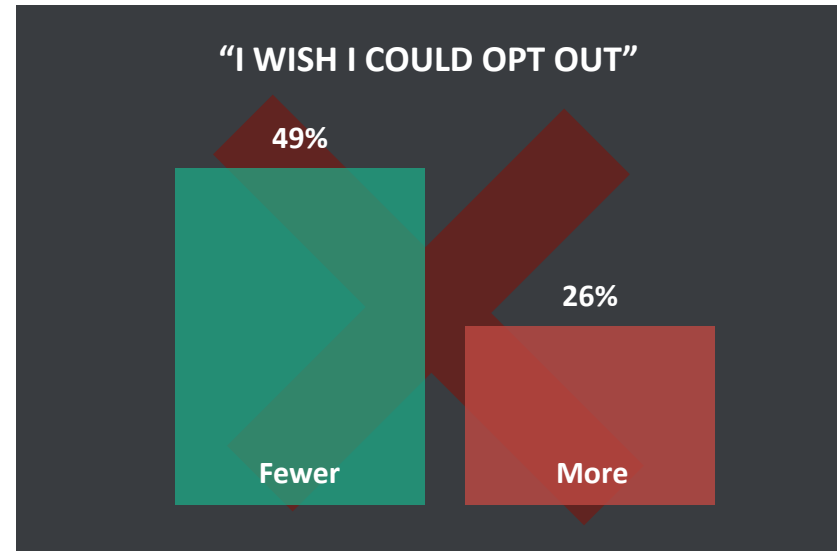
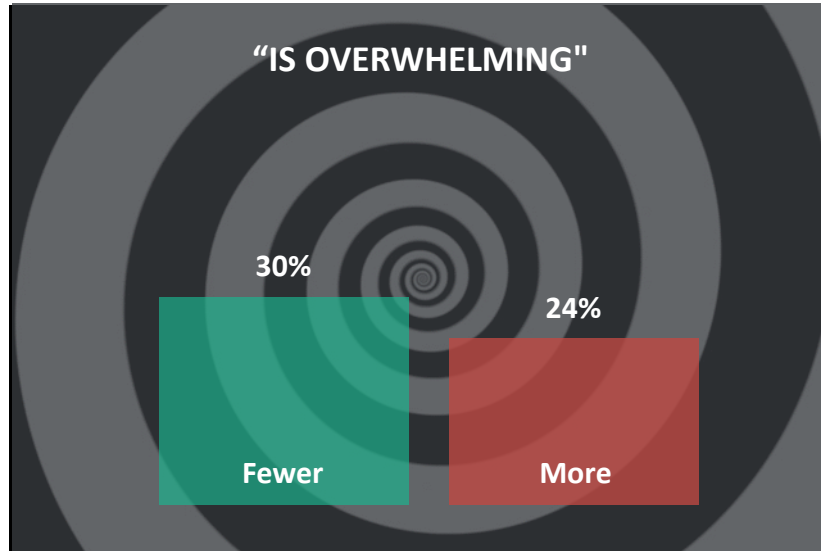
Standard BC N=139; 360° BC N=79
▲ Statistically significant difference
at >=90% confidence



THOSE WHO DON'T OWN AS MANY DEVICES WERE SOMEWHAT WARY

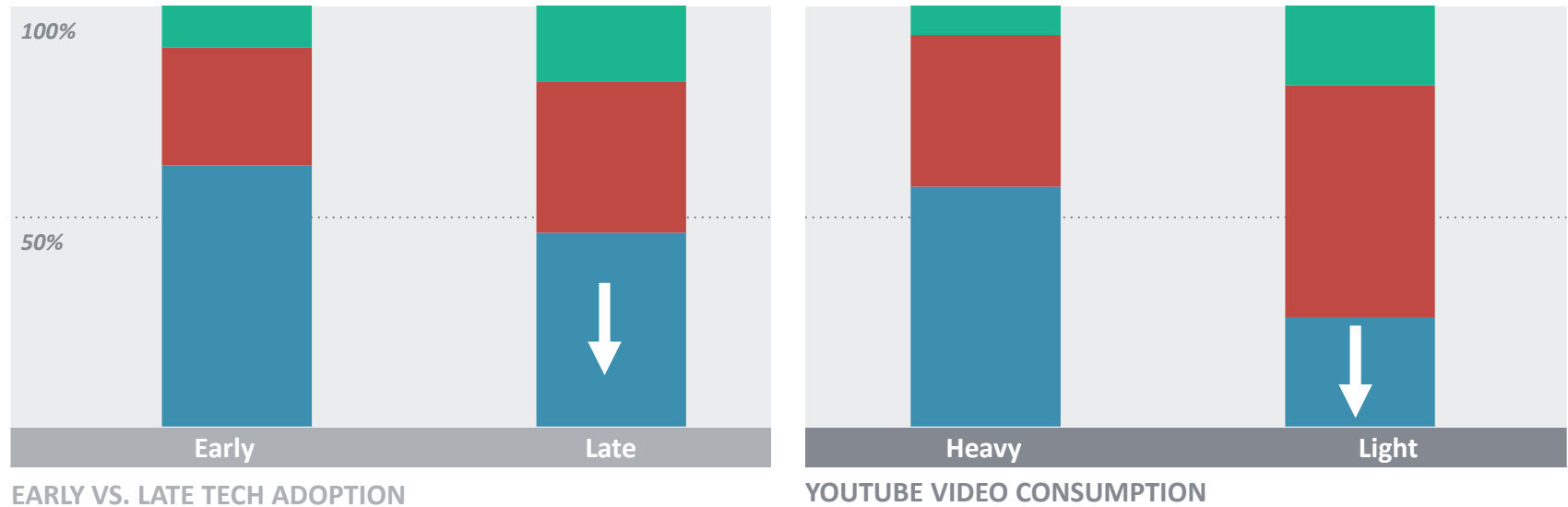
BY # OF DEVICES - Opinions of 360° Branded Content

