

Mobile Native Video Guidance Report

Being Smart About Mobile
Native Video

January 2017



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Sight, Sound & Motion Supercharges Native Ads

“A good advertisement is one which sells the product without drawing attention to itself”
... and we couldn't agree more with David Ogilvy.

The essence of blend-in ads - ads that match the content and that resonates the context - has piqued the interest of marketers. The primary tenet of native ads is to match the form and function of the environment but the form being relevant to the audience is of tantamount importance.

Marketers have been leveraging the power of sight, sound, and motion to sway audiences since the first television ad aired in [1941](#). Since then, the significant change has been the transition of users from television to mobile devices. The affinity to videotelling, however, has remained. Be it [YouTube's ad revenues](#) or [Instagram's](#) Episodes, the current ecosystem speak volumes on how Millennials and Generation Z, [the light TV](#) viewers, are increasingly consuming video-based content on mobile.

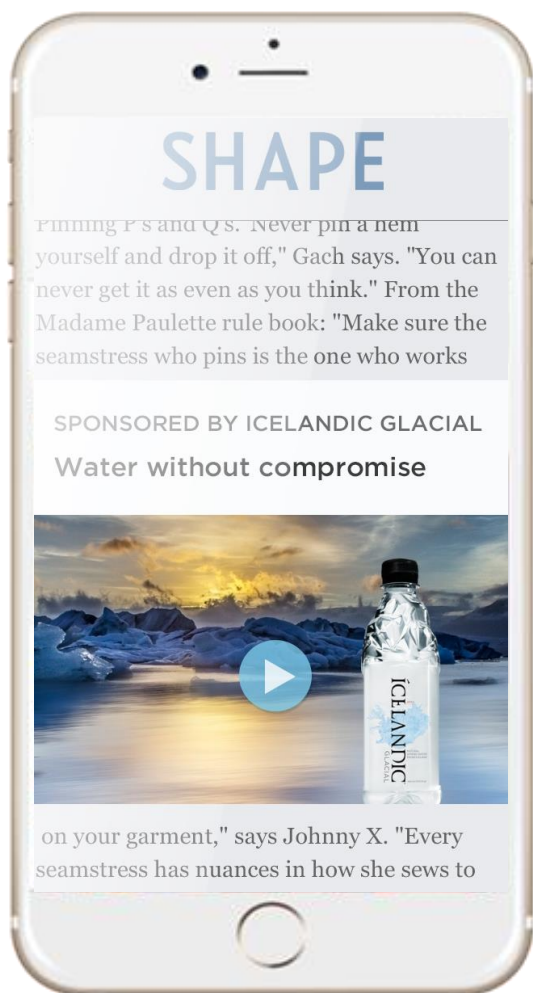


The US mobile video advertising spend is set to reach

\$8 billion by 2019¹

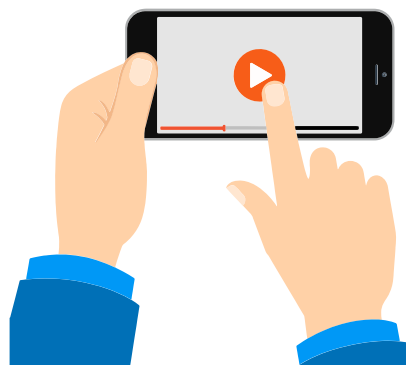
This utopian growth forecast is based on mobile-first dominant players like Facebook betting big on [native video-first](#) strategy. Also, with video being the preferred mode of content consumption, communication, and distribution among the users, it is important for a marketer to bring in video to their mobile storytelling mix.

What Are Mobile Native Video Ads?



In simple terms, a native video ad is

a form of paid media where a video ad auto-plays within an app or a browser and follows the natural form and function of the user experience in which it is placed.



Typically, a mobile native video ad plays on auto-mute until the user interacts, keeping the user experience at the forefront. The video may or may not end with an end-card. When the user scrolls past the video in the feed, the ad stops playing and resumes only when the user scrolls back to that location.

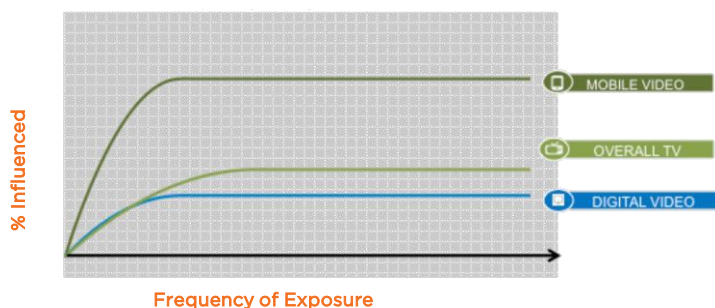
Source: Jun Group
For representation purposes

Why Are Mobile Native Video Ads Excellent Thumb-stoppers?

Hurried, distractible, always on, light TV viewers - these adjectives succinctly define today's audience. While the intention is to create an ad unit that blends into the publisher's property and provides an integrated experience, ad content must also stand out with content that is interesting to this audience.

