The Brand Value of Rich Media and Video Ads
By DoubleClick, a division of Google and Dynamic Logic

Introduction

This report is for advertisers, and the agencies that support them, who want to make informed decisions about the best ad formats to use for online branding campaigns. In online advertising, you’re likely to hear goals defined as “branding”, “brand response” or “direct response.” We go a level deeper to explore the impact of ad format selection on specific branding goals in the upper and lower purchase funnel.

The flexibility of the online medium has led to a wide range of choices for advertisers, including:

• Image (GIF/JPG)
• Simple Flash
• Rich Media with Video
• Rich Media without Video

In the following pages, we’ll explore how advertisers make format decisions today and share tips on how to define branding goals for online campaigns. In addition, we’ll provide new information on how ad formats impact brand metrics, and conclude with a cheat sheet to help guide your ad format decisions for future campaigns.

In short, you’ll learn how to match ad format to branding goal in order to extract the most brand value from an online display advertising campaign.
How Format Decisions are Made Today

Today, format choices for online campaigns are based on factors that have little to no correlation to branding goals, such as:

- The type of creative units that can get done in time to meet deadlines
- The fixed percentage of the media budget that can be allocated to ad serving fees
- A status quo default to the simple Flash format

These approaches can result in a misalignment between format choice and branding goals. For example, in 2008, display advertising volumes skewed heavily toward the simple Flash format despite the fact, which we’ll explore in this report, that for every branding goal there is a better format than simple Flash for reaching it.

Figure 1  Rich Media Only 6% of Ad Serving Volume in 2008

Source: AdRelevance, 2008. Impressions by Technology for Simple Flash, GIF/JPG and Rich Media only.
**Where to Focus in the Purchase Funnel**

The more specific the branding goal, the easier it will be to make informed format choices. The online medium lends itself well to zeroing in on specific branding goals. Where there’s a need to make a greater foothold with awareness and messaging, a campaign should focus on the upper funnel. Where there’s an opportunity to win favorability and purchase, a campaign should focus on the lower funnel.

Advertisers can get even more specific by focusing on a single brand metric. Knowing whether you want to see improvements across all brand metrics, within the upper funnel or lower funnel, or within a single brand metric, is an important first step to making the best ad format decisions for a campaign.
Identifying the Largest Branding Opportunity

Find your campaign’s largest branding opportunity by identifying the specific brand metric or metrics you want to move the most. Take a moment to ask the five questions below. Take note each time you answer “no.” For each “no” on your list, consider making that question’s metric the focus of your campaign. If you answer “no” to more than one question, try pinpointing the area where you can move the largest number of people.

Figure 3  Questions to Help Prioritize Branding Goals

<table>
<thead>
<tr>
<th>Do enough people in your target audience...</th>
<th>If “no,” focus on...</th>
</tr>
</thead>
<tbody>
<tr>
<td>recognize your brand when presented with its name?</td>
<td>Aided brand awareness</td>
</tr>
<tr>
<td>recognize that you’ve advertised online recently?</td>
<td>Online ad awareness</td>
</tr>
<tr>
<td>associate your brand with its value proposition?</td>
<td>Message association</td>
</tr>
<tr>
<td>appreciate, respect, or otherwise carry favorable opinions about your brand?</td>
<td>Brand favorability</td>
</tr>
<tr>
<td>intend to purchase or take action relating to your brand?</td>
<td>Purchase intent</td>
</tr>
</tbody>
</table>

Now, with your branding goals top-of-mind, let’s look at the study data.

Overall Brand Impact Benchmarks for Online Display Ads

Overall, online display advertising positively impacts all brand metrics. Results from Dynamic Logic’s MarketNorms® database of over 4,800 online display campaigns shows that, on average, display advertising significantly improves consumers’ brand attitudes. But in a tight advertising economy, how can advertisers choose the right formats to maximize this success? In figures 5-10 below, we’ve included MarketNorms averages as a turquoise line so you can see not only which ad formats are best for specific branding goals, but also which ad formats are above MarketNorms averages.

