/ Webinar: Emotion's key role in marketing effectiveness with Pinterest

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/ Welcome

Ellen Lai, Industry Marketing and Partnerships, EMEA, Pinterest @PinterestUK

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/ Agenda

- **10.00am** Welcome Ellen Lai, Industry Marketing and Partnerships, EMEA, Pinterest @PinterestUK
- 10.05am Presentation Ian Gibbs, Director of Insight and Planning, DMA @DMA_UK
- 10.15am Presentation Andrew Tindall, Global Partnership Director, System1 @System1Research
- 10.25am Presentation Antoine Le Nôtre, Head of Measurement EMEA, Pinterest @PinterestUK
- **10.35am** Panel Discussion Ian Gibbs, Director of Insight, DMA @DMA_UK, Emma de la Fosse, Chief Creative Officer, Edelman @EdelmanUK, Antoine Le Nôtre, Head of Measurement EMEA, Pinterest @PinterestUK, Andrew Tindall, Global Partnership Director, System1 @System1Research
- 10.55am Closing comments Ian Gibbs, Director of Insight and Planning, DMA @DMA_UK

/ Emotion's Key Role in Advertising Effectiveness

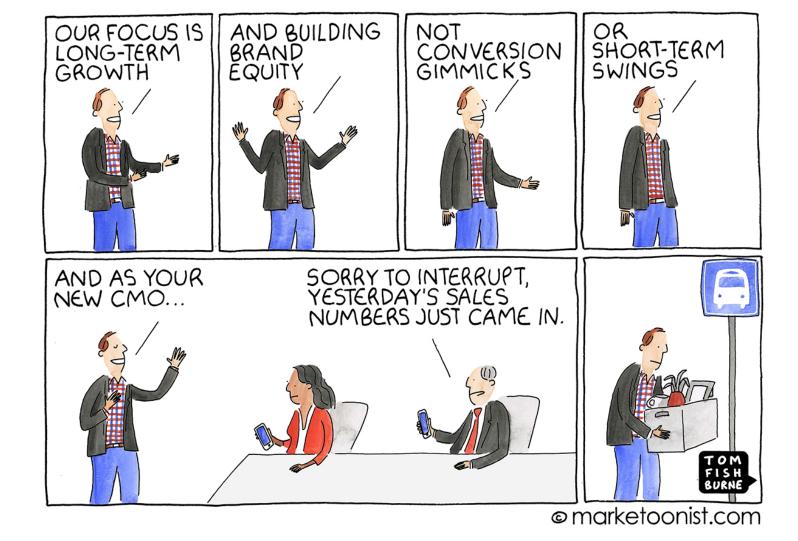
Ian Gibbs, Director of Insight and Planning, DMA @DMA_UK

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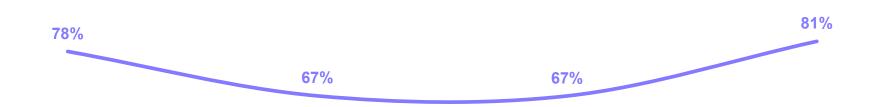


/ The CMO's challenge



/ Consumers are becoming more price savvy

Attitudes towards price and deals (% Agree NET)

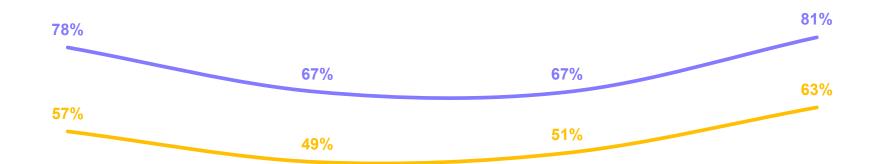


When making an important purchase decision I tend to spend time comparing prices

2018 2020 2022 2023

/ Discounts and offers play a big part in this

Attitudes towards price and deals (% Agree NET)



When making an important purchase decision I tend to spend time comparing prices

When shopping, I often change my mind about what brands/shops/sites to use as a result of deals/offers

2018 2020 2022 2023

But at the same time we are creating more price sensitive consumers

Attitudes towards price and deals (% Agree NET)