● Fewer Than Avg. Devices ● More Than Avg. Devices



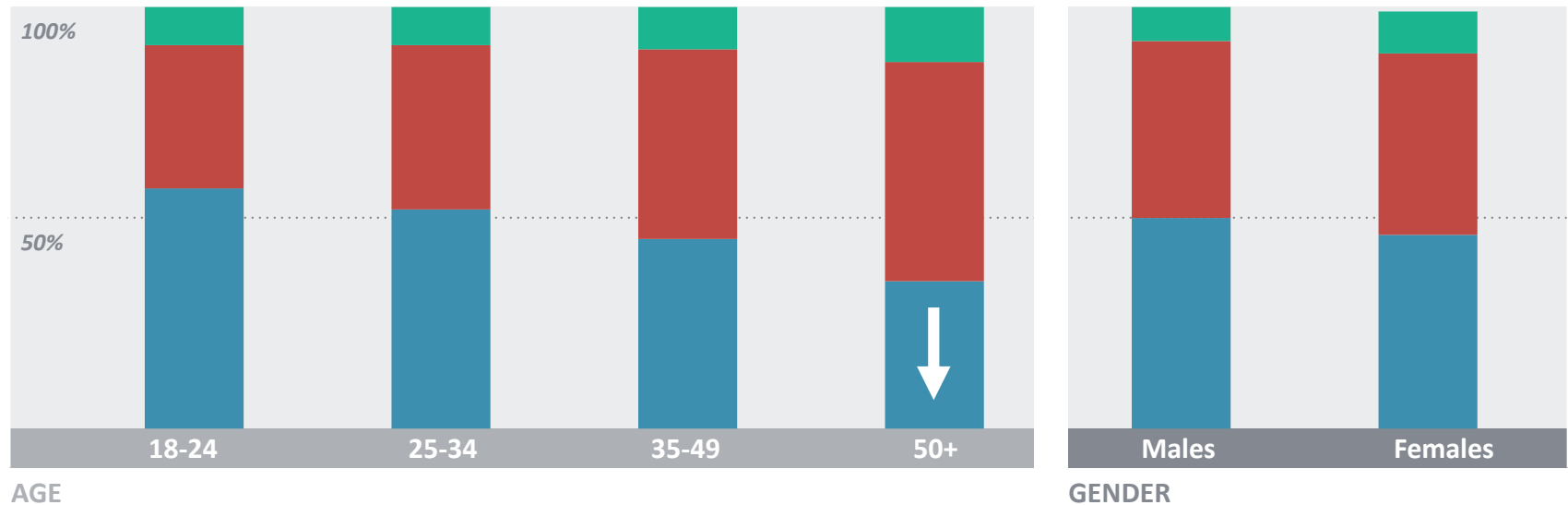
LESS TECH SAVVY CONSUMERS NOT AS LIKELY TO ENGAGE WITH 360°

Engaged with 360°? — Yes — No — Not Sure



AGE IS AN INDICATOR OF ENGAGEMENT WITH 360°, BUT GENDER IS NOT