Figure 4  Overall MarketNorms for Online Display Ads

Source: Dynamic Logic MarketNorms®, 2008. Fixed frequency level of 1. Campaigns using online display advertising of any format N=547-765
Rich Media Excels at Driving Purchase Intent

On average, rich media formats are the most successful at driving purchase intent. We compared the brand performance of over 4,000 brand campaigns using rich media, GIF, JPG, and simple Flash ad formats. Figure 5 shows that exposing audiences to a single rich media with video ad results in an average 1.16% increase in purchase intent among exposed groups compared to control. Using rich media without video results in an average 0.50% increase over control. Simple Flash shows the poorest results at driving purchase intent. When your goal is to sell, use rich media formats.

Figure 5  Use Rich Media to Drive Purchase Intent

Use More Rich Media with Video, Less Simple Flash, to Drive Purchase Intent

To help drive purchase intent, advertisers should run more rich media with video units and fewer simple Flash units. The prevalence of simple Flash along with its lowered ability to drive purchase intent showcases a misalignment of ad format choices to goals within the online advertising industry. Looking more closely at purchase intent results, we see that the effect of rich media with video is over 4 times that of simple Flash. Choose rich media with video over simple Flash formats to drive purchase intent.

**Figure 6 Rich Media with Video Drives Purchase Intent Significantly Better than Simple Flash**

![Graph showing the comparison between Rich Media with Video and Simple Flash in terms of purchase intent](image)

Delta (Exposed Minus Control)

- Rich Media with Video: 1.16
- Simple Flash: 0.26

Statistically significant difference between control and exposed groups at 90% confidence level

* Statistically significant difference between deltas at a 90% confidence level

Rich Media with Video Excels at Driving Brand Favorability

On average, rich media with video has been the most successful of the ad formats studied at driving brand favorability. Figure 7 shows that exposing audiences to a single rich media with video ad, on average, results in a 2.30% increase in brand favorability among exposed groups compared to control. In contrast, simple Flash shows the poorest results at driving brand favorability. Since simple Flash is the poorest-performing format for driving both brand favorability and purchase intent, simple Flash should be considered the least effective format for lower funnel branding.

Figure 7 Use Rich Media with Video to Drive Brand Favorability

Use More Rich Media with Video, Less Simple Flash, to Drive Brand Favorability

To help drive brand favorability, advertisers should run more rich media with video units and fewer simple Flash units. Looking more closely at brand favorability results, we see that the average effect of rich media with video ads is over 15 times greater than simple Flash. The rich media with video format significantly outperforms simple Flash formats on brand favorability. To better align ad format choices to brand favorability goals, choose rich media with video formats over simple Flash.

Rich Media with Video Excels at Driving Aided Brand Awareness

On average, rich media with video has been the most successful of the ad formats studied at increasing aided brand awareness. Figure 9 shows that exposing audiences to a single rich media with video ad, on average, results in a 1.90% increase in aided brand awareness among exposed groups compared to control. GIF/JPG shows the poorest results for aided brand awareness, and is the only ad format to not show average improvement. If the goal is to increase brand recognition, choose rich media formats over GIF or JPG formats.

Figure 9  Rich Media with Video Makes Best Choice for Aided Brand Awareness

Delta (Exposed Minus Control)

Rich Media with Video
Rich Media without Video
Simple Flash
GIF and JPG

1.90
0.90
0.36
-0.15

Creative Insights on Messages Association

The strong performance of GIF/JPG formats on message association suggests that advertisers have a messaging discipline that’s not being transferred to other ad formats. Figure 10 shows how advertisers looking to reach message association goals have been getting, on average, the best results with the GIF/JPG format. However, there’s no reason other formats can’t do the same with the right creative execution. Try applying the messaging discipline of the GIF/JPG format to other formats by including the message on every frame of a rich media or simple Flash ad.

**Figure 10** Apply Messaging Discipline of GIF/JPG to Other Formats for Better Results

Rich Media Excels at Achieving Branding Goals

Rich media with video is the clear format of choice for meeting general branding goals. Figure 11 factors out message association in its overall view of the best formats for meeting branding goals. Rich media with video can pose a message association challenge. Advertisers who add static messaging elements to solve this challenge can benefit from better results that are spread more evenly across multiple branding categories.