When making an important purchase decision I tend to spend time comparing prices

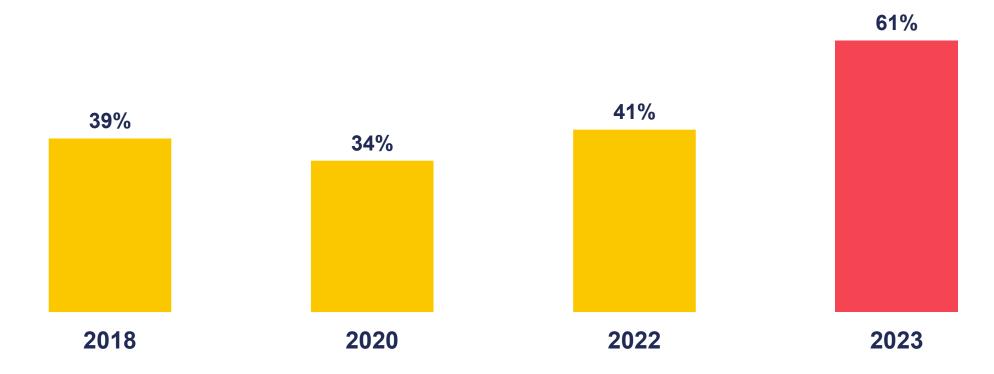
When shopping, I often change my mind about what brands/shops/sites to use as a result of deals/offers

If a brand/shop/site I like stopped offering deals I would stop buying from them

2018 2020 2022 2023

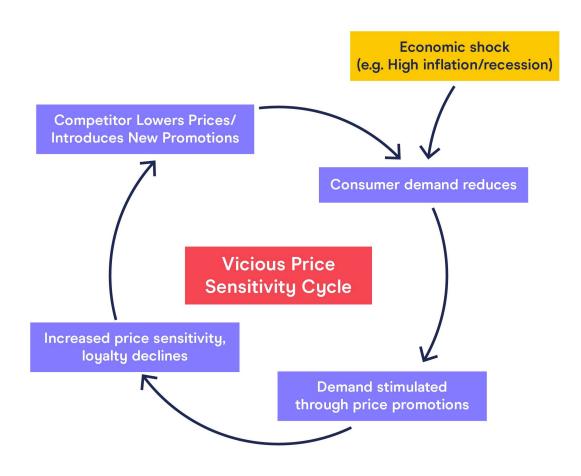
/ As a results brand loyalty is declining

% agree "I feel I am less loyal to brands and companies now than a year ago"

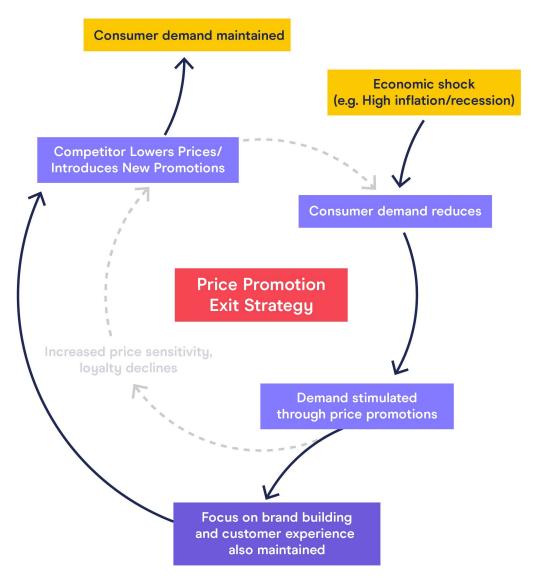


Source: DMA How to win Back Customers and (re)Build Loyalty 2023

Why weaning ourselves off short term price promotions is so important



/ Do you have a cost-of-living crisis exit strategy?



/ Good measurement is essential to proving marketing effectiveness in the boardroom



