

A land where not all impressions are created equal

CONTENT

24 NOV 2016

Brands and agencies will need to abandon traditional online video assumptions to fully embrace interactive video and dynamic content.

Increasing audience fragmentation and a decline in live TV viewing among younger audiences have led brands to build or replace lost reach with online video buys. This is a smart move, but an apples-to-apples price comparison (with lower-cost linear non-interactive ad units) in a cross-screen plan can undercut the additional value of immersive and interactive video. Here's what to do about it.

Customised immersion

We are far enough along in video's evolution to know that online video can be delivered at

scale in developed markets, making it a viable choice alongside regular TV. Indeed, new and exciting interactive units enable immersive, customisable experiences for viewers/users. The most buzzworthy of these formats is the online Virtual Reality(VR) video. Largely pioneered by Google and Facebook (which bought Oculus in 2014), this 360° video format has matured past the gimmick stage and is now being used by many publishers and brands to tell deeper, more profound stories.

For example, National Geographic is using 360° video to create real world experiences by immersing viewers in the wonder and beauty of nature's extreme locations, such as Kamchatka and Victoria Falls. And in a teaser for the 2015 film "Star Wars: The Force Awakens", viewers can "ride" Rey's desert speeder through the Jakku wasteland.

Research from the likes of Nielsen and Google has consistently shown that the longer viewers watch video content, the greater the positive impact on metrics, such as ad recall, brand awareness and product purchase intent. This effect is likely to be as, if not more, profound with a fully-immersive user experience.

Whilst these immersive formats are considered to be the future of interactive video, the challenge lies with scale. They are difficult to distribute and many users lack the technology to experience these videos as the creator intended.

The personalised, seamless experiences

The real opportunity lies in the most simplistic interactive video experience – the one that, like a great horse, we let run. We allow it to tell a story that brings the consumer in, enabling in-video shopping, conversing with friends, buying and ultimately leads to the next story. This would require a total re-thinking of how video is bought, sold and – most importantly – measured.

Obviously, we're not there yet but history tells us that we're on our way. Consider the way banners were previously bought. Reach? Done. Today, customisable in-banner content is used to push individuals farther down the purchase funnel, or to capture in-banner data that can reduce drop-off and increase conversion rates. The same evolution will move

interactive video into the future.

For the most part, video is still a 'watch and click' experience: consume short-form content, then click to a web page for more information or to buy. We made some progress with 'shoppable video' that enabled viewers to click on featured products to purchase via crude YouTube annotations or natively-developed products. Despite achieving CTRs dramatically higher than equivalent placements, further technical developments stalled.

We believe there is huge potential for dynamic video to not only deliver immersive storytelling, but also to be used as an end-to-end format that would holistically embrace the entire consumer purchase process. Imagine a video where you could investigate a product, comparison shop, consult others, view deeper video-in-video product information, read reviews embedded from other sites and, finally, make a purchase.

These videos could be further enhanced through the use of freely available consumer and purchase data to subsequently showcase more relevant products and services post your purchase, or indeed tailor the experience itself. But how would this be evaluated against a traditional format? How would this be priced and sold? Are advertisers and publishers willing to move on from the 'watch and click' model?

It could be years until we can unlock the true value of interactive video, but it is coming as surely as the today's previously-unforeseeable formats did. We are barely scraping the surface right now and we can unlock video's potential if we break free of tradition.

So, continue to imagine and dream! Aren't those always the first steps to anything great?

Rethinking interactive video

To move interactive video development along, there are three significant areas in which change is needed:

- **Content:** go beyond linear short-form video and test longer, interactive

stories with adaptations for different audiences.

- **Costing/Auditing:** non-interactive CPMs won't work, because the relationship between exposure and conversion will be entirely new. We'll need an entirely new level-set in terms of pricing.
- **KPIs:** given that interactive video by its very nature could embed the entire purchase funnel, current brand-heavy video KPIs will shift toward purchase intent and completion.

CONTENT