Engaged with 360°? — Yes — No — Not Sure

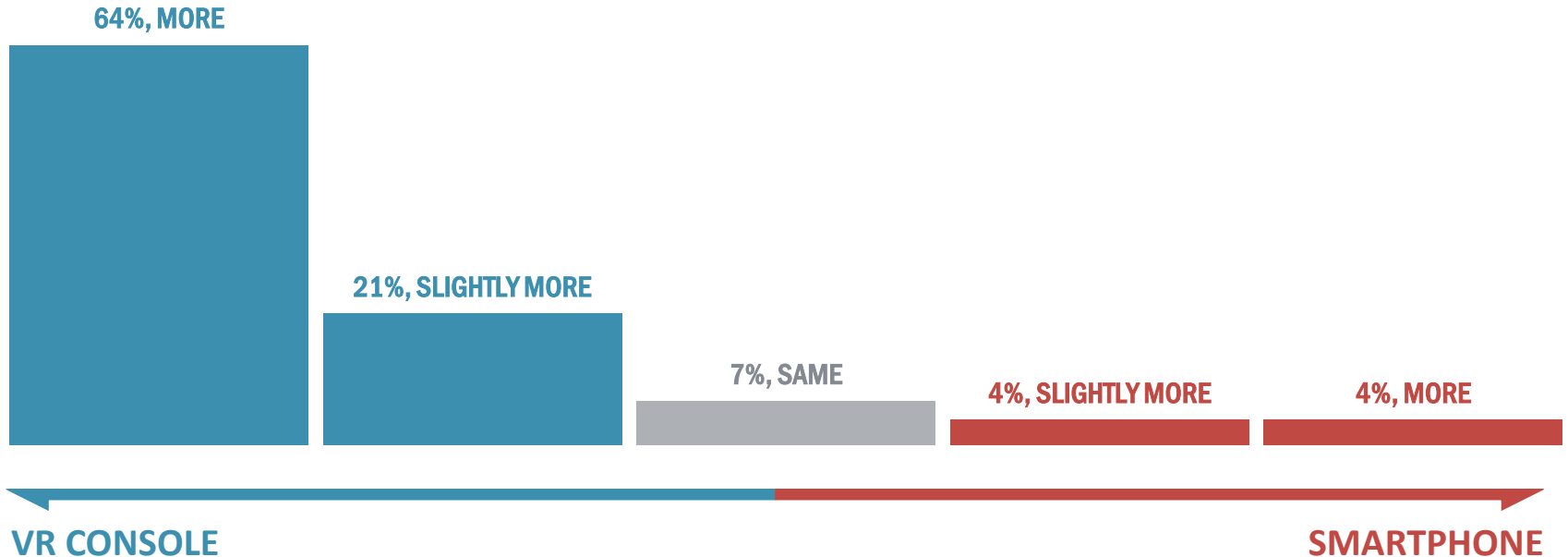




SMARTPHONE
**THE NEXT
BEST THING^o**

NATURALLY, VR CONSOLE IS THE IDEAL CANVAS FOR 360° VIDEO

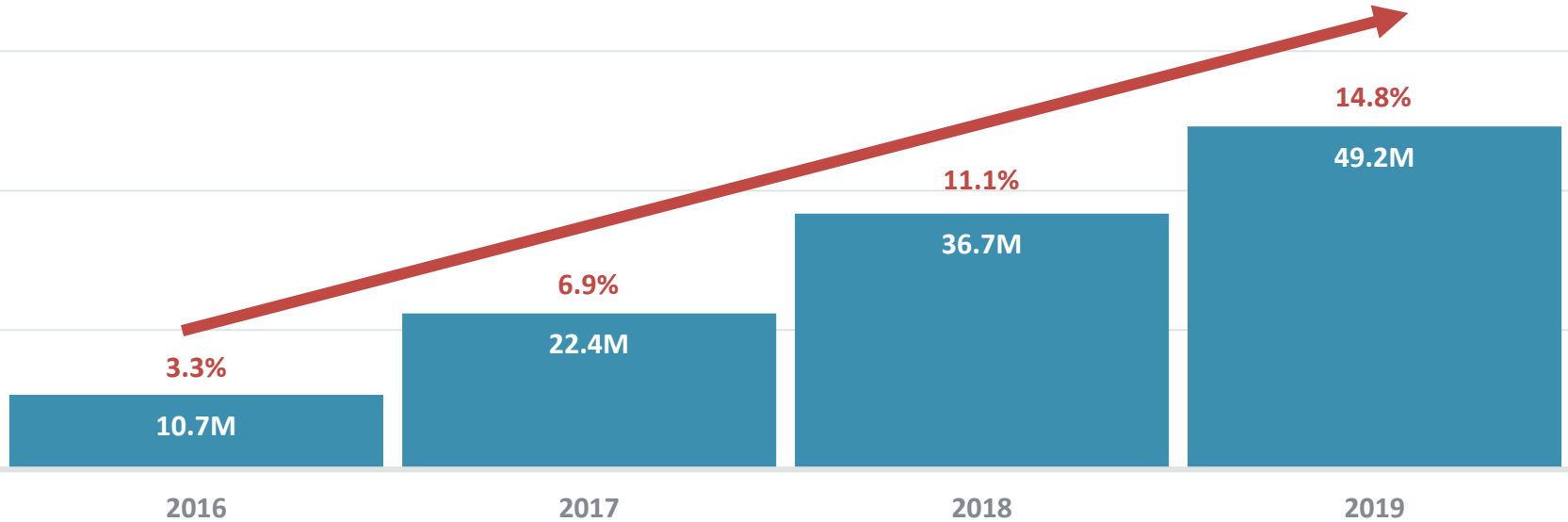
WHICH IS MORE ENGAGING - Opinions of VR Experience