Four groups of effectiveness metrics







The language of the marketing department



The language of campaign planning

How marketers were measuring in 2021



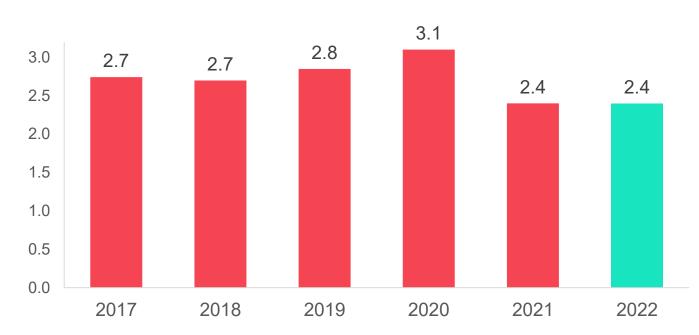
A similar picture in 2022





Marketing effectiveness is below prepandemic levels

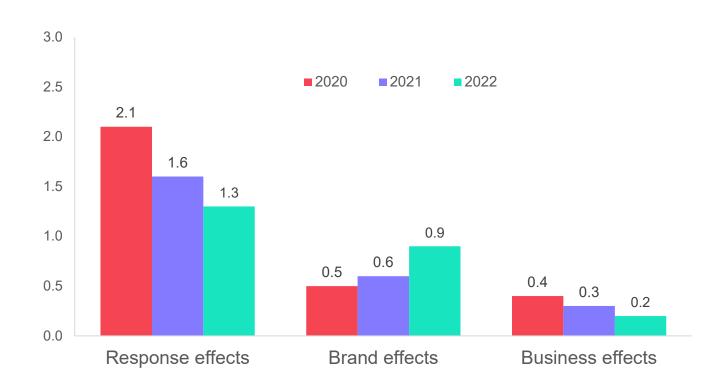
Average Number of Effects Per Campaign



Source: DMA Effectiveness Databank 2023

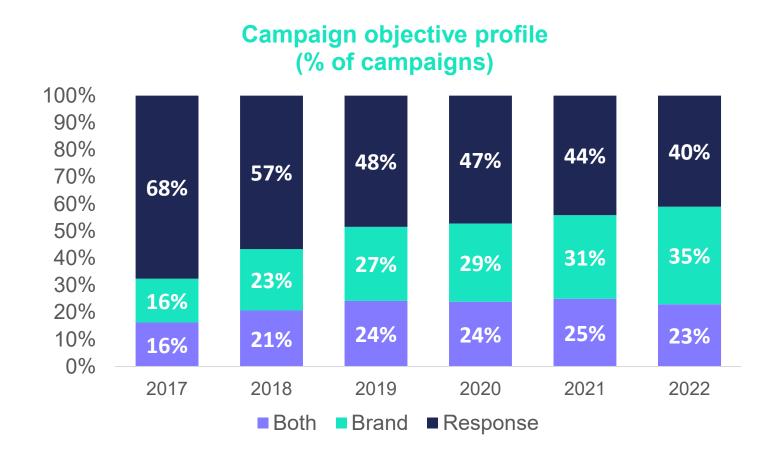
A performance marketing crisis within a cost-of-living crisis

Average Number of Effects by Campaign



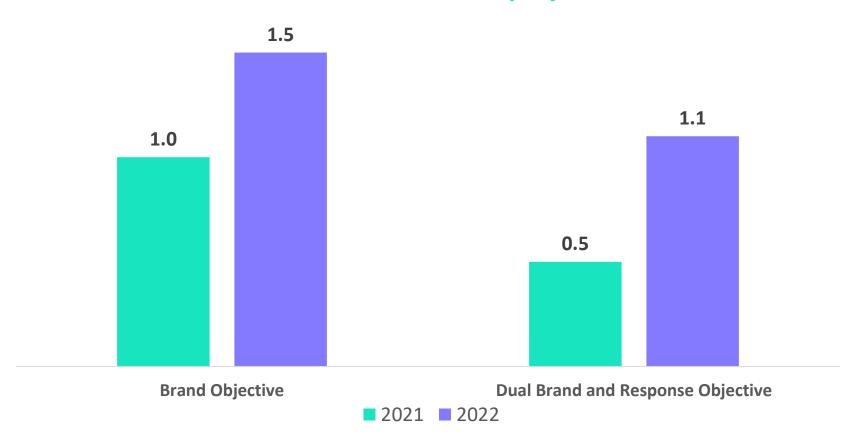
Source: DMA Effectiveness Databank 2023

Increasing focus on brand building



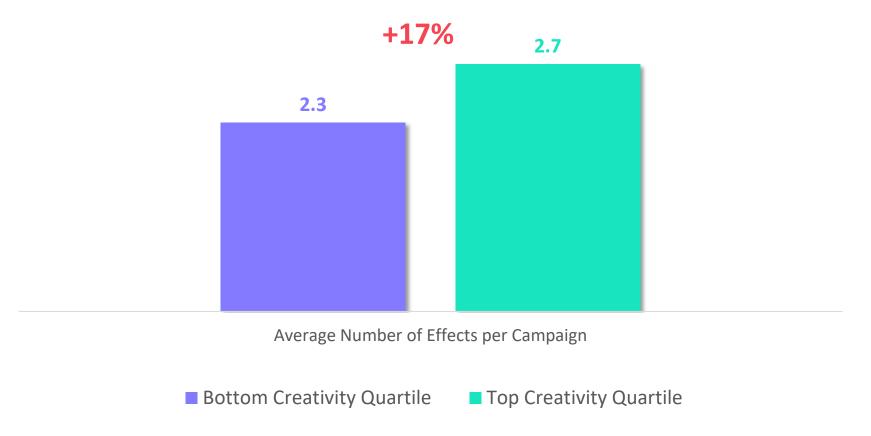
Improvement in brand effects is not just down to a greater focus on brand objectives. Brand campaigns are getting *more effective*

Number of brand effects by objective



Marketers should harness the power of creativity to arrest the overall decline in effectiveness

Effectiveness of high scoring vs low scoring creativity campaigns



Source: DMA Intelligent Marketing Databank 2023

/ Data, technology and creativity are essential in plotting a path towards your cost-of-living crisis exit strategy and proving marketing effectiveness in the boardroom



/ Emotion's Key Role in Advertising Effectiveness

Andrew Tindall, Global Partnership Director, System1@System1Research

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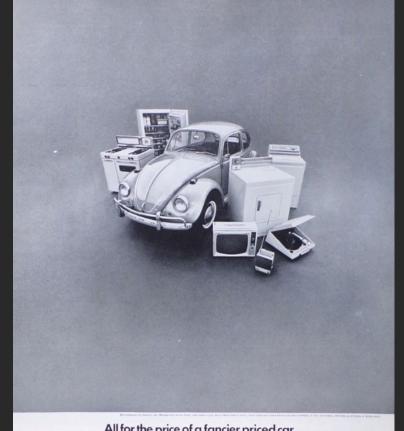












All for the price of a fancier priced car.