**Figure 11  Rich Media with Video Provides Balanced Branding Performance Results**

Branding Strengths by Format: Rich Media with Video

Rich media with video excels at meeting branding goals. We’ve already seen how rich media with video leads the formats in its ability to meet upper funnel branding goals like awareness, as well as lower funnel goals like brand favorability and purchase intent. Figure 12 shows this format is effective for four of the five branding metrics measured. To also reach success in message association, consider using tandem (aka roadblock) placements to pair a second unit, one that’s focused on message association, with a rich media with video unit.


![Graph showing branding strengths of Rich Media with Video](image-url)
Branding Strengths by Format: Rich Media without Video

Rich media without video is unique among the formats for its ability to positively impact all five brand metrics:

Figure 13 shows rich media without video is effective for all five branding metrics measured:

- Online ad awareness
- Aided brand awareness
- Message association
- Purchase intent
- Brand favorability

**Figure 13  Branding Strengths of Rich Media without Video**


Delta (Exposed Minus Control)

- Online Ad Awareness: 2.10
- Aided Brand Awareness: 0.90
- Message Association: 0.71
- Purchase Intent: 0.50
- Brand Favorability: 0.46

Statistically significant difference between control and exposed groups at 90% confidence level
Branding Strengths by Format: GIF/JPG

We’ve already seen how the GIF/JPG format leads in its ability to drive message association. Figure 14 shows it’s also effective for online ad awareness.

Keep in mind that the GIF/JPG format also has its weaknesses. It’s the worst of the formats studied at aided brand awareness. The limited creative space in GIF and JPG ads force advertisers to prioritize between showcasing the brand and showcasing the message. The format is best positioned for use in direct response campaigns, where click through goals drive the creative execution, as tandem units to complement more interactive formats, as a companion banner to adjacent streaming video content, or in email newsletters where it’s often the only choice.

![Figure 14 Branding Strengths of GIF/JPG](image)

**Branding Strengths by Format: Simple Flash**

Simple Flash is the least effective of the ad formats studied. For every brand metric that simple Flash is good at, a different format could be used to produce, on average, better results. For online ad awareness, aided brand awareness, brand favorability and purchase intent goals, use rich media with video over simple Flash. For message association goals, use JPG/GIF over simple Flash.

In short, for better results, use less simple Flash ads and place more weight on other formats.

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**Figure 15  Branding Strengths of Simple Flash**

Delta (Exposed Minus Control)

- **Online Ad Awareness**: 2.15
- **Message Association**: 1.01
- **Aided Brand Awareness**: 0.36
- **Purchase Intent**: 0.26
- **Brand Favorability**: 0.15

*Statistically significant difference between control and exposed groups at 90% confidence level*

Ad Format Performance Overview

Use our cheat sheet to choose the best format(s) for your branding goal:

- For aided brand awareness, brand favorability and purchase intent, use rich media with video.
- For online ad awareness, rich media with video will serve you best, although all formats studied do well in this category.
- For message association, use GIF/JPG or try adding static messaging elements to rich media formats.

Figure 16  Ad Format Cheat Sheet

<table>
<thead>
<tr>
<th></th>
<th>Rich Media with Video</th>
<th>Rich Media w/o Video</th>
<th>GIF/JPG</th>
<th>‘Simple’ Flash</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aided Brand Awareness</td>
<td>1.9</td>
<td>0.9</td>
<td>—</td>
<td>0.4</td>
</tr>
<tr>
<td>Online Ad Awareness</td>
<td>2.6</td>
<td>2.1</td>
<td>2.4</td>
<td>2.2</td>
</tr>
<tr>
<td>Message Association</td>
<td>—</td>
<td>0.7</td>
<td>3.7</td>
<td>1.0</td>
</tr>
<tr>
<td>Brand Favorability</td>
<td>2.3</td>
<td>0.5</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Purchase Intent</td>
<td>1.2</td>
<td>0.5</td>
<td>—</td>
<td>—</td>
</tr>
</tbody>
</table>

Rich Media with Video versus Simple Flash

In 3 out of 5 brand metrics, rich media with video is a significant improvement over simple Flash, at a 90% confidence level. Figure 17 shows why advertisers with branding goals should consider moving their impression volume from simple Flash to rich media with video. It results in, on average, a 2.15 percentage point improvement in brand favorability, a 1.54 percentage point improvement in aided brand awareness, and a 0.90 percentage point improvement in purchase intent.