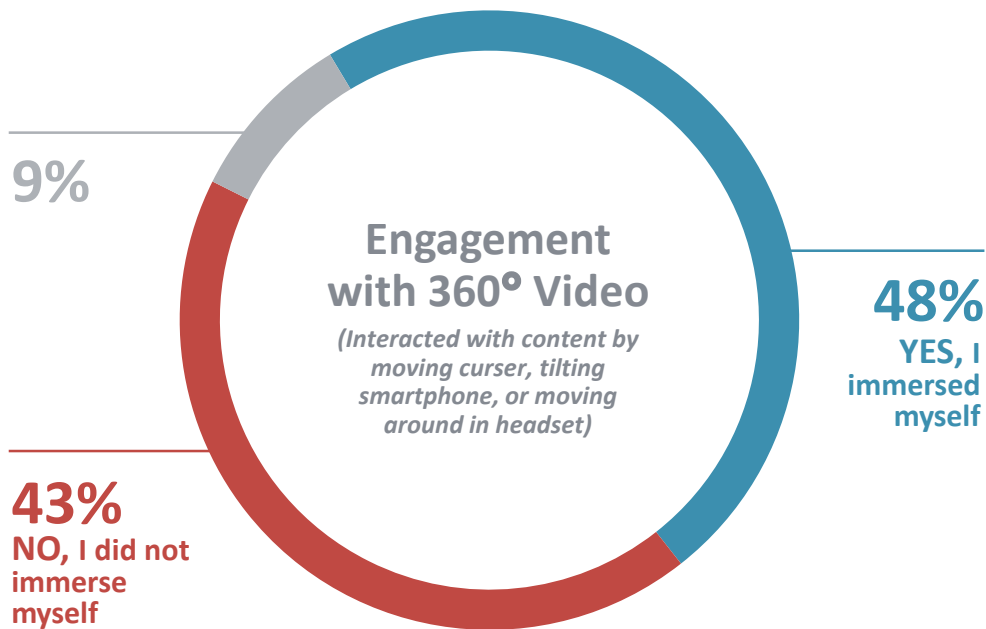
Q: Thinking back to the last time you used your VR console, how does your VR console experience compare to your 360° video experience on a smartphone?
VR Device Owners N=112

BUT, REACH OF VR CONSOLE IS STILL LOW

VIRTUAL REALITY USERS – US, 2016-2019 ■ Millions — % of Population



360° SMARTPHONE IS THE NEXT BEST THING TO VR IN-HEADSET, WITH MUCH HIGHER ENGAGEMENT RATES THAN PC



% BY DEVICE

■ Yes ■ No ■ Don't know

VR In-Headset (smartphone enabled)



Smartphone



PC



Q: When viewing the 360° video [pipe in 'ad' or 'content'], did you interact with the content by moving your cursor, tilting your smartphone, or moving around in your headset? | Total 360° N=2,952