\$3260 is the latest average price paid for a new car these days. Iso says the clude oil those tricky fill of leteray by find on Atlancable Manufacturers Association.]

\$3260 will also buy you a new range, a new refrigerator, a new washer, a new clayer, two new leavision sets, a record player and a \$1639* Voltswagen.

Of course our little package doesn't include all those include and those tricky fill of leteray by find on retrivational colors.

A lat of people frow an a Voltswagen by feel it doesn't offer enough in the way of fancy pagestry.

But it does include good food, clean How fancy conyou get?









It makes your house look bigger.





It makes your house look bigger.

Concure getting to be bigger, so houses - some things and lesere geting to last smaller. But one little Yellowager computerory.

thing back in its proper perspective. your house. And your garage. To say noth - miles. And with an air-cooled engine, you'll aggivent gorlog grots and navov roads certainly never need an interest. On the other hand, a YW does make . One thing pould think might be smaller in

Gostells for retains i Arabout 29 mag.

they'll probably be half what you pay now 1. YW as there is in the bigger cars. When a VW year oil it year it by the pint. A VW parked in front does big things for . not by the guart. Times go about 40,000

a Valideagen is the Inside. But there's as much legroom in highr of a

When you think about it, you really have only two choices: Very can buy a bigger for for who knows how much.
Or a Yorkewagen for 1150 You can buy a bigger house

Or a Yokovagen for 11965.1











It makes your house look bigger.





It makes your house look bigger.

Concurrengering to be bigger, so houses — some things another ere getting to loca smaller. But one linfe Yolfowager can put every.

thing back in its proper perspective.

A VW parked in front does big things for your house. And your garage. To say noth - miles, And with an air-cooled engine, you'll ag of sept ligating grother disease or reads.

On the other head, a TW does wold.

One thing pould think night be smaller in

Gas bills, for essures. We about 29 eag.

But there is on much legislation in front of a legislation by the bull lader you premise. VW as there is in the buggers can.

When you there is not a you easily have. eat by the quart. Times go about 40,000

a Valideagen is the Inside.

only two choices:

only two choices.

You can buy a bigger house for who knows how much.

Or a Yokewagen for 1985.*







The question is not so much 'where is the stage for our brand-building show,' but 'what does our show look like on the stages available to us today?'

































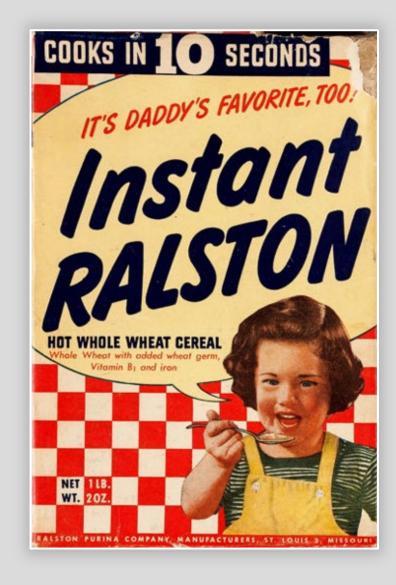








Two schools of advertising





The two schools of advertising

The sale

<u>Product-centric</u>

Interesting to those in narrow buying market

'Reason why'

Seeks to drive immediate action

Believes audience is ready to be 'sold' – a clear message is needed

Favours repetition

Presents a product claim, grasps at a sale

Promotes a clear course of action – makes it easy

Adopts a direct, literal, factual, unilateral, 'scientific' approach

Promotes a unique selling proposition 'Salesmanship in print'

Short-termist: 'Sales now, now, now'

The customer Human-centric

Interesting to everyone in broad target

'Keeps brand before the public'

Puts brand in memory, to be favoured over all others

Believes audience's intelligence should be respected – that they will join the dots

Favours novelty and entertainment

Creates a holistic favourable impression, builds trust

Leads audience to draw its own conclusions – makes it memorable

Works through an emotional appeal: character, atmosphere, metaphor, humour, music

