

THE STRAIGHTFORWARD GUIDE TO

Engagement Advertising

Attention Is
The Only
Currency
That Matters



ADWEEK BRANDSHARE
true[X]

What You Need to Know

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What defines ad engagement?

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What does engagement advertising look like in action?

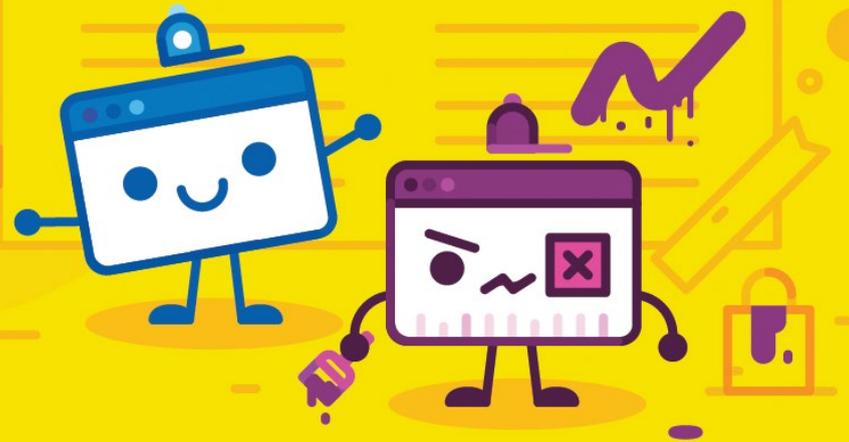
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What is the engagement ad guarantee?

ICON BY YUJIKA KOUL (NDUN PROJECT)

COVER AND SPOT ILLUSTRATIONS BY SKINNY SHIPS

RULES OF ENGAGEMENT



What engagement advertising means

Digital advertising is awash in metrics. Impressions tells you how many views of the ad have been served. Viewability tells you how many of those impressions could be seen by a human being. Clickthroughs measures how many people clicked on your creative.

The latter is the only one that conveys if a consumer interacted with an ad. While that's an important distinction, it's only applicable to direct-response advertising. But what if you're running a branding campaign and want to get a

sense of how many of those who saw the ad actually paid attention to it?

That's where engagement advertising comes in. Pioneered by true[X], a unit of 21st Century Fox, engagement advertising is based on the premise that quality trumps quantity and that marketers would rather pay for one ad consumers see and interact with than for multiple ones they tune out.

"Different parts of the brain are activated when you engage someone, and based on learning theory, this can be an attractive outcome for advertisers



seeking to 'teach' their client's message," says Rick Ducey, managing director of BIA/Kelsey.

Consider Hulu's ad model. Viewers can choose either to watch and interact with one 30-second engagement ad or more passively view some two minutes and 30 seconds worth of ads during a normal episode of a TV program. An engagement ad for Soft Scrub, for example, presents viewers with a quiz. (Sample question: "What's your perfect Friday night?") Those who finish the quiz get a coupon for the product.

By Hulu's math, that one ad is

equal to five 30-second spots. Online, the calculation might be even more dramatic: How many banners might you need to equal the impact of one engagement ad?

The reason for such valuations is that advertisers know that in 2016, time and attention are the most valuable commodities. Decades ago, entertainment options were relatively scarce. These days, such options are unlimited and pervasive. This has led to an emphasis of quality in media (as evidenced by the rise of HBO and Netflix). Simply put, with

How many banners might you need to equal the impact of one engagement ad?

endless options, consumers are more discriminating about how they spend their time.

For advertisers, the flip side of this trend is that the consumer's time and attention are worth more. Thirty seconds of uninterrupted focus is worth more than two and a half minutes during which a consumer might be texting, playing a game or getting a snack while she waits for her program to resume.

The market's solution to this problem has been to stuff every webpage, TV show and mobile experience with as many ads as

possible. The increase in quantity hasn't made ads more effective, however. CPMs are flat, indicating that more ads aren't necessarily selling more products. And consumers' use of ad blockers is on the rise. A 2015 survey from PageFair found that some 198 million people were using ad blockers on desktop, costing the industry some \$22 billion that year.

Faced with such an environment, many marketers are looking for an alternative to the interruptive model of advertising. With engagement advertising, they have found it.