Figure 17  Branding Goals where Rich Media with Video Excels over Simple Flash

Source: Dynamic Logic MarketNorms®, 2008. Fixed frequency level of 1. Campaigns using Rich Media with Video N=37-47, Simple Flash N=262-344. *Denotes data points that are statistically significant at a 90% confidence level or higher.
Conclusion: Making Format Decisions

Now that you know the impact on branding of each format, let’s explore best practices for making ad format decisions:

• Plan ahead. Think about your format preferences as early in the process as possible.

• First impressions count. Try delivering a rich media with video ad as the first ad exposure to your addressable online audience.

• When on a tight budget, switch to simple Flash or JPG/GIF formats at higher frequencies. Use DART for Advertisers to swap creatives without having to send new ad tags to publishers.

• Don’t let arbitrary ad serving budget allocations, such as 15% of media, prevent you from running the most effective ad formats. Instead, factor media fees and rich media fees in together and optimize from there.

• Don’t require users to interact with your ad to get the main message. Try adding static messaging elements to your interactive and animated creatives to improve their ability to drive message association.

• Think twice before using simple Flash. Make sure your animation communicates rather than annoys.

• Don’t require users to interact with the ad in order to get to the main campaign message. Put the message up front.

• Keep our Ad Format Cheat Sheet handy to make good ad format decisions now and in the future!
Appendix A: Ad Format Performance by Upper Funnel Metrics

**Figure 18**  Rich Media with Video Makes Best Choice for Aided Brand Awareness


**Figure 19**  Message Discipline of GIF/JPG Makes it Strongest for Message Association


**Figure 20**  All Formats Make a Good Choice for Online Ad Awareness

Appendix B: Ad Format Performance by Lower Funnel Metrics

Figure 21  Rich Media with Video Makes Best Choice for Brand Favorability


Figure 22  Rich Media with Video Makes Best Choice for Purchase Intent

Appendix C: Methodology

Brand metrics were compared for over 4,000 campaigns across a wide variety of industry verticals through 2008, as tracked via Dynamic Logic’s MarketNorms® marketing effectiveness database. The results cited have not been adjusted for demographics, ad size, websites, advertiser industry, and other factors that may contribute to brand lift. These findings are aggregate in nature, reflect past results, and are not a guarantee of future results for individual campaigns.

Campaigns were included in the study if they met two criteria: 1) their assets included at least 1 of 4 ad formats: simple Flash, JPG/GIF, rich media with video, and rich media without video, and 2) the questionnaire used standard MarketNorms branding questions. To address potential effects of exposure frequency, the analysis focused on single ad exposures within each format. “Fixed frequency level of 1” findings remove all survey responses from those who were served the ad more than once.

The ad formats were compared based on their ability to help advertisers move 5 key brand metrics – aided brand awareness, online ad awareness, message association, brand favorability, and purchase intent. In addition to evaluating brand performance for each ad format, additional significance testing identified the top performing ad formats for each brand metric.

This study refers to observed advertising effects as statistically significant if the 90% level of statistical significance (p<0.10) is achieved. Deltas that do not achieve the 90% significance level are “not statistically significant” and are highlighted as grey bars. For example, in Figure 1, although GIF/JPG and simple Flash formats do show positive deltas, this data is not statistically significant at the 90% confidence level. All greyed out findings, such as these, should be considered directional at best.

Appendix D: Survey Methodology

In order for campaign results to be included in Dynamic Logic’s MarketNorms® marketing effectiveness database, the questions asked for the campaign must follow the question and answer options below.