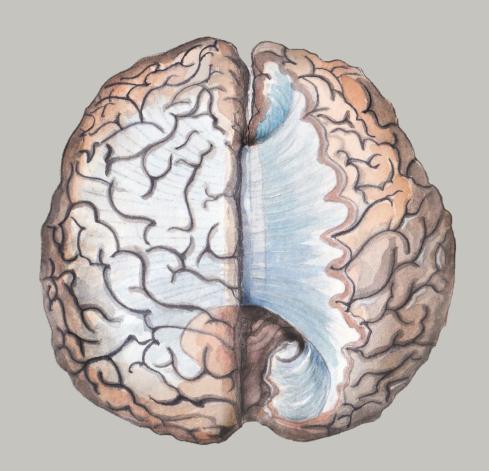
Projects a unique personality

'General advertising'

Lasting: 'Present and future earnings'

Left and Right Hemispheres Of the brain interpret things differently

EEEEE 88888 EEEEE 88888 EEEEE 88888



EEEEE EEEEH EEEEE EEEEH EEEEE EEEEH EEEEEEEE	88888888888888888888888888888888888888
EEEEE EEEEH	88888



Broad-beam

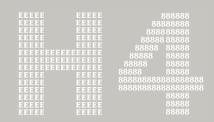
Narrow Goal-orientated Abstraction (parts) Categorises **Explicit** Cause and effect Repeatability Literal, factual Self-absorbed and dogmatic Language, signs and symbols Rhythm

Broad Vigilant Context (whole) **Empathises** Implicit Connections and relationships Novelty Metaphorical Self-aware and questioning Time, space and depth Music

Narrow-beam



Right Brain Creative Is tied to attention, market share & profit gain



Right brain features tied to attention, Star score, market share & profit gain.

Right Brain Advertising Features

A clear sense of place

One scene unfolding with progression

Characters with agency (voice, movement,

expression)

Implicit, unspoken communication (knowing

glances)

Dialogue

Distinctive accents

Play on words or subversion of language

Set in the past (costumes & sets)

Reference to other cultural works (pastiche/parody)

Music with melody



Left Brain Creative Helps direct effects for those in 'buying mode

Left Brain Advertising Features

Flatness

Abstracted product, feature, ingredient

Abstracted body part (e.g. hands, mouth)

Words obtrude during the ad

Voiceover

Monologue (e.g. testimonial)

Adjectives used as nouns

Freeze-frame effect

Audio repetition (metered prose, sound effects)

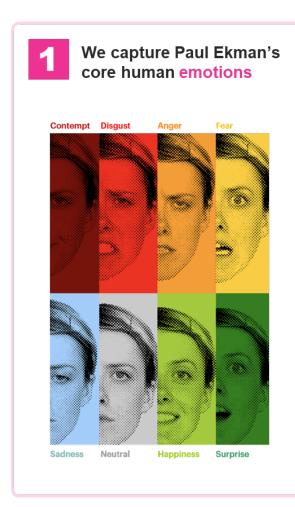
Highly rhythmic soundtrack

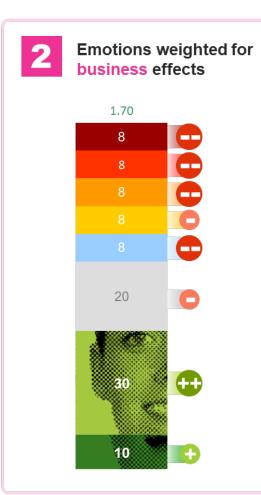
EEEEE 88888 EEEEE 88888 EEEEE 88888

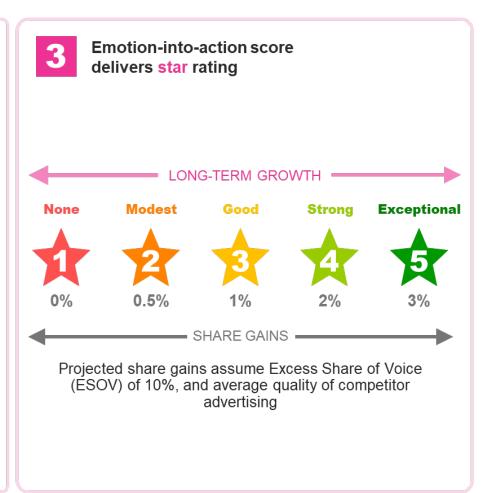
Left brain features for direct effects only, for those already in 'buying mode'.