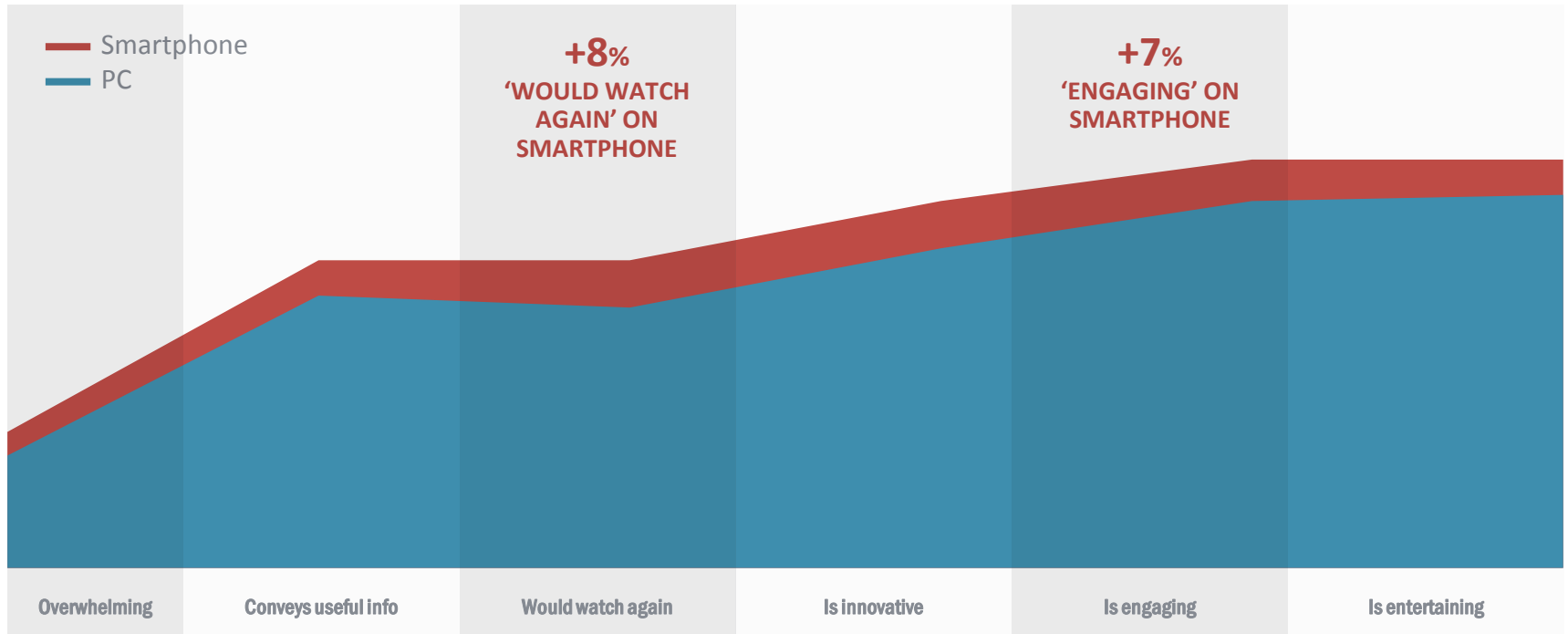
DRASTICALLY DIFFERENT USER EXPERIENCE BY DEVICE



VS



MORE OVERWHELMING, BUT SMARTPHONE OFFERS A BETTER 360° EXPERIENCE OVERALL



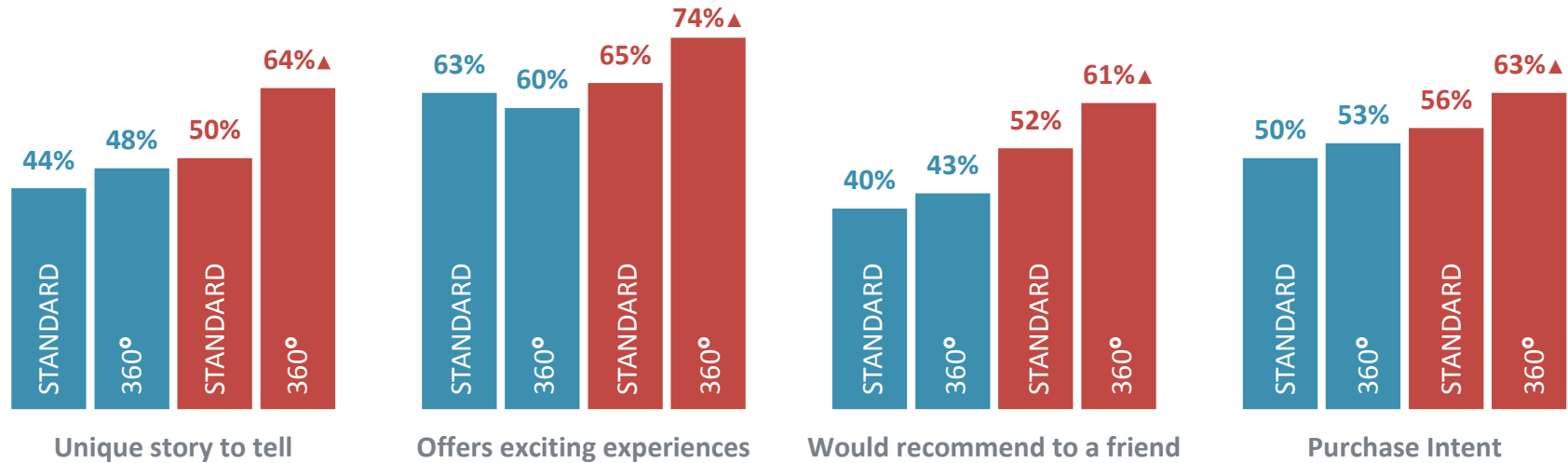


**YOUR BRAND IN 360°
A HOW TO**

MORE IMMERSIVE USER EXPERIENCE ON SMARTPHONE PAYS OFF FOR BRANDS

PERSUASION METRICS - Impact by Device Among Those Who Recalled Brand

■ PC ■ Smartphone

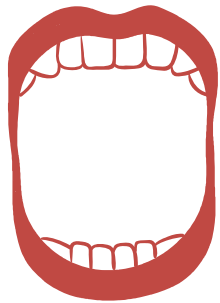


PC Standard n=139; PC 360° n=93; Smartphone Standard n=150; Smartphone 360° n=84

▲ Statistically significant difference at >=90% confidence between Standard and 360°