GIVE CONSUMERS AN OPTION

Audiences are increasingly more selective about content. "So it makes sense that advertising content becomes interactive and user-responsive in this environment," says BIA/Kelsey's Rick Ducey. Here's a look at the features of an ad that command attention:



ON-DEMAND IS IN DEMAND

The conversion rate for ads is higher if consumers view them and hover over them. Research from Hulu has also shown that if consumers choose an ad, then metrics like unaided recall, aided recall, brand favorability, purchase intent and stated relevancy are all higher.



LET'S PLAY

Engagement ads invite the user to interact. An engagement ad for Frigidaire, for instance, featured an interactive map of a kitchen. Clicking on an appliance delivered more information via a short video message.



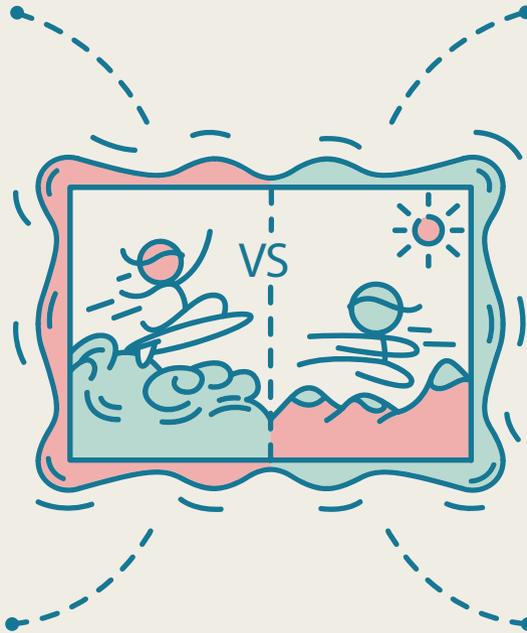
QUALITY MATTERS

In a media environment in which publishers are throwing more and more ads at consumers, the average ad doesn't work as well. "There's an 80 percent chance that if I'm watching an ad on TV, I have some other device connected to me," says Geoff Ramsey of eMarketer. Simply put: Attention is precious and ads that emphasize quality are much more valuable.

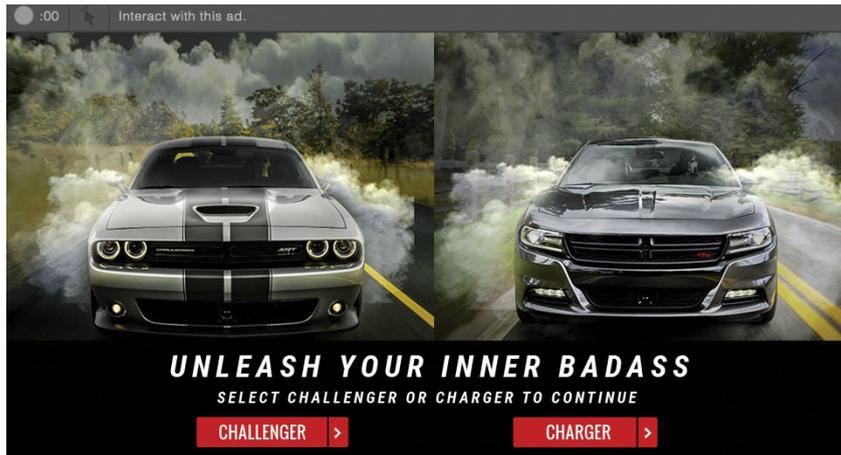


MAKE IT COUNT(ABLE)

Engagement ads are designed to prompt interaction, and data-driven targeting ensures that the right ads reach the right target. A close eye on metrics ensures that only the most effective executions make the cut.



• ENGAGEMENT •



You Won't Want to Dodge This Ad

In a race against two of the carmaker's top models, brand awareness wins

Dodge put two of its muscle cars head-to-head in an interactive choose-your-own adventure. The campaign used true[X]'s platform to, ahem, drive awareness for the Dodge Charger and Challenger. The engaging ads operated on both desktop and mobile across premium video publishers' properties and produced some surprising insights between devices.

The technology's interactive, non-linear storytelling format first delivered a short ad promoting the 2016 Dodge Summer Clearance Event, then invited consumers to choose which car to explore. After a vehicle was selected, a fierce photo of the car appeared with an option to investigate either its style or performance. Interestingly, desktop viewers favored the Charger while mobile users opted for the Challenger. A Qualtrics study at the conclusion of the campaign found 21 and 17 percent lift in brand awareness for the Challenger and Charger, respectively. Desktop users were particularly engaged, spending an average of 58 seconds with the ad.