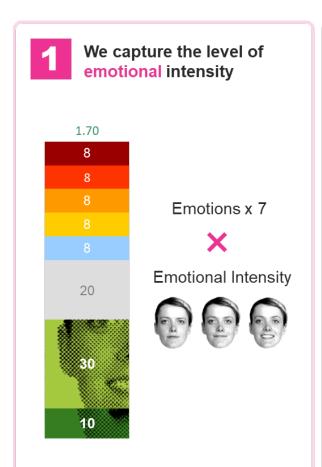
Star Rating Relates to long-lasting market share effects

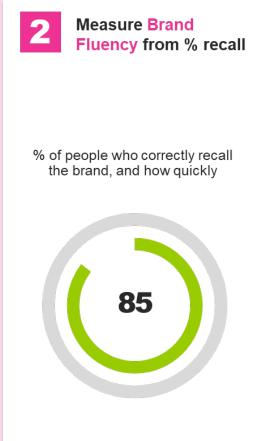






Spike Rating Relates to short-term business effects





Resulting Spike Prediction of short-term activation

Exceptional Index above 1.32

Strong Index up to 1.32

Good Index up to 1.19



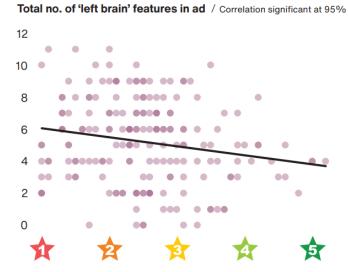
Index below 1.0



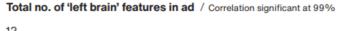
TV Advertising

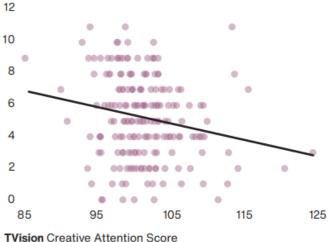
Emotion

Attention



Star rating emotional SOV amplifier



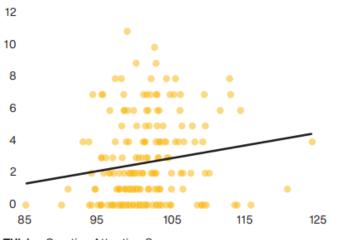


Total no. of 'right brain' features in ad / Correlation significant at 99.9%



Star rating emotional SOV amplifier

Total no. of 'right brain' features in ad / Correlation significant at 95%



TVision Creative Attention Score

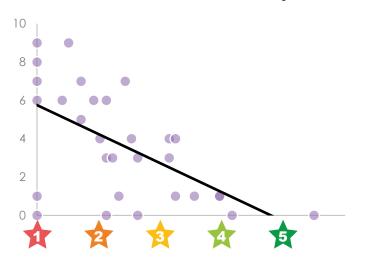




We see the same pattern with online video ads

Total no. of 'left brain' features in ad / Correlation significant at 95% **Total no. of 'right brain' features in ad** / Correlation significant at 95%

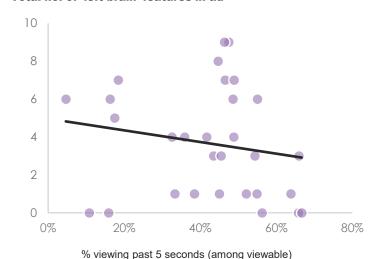




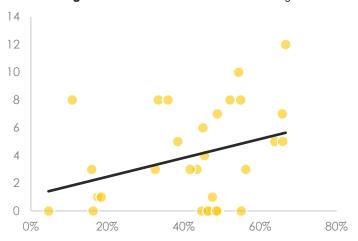
14 12 10

Star rating emotional SOV amplifier

Total no. of 'left brain' features in ad



Total no. of 'right brain' features in ad / Correlation significant at 90%



% viewing past 5 seconds (among viewable)



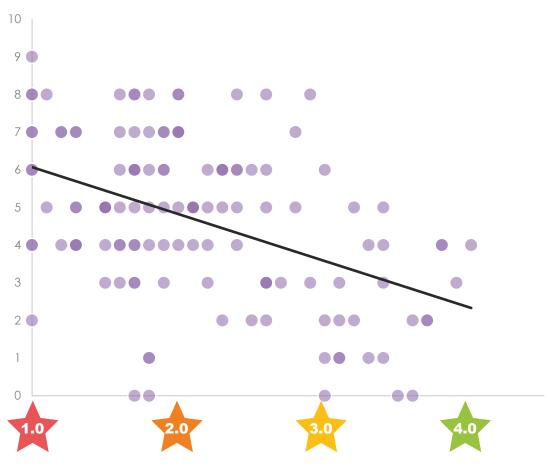


Sample of 30 YouTube ads tested for emotional response by System1 and attention by Lumen, selected from a representative set of YouTube ads from Nielsen for their high number of right- or left-brain features.