IN GENERAL, SOME HAD A DISAPPOINTING EXPERIENCE DUE TO LACK OF EDUCATION

Consumer Feedback



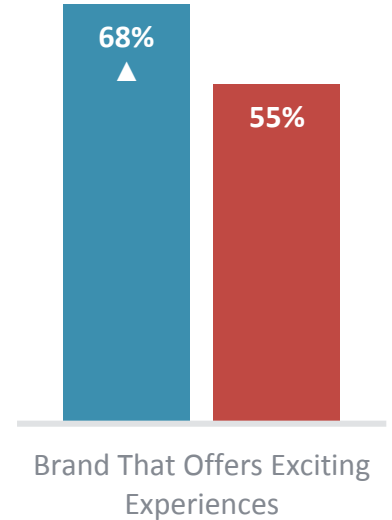
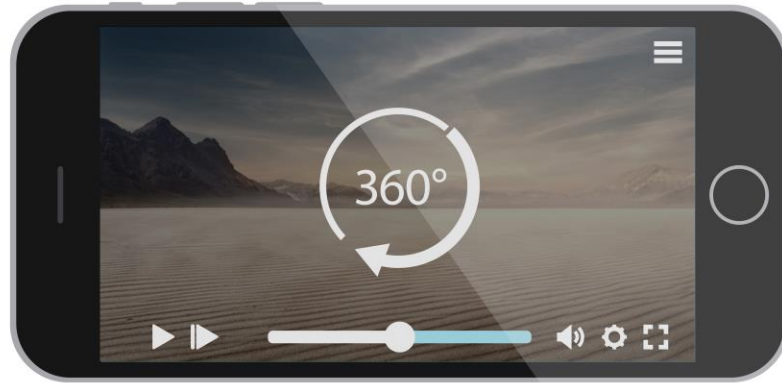
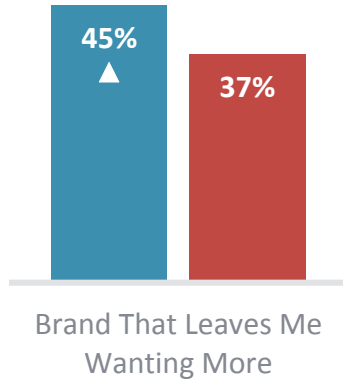
“NEEDS TO MAKE 360° VIDEO CONTENT MORE OBVIOUS IF YOU WANT ME TO WATCH”

“I DISLIKE NOT KNOWING ABOUT HOW TO MANIPULATE THE VIDEO TO ENJOY THE EXPERIENCE”

“IT WASN'T CLEAR WHAT TO DO TO GET THE 360° VIEW”

EDUCATING CONSUMERS ON 360° WITH THE USE OF INSTRUCTIONAL CUES HELPS THEM EXPERIENCE THE FULL POTENTIAL OF THE TECHNOLOGY