THE TAKEAWAY

Engagement advertising can offer similarly rich experiences on desktop and mobile, and the possibility for those platforms to produce unique results.



Fans Get Amped for Deadpool

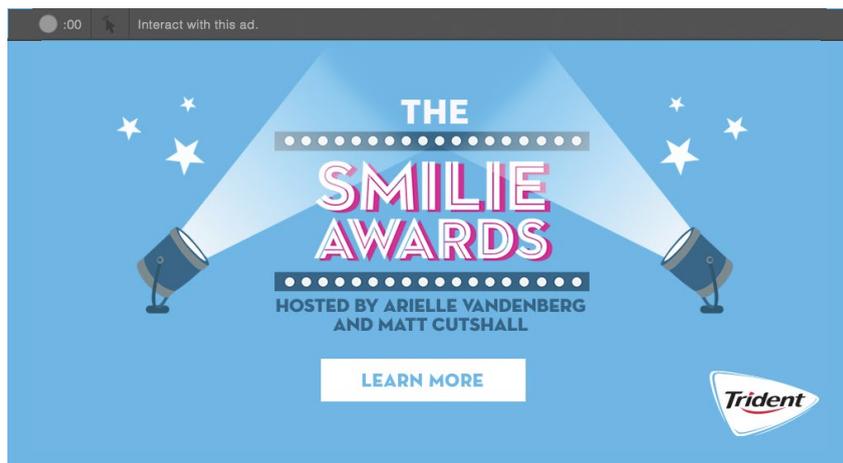
Superpowered engagement tech builds excitement in a crowded superhero season

Sometimes a movie trailer isn't enough. That's why 20th Century Fox Film turned to true[X] to bring on-demand interactivity to its campaign for Deadpool, the Marvel superhero film that turned out to be one of the biggest hits of summer 2016.

Instead of just showing audiences a trailer, these ads gave moviegoers the option to explore different characters and share their excitement about the movie on social. The Deadpool engagement ad also ran with episodes of the hotly anticipated reboot of FOX's The X-Files on select on-demand platforms. If users chose the interactive Deadpool experience instead of commercial breaks, they could watch the full episode that followed with no interruptions. The integration specific to The X-Files resulted in an average of 84 seconds spent with the ad experience—well over the minimum of 60 seconds—and an 88 percent increase in brand recall.

THE TAKEAWAY

The campaign's vivid interactivity lifted awareness for the movie, and targeted, complementary media placement ensured there was an active, engaged audience.



Livestreamed Engagement That Makes Customers Grin

Trident integrates with Periscope to promote the “Smilies”

Trident took interactive engagement to the next level to build excitement for the Smilies, a tongue-in-cheek awards show run on Twitter during the breaks of that major movie gala. Using a new unit from true[X], it integrated Periscope livestreaming directly into the ad, creating a whole new kind of interaction.

Users saw a 15-second video and then were encouraged to watch live and pose questions to the Smilies co-hosts. Alternatively, they could answer poll questions such as “What’s your favorite award show smile?” The campaign was a beaming success: Consumers spent 50 seconds with the ad on desktop, 95 percent completed the video and the campaign drove lift in familiarity with Periscope and the Smilies, as well as perception of the event as silly and entertaining.

THE TAKEAWAY

Better understanding and adapting to new and engaging technologies such as Periscope is a great way to keep consumers intrigued by your ad.

Keeping Your Ads ¹⁰⁰

At this point, you know the essentials of engagement advertising. Now, it’s time to give it a whirl. True[X] is the standard for engagement advertising because it delivers the most effective format for advertisers to reach and engage consumers in digital media. Here’s why:



100% CONSUMER OPT-IN

Consumers initiate the brand experience, which means they only see your ad if they choose to. The most meaningful interactions happen when both parties agree to engage.



100% SHARE OF VOICE

Your ad is full-screen without any competition or distractions. It’s just the consumer and your message.



100% VIEWABLE

Your ad runs on the most viewable ad network. You run an ad and people really see it. It’s that simple.



100% BOT FREE

This is guaranteed fraud-free engagement. Only real humans with real eyes and real ears interact with your brand.

For more on the engagement advertising basics, visit truex.com or call (310) 657-9900.

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