We see the same pattern with radio ads

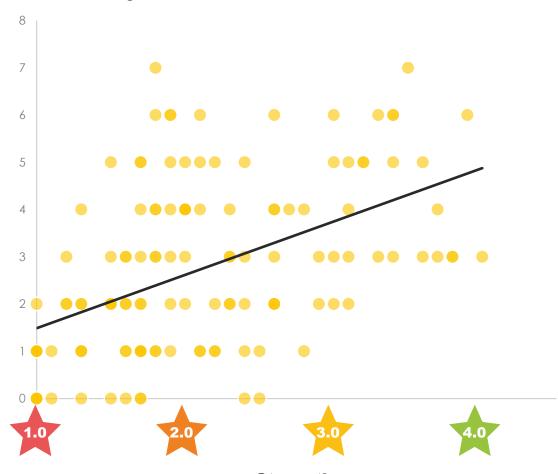
Total no. of 'left-brain' features in ad

correlation significant at 99%



Total no. of 'right-brain' features in ad

correlation significant at 99%



Star rating emotional SOV amplifier

Star rating emotional SOV amplifier



Base: 127 radio ads. For more details see Listen Up! by System1 and the Radiocentre.

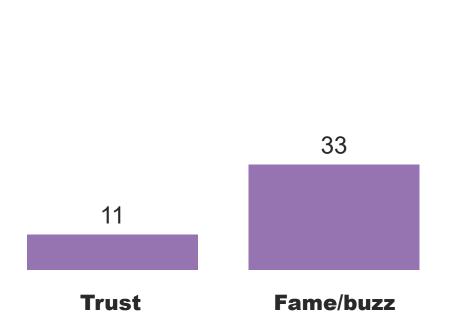
Right-Brain Audio Creative Features Are More Associated with Memory and Emotion



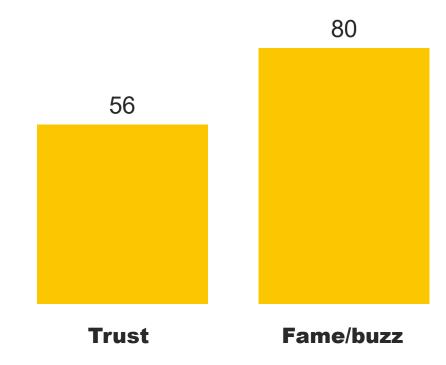


Right-brained campaigns more likely to create trust and establish mental availability

% Achieving very large effects on each measure



Left-brain skewed (top 20%)

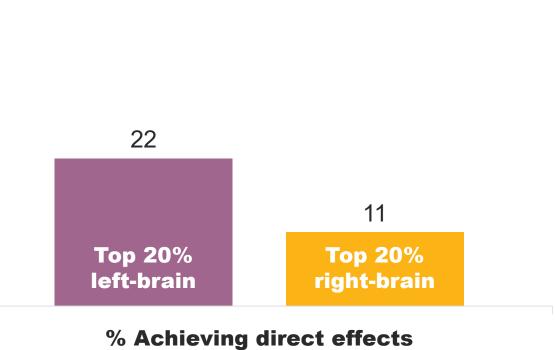


Right-brain skewed (top 20%)



Direct Effects

Future Earnings



2.0 1.2 **Top 20% Top 20%** right-brain left-brain

Average no. of very large business effects achieved

/ Emotion's Key Role in Advertising Effectiveness

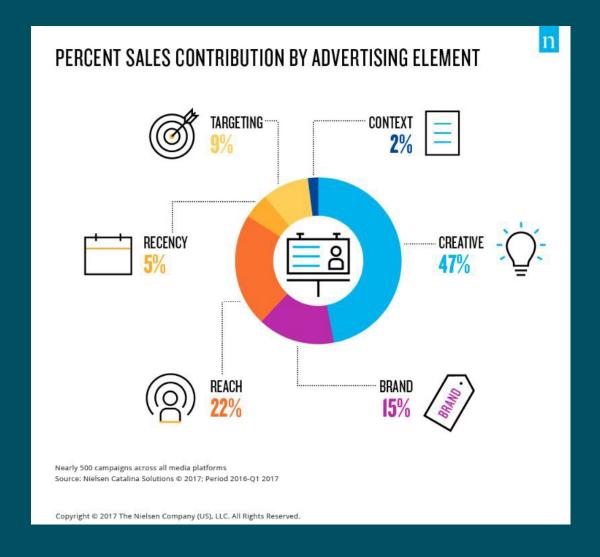
Antoine Le Nôtre, Head of Measurement EMEA, Pinterest @PinterestUK

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Creative is the #1 driver of ads effectiveness