Impact of Instructional Cues ■ Instructional Cue ■ No Instructional Cue



**FEW 360°
ADS EXIST**

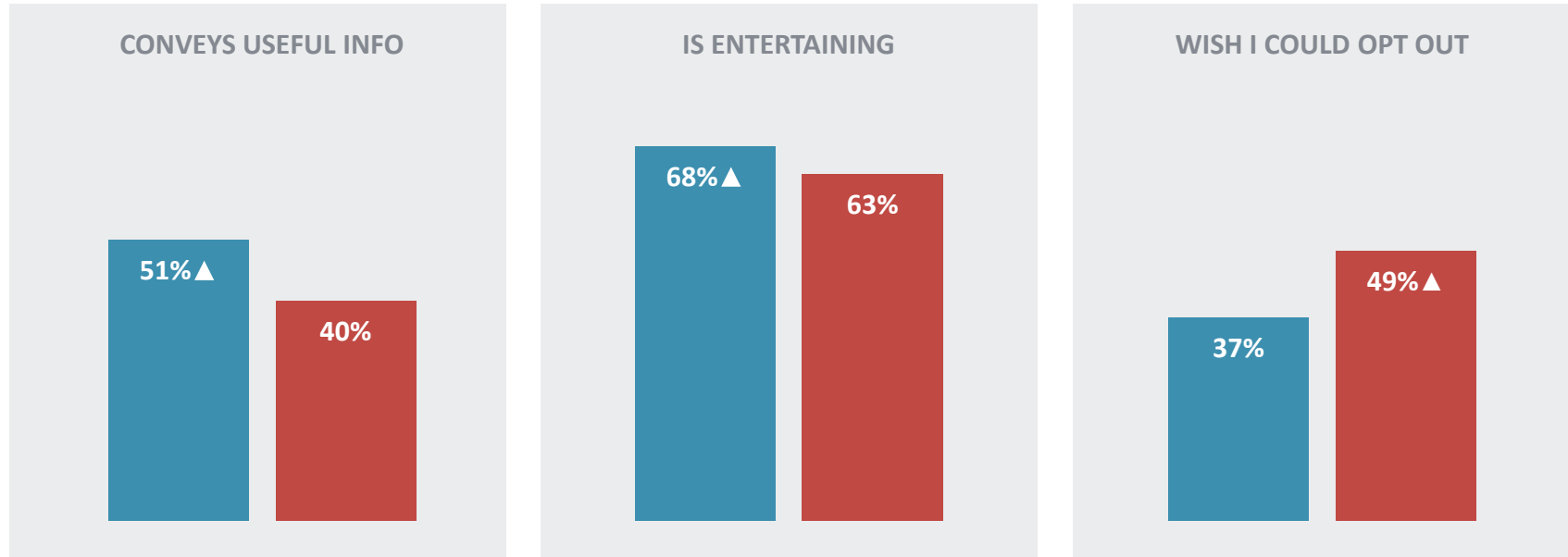


SO...

**WE CREATED OUR OWN BY SHORTENING
TO :30 AND ADDING BRANDING**

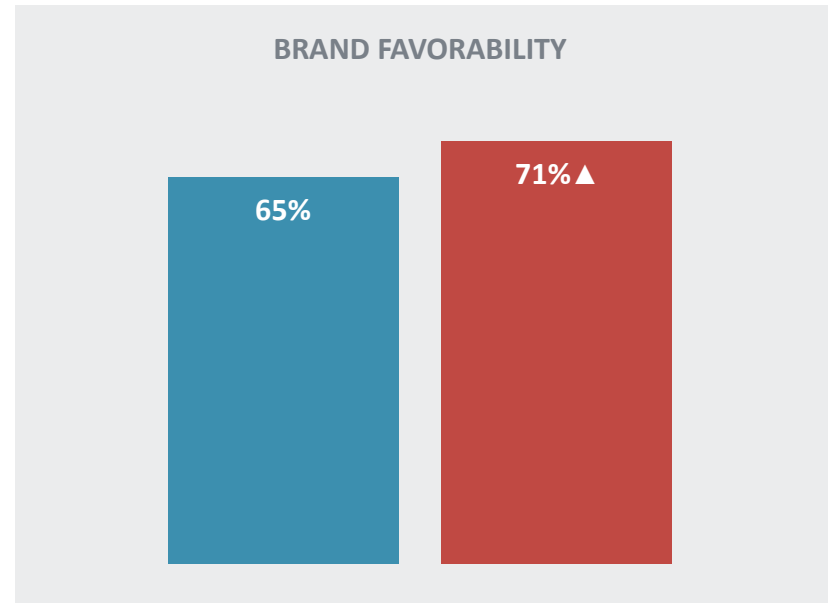
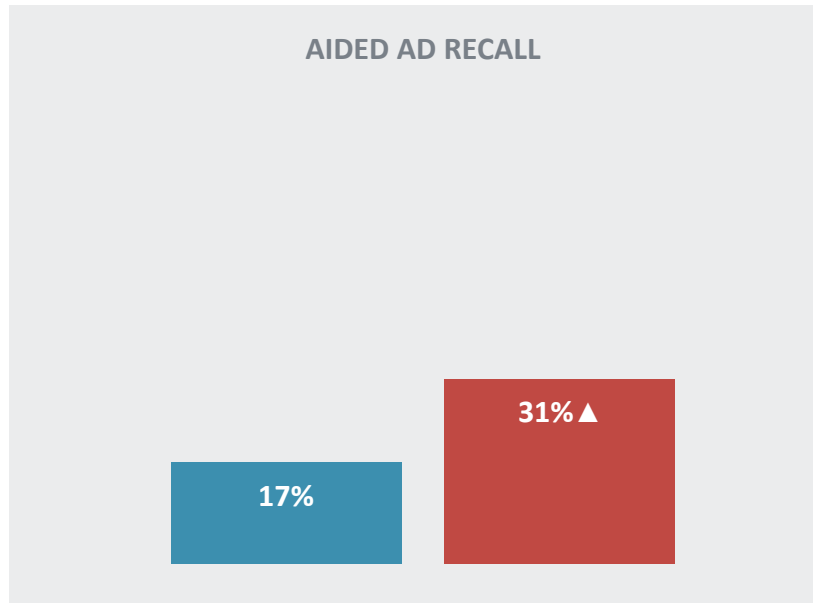
AS ALWAYS, PEOPLE LIKE BRANDED CONTENT BETTER THAN TRADITIONAL ADS, EVEN WITH 360°