Aided Brand Awareness

Question: Have you heard of the following brands of product category?

Possible Answers and Scoring:

<table>
<thead>
<tr>
<th>Answer</th>
<th>Value</th>
<th>Score (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Have Heard Of / Seen</td>
<td>1</td>
<td>100%</td>
</tr>
<tr>
<td>Have Not Heard Of / Seen</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>Not Sure</td>
<td>0</td>
<td>0%</td>
</tr>
</tbody>
</table>

Online Brand Awareness

Question: Have you seen the following brands of product category advertised online in the past 30 days?

Possible Answers and Scoring:

<table>
<thead>
<tr>
<th>Answer</th>
<th>Value</th>
<th>Score (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Have Heard Of / Seen</td>
<td>1</td>
<td>100%</td>
</tr>
<tr>
<td>Have Not Heard Of / Seen</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>Not Sure</td>
<td>0</td>
<td>0%</td>
</tr>
</tbody>
</table>
Message Association

Question: Which of the following brands, if any, uses the following message in its advertising? "brand message here"

Possible Answers and Scoring:

<table>
<thead>
<tr>
<th>Answer</th>
<th>Value</th>
<th>Score (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tested Brand</td>
<td>1</td>
<td>100%</td>
</tr>
<tr>
<td>Competitor 1</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>Competitor 2</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>Competitor 3</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>None of the above</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>Don’t know</td>
<td>0</td>
<td>0%</td>
</tr>
</tbody>
</table>

Brand Favorability

Questions: How would you describe your overall opinion about each of the following brands of product category?

Possible Answers and Scoring:

<table>
<thead>
<tr>
<th>Answer</th>
<th>Value</th>
<th>Score (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very X</td>
<td>1</td>
<td>100%</td>
</tr>
<tr>
<td>Somewhat X</td>
<td>1</td>
<td>100%</td>
</tr>
<tr>
<td>Neutral</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>Somewhat Not X</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>Very Not X</td>
<td>0</td>
<td>0%</td>
</tr>
</tbody>
</table>

Purchase Intent

Question: Next time you are looking to purchase a product, how likely are you to consider each of the following brands?

Question: How likely are you to ask your doctor about the following (medication(s)/treatment(s) for <condition>?

Possible Answers and Scoring:

<table>
<thead>
<tr>
<th>Answer</th>
<th>Value</th>
<th>Score (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very X</td>
<td>1</td>
<td>100%</td>
</tr>
<tr>
<td>Somewhat X</td>
<td>1</td>
<td>100%</td>
</tr>
<tr>
<td>Neutral</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>Somewhat Not X</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>Very Not X</td>
<td>0</td>
<td>0%</td>
</tr>
</tbody>
</table>

The Dynamic Logic’s MarketNorms® data contained in this report includes only those campaigns that were measured through these standard sets of questions. This consistent wording of survey questions is what allows for the benchmarking of branding results.
The Brand Value of Rich Media and Video Ads

About DoubleClick

DoubleClick is a premier provider of digital marketing technology and services. The world’s top marketers, publishers and agencies utilize DoubleClick’s expertise in ad serving, rich media, video, mobile, and search marketing to help them make the most of the digital medium. From its position at the nerve center of digital marketing, DoubleClick provides superior insights and insider knowledge to its customers. DoubleClick is a division of Google Inc. (NASDAQ: GOOG). Learn more at www.doubleclick.com

About Dynamic Logic

Dynamic Logic (www.dynamiclogic.com) is a leading global research company specializing in media and marketing effectiveness. As a pioneer in online ad effectiveness, Dynamic Logic now measures the branding impact of campaigns across 27 digital platforms. By leveraging Millward Brown’s world-class expertise on brand building alongside digital insights from unparalleled normative databases of online, mobile and cross media studies, Dynamic Logic continues to be a leading source to advertisers, agencies and media companies seeking to maximize ROI in an ever changing marketing landscape. Dynamic Logic is a Millward Brown company, which is part of The Kantar Group, the information and consultancy arm of WPP.