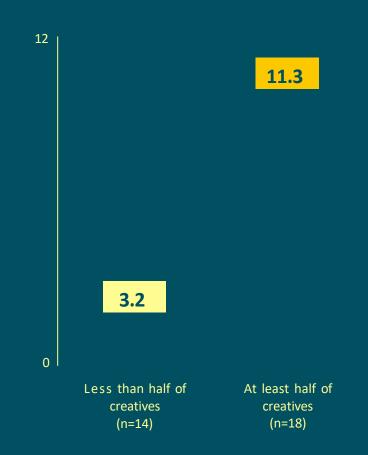




Prominent Branding is a necessity



Impact of a clear branding on ad recall





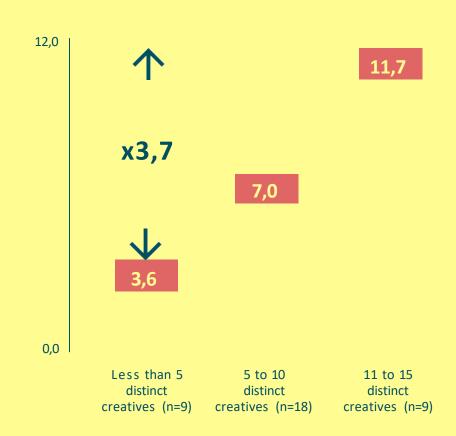
Creative Diversification Matters

Creative diversification is key to driving Pin awareness in an optimal way

Keep Pinners interested with various creative executions. Use a consistent theme/characters/style to aid ad association.

Creative Diversity

Impact on the lift of Ad Recall



Which approach drives better results for CPGs on Pinterest?

Product Centric Ads

The product is the centerpiece of the creativity, playing a hero role. Clear packaging showed.

Call out to product USP, benefits, characteristics, price, product description. In half of the ad (video or static) the product is the hero and has a prominent protagonist even if it's part of an experience or people are part of it.



55% of ads analysed

People Centric Ads

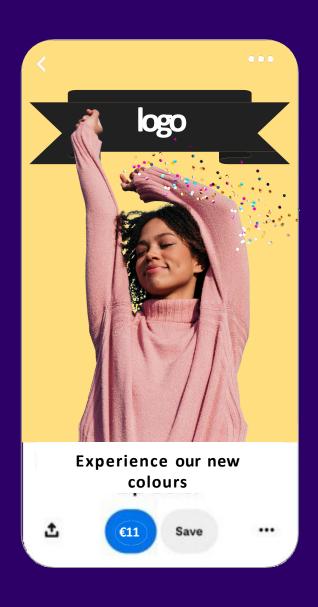
Customers are in the center of the creativity, they are using the product and showcasing the moments and moods the usage or consumption evokes.

Create aspirational feelings on the audience making them believe that it will improve the quality of living.



45% of ads analysed

VS



Result: people centric ads do a better job at changing driving *Action Intent* and *Favorability*

+73%

1.5x

Brand Favorability lift

Action Intent lift

... but product-centric ads are slightly better at driving ad recall

Carnation Condensed Milk drives sales with recipe inspiration

Total sales uplift: New to Brand Spend:

+9%

+62%

"People are on Pinterest seeking out inspiration and tips on how to bake sweet treats and easy family desserts. We knew it was the perfect platform to reach our target audience - those searching for baking inspiration - and are thrilled with our campaign results."

Daniela Campanaro, Brand Manager, Nestle UK



System 1 Star Rating



Predicts long-term performance.

This is created from how positive the emotions are from watching the ad.

If System 1 Star rating is above average, we see a ...



+20%

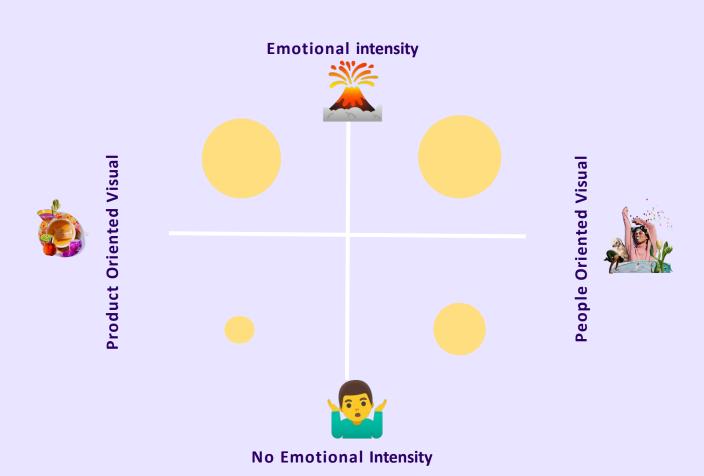
higher lift in Ad-recall

6x

higher lift in Action Intent



Product-oriented ads
have the potential to drive as much intent as
people-oriented ads
when they trigger a positive emotional response



/ Panel Discussion

Ian Gibbs, Director of Insight, DMA @DMA_UK

Emma de la Fosse, Chief Creative Officer, Edelman @EdelmanUK

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Andrew Tindall, Global Partnership Director, System1 @System1Research

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/ Closing comments

Ian Gibbs, Director of Insight, DMA @DMA UK

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/ Feedback Link