VIDEO OPINIONS - Impact of 360° Video Type ■ 360° Branded Content ■ 360° Ad

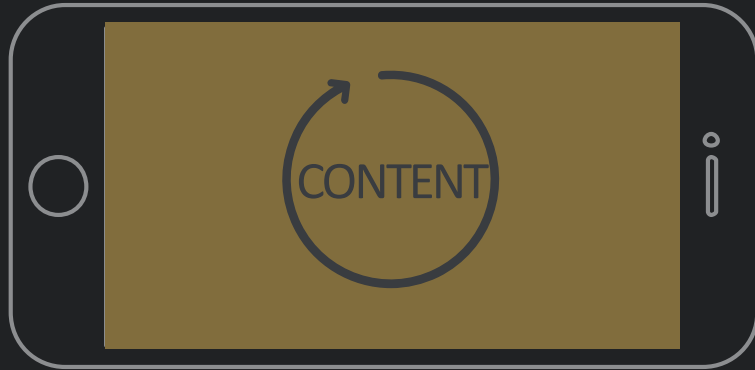
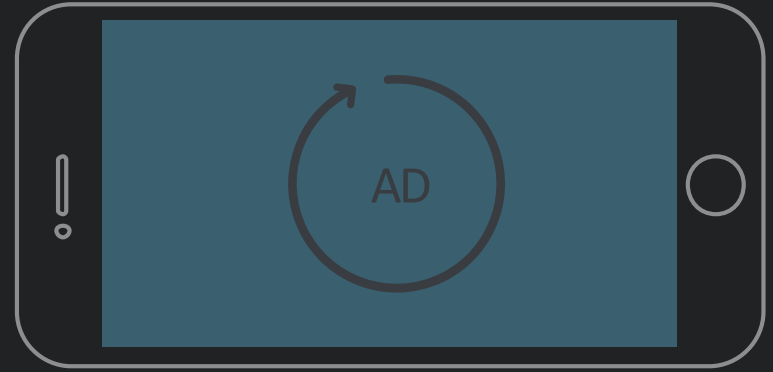


HOWEVER, STRONGER BRANDING GAVE ADS A LEG UP DESPITE SHORTER LENGTH

BRAND METRICS - Impact of 360° Video Type ■ 360° Branded Content ■ 360° Ad



WE WONDERED ABOUT THE HOLISTIC VIDEO EXPERIENCE



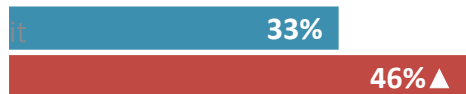
SO...
WE TESTED 360°
ADS IN FRONT OF
360° CONTENT

360° ADS ARE BETTER RECEIVED WHEN CONSUMERS ARE ALREADY IN THE MINDSET FOR 360° CONTENT

Impact of 360° Content Pairing ■ Standard Content ■ 360° Content

AD OPINIONS

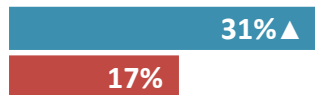
Relevant to the video that followed



Is engaging



Is intrusive



BRAND OPINIONS

Brand offers exciting experiences



Brand that is relevant to me



OUR FINDINGS

1

Consumers are eager to experience 360°, even if created by brands. However, they have high expectations for fun and excitement

2

Early tech adopters are most likely to engage with and enjoy 360° video

3

Given the investment required for 360° video, following best practices is particularly important

THE IMPLICATION

Brands should be leveraging 360° video for marketing while the novelty is strongest. BUT, they need to deliver in order to live up to consumer expectations



360° video makes the most sense for brands targeting younger and more tech savvy consumers



BEST PRACTICES

- Prioritize smartphone, which offers a superior canvas for 360° compared to PC
- Including instructional cues while 360° is still new will provide a better user experience
- When available, running next to 360° content is a good idea
- Branding is crucial!