For such an audience, native video is a proven thumb-stopper. At least 46% (US)² of users complete watching one-fourth of the video. Native video ads have had a positive impact on both direct response metrics (such as CTR, CTA, and so on) and indirect metrics (such as brand awareness, purchase intent, and so on). According to Jun Group, native post-view engagements are 2-3X greater than standard pre-roll ads.

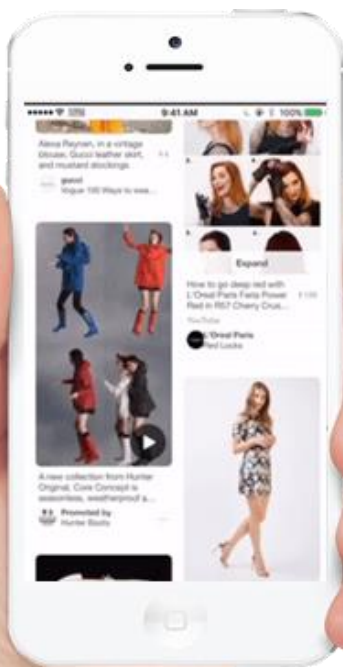
Frequency Analysis :Purchase Intent



Video as a medium is not only surging ahead of other mobile advertisement realms, they are also doing better than regular television ads. Findings from [MMA's SMOX research](#) suggest that **mobile video is 3X more effective than TV and digital video**. At the current competitive pricing, shifting some budget from cable TV to mobile video

will optimize ROI and be a great investment for marketers.

This guide is focused on educating marketers about the best ways to leverage video as a storytelling tool in the mobile-first native environments



Courtesy: Pinterest
[Watch Video](#)

Get the Content Right

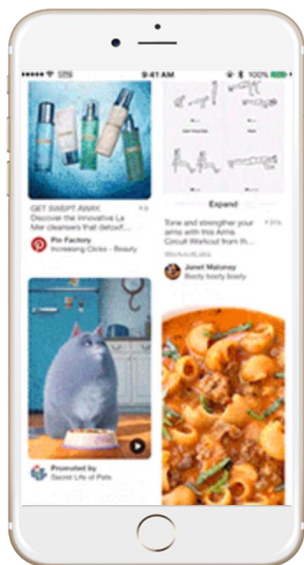
To create a native video campaign that grabs attention and fulfills business goals, an advertiser has to start by getting the content right.

Create a Compelling Video Narrative

Consumers are willing to engage with the video that tells a story, employs a voice or conveys a culture, educates, entertains, is original and authentic, and is not overly promotional. To boost the engagement of the video, stick to the main subject and use minimal branding.

Hook users within 2-3 seconds of the video by revealing key information or by making sure that attention grabbers appear right at the start. For instance, a CPG brand ran a native video ad where a celebrity appeared within the first 3 seconds. Nativo observed that the campaign enjoyed a **34% lift in completion rate and a 39% uptick in CTR** as compared to the benchmark. For user-initiated native videos, dynamically A/B testing creative elements such as preview image and headline combinations can boost the video play rate by 95%. Additionally, using words like “Video” or “Watch” in the headline can increase the video play rate by 28%.

A user reaches video fatigue within 2-3 views. As such, showing stale or repeated content is a wasted opportunity. But video content creation is a capital intensive task. If you have already invested in branded content co-created with publishers, individual influencers, or content aggregators, you can reuse this content with minor tweaks.



Tailor your videos for mobile screens. Repurposing the desktop video for mobile may not yield the most optimal outcomes. For instance, videos that have casual tone and are unpolished perform better on social platforms. Videos that are tailored for the mobile screen tend to perform better than those that are not. For example, adding a CTA button to a video can **increase video engagements by 4X**, as seen by Jun Group.

Courtesy: Pinterest
[Watch Video](#)

Align Video Length to Your Objective

To increase brand awareness among the audiences who are attention-deficit, fast-paced scrollers, snackable content is ideal. To create recurring engaging moments with the users in a native set-up, restrict the video length to 10 seconds. However, video lengths of 7, 15, and 30 seconds, too, are found to be effective for different native placements.

If you are launching a new product or rebranding an existing product, you must establish the features, benefits and/or the positioning of the product. In this scenario, use long-form videos of more than 30 seconds. On an average, a 60 seconds video attracts a 75% - 80% completion rate, post which the trend plummets. However, movie trailers see a healthy completion rate even beyond a 60 seconds long video, primarily attributed to riveting content. The long-form video, if crafted judiciously, can bump up the indirect response metrics too. For instance, a CPG brand ran two in-feed native video campaigns. Campaign A ran a 127-second long video and campaign B ran a repurposed 30-second pre-roll creative. Campaign A saw a 75% higher quartile 3 completion rate and drove 82% higher engagement than Campaign B as observed by Nativo.

Make Sound Secondary

85% of Facebook videos are watched without sound³. A user today inattentively scrolls away on her phone and sparingly stops if something attracts her attention within the first few seconds. If she delves further, it happens in the 'sound off' mode. For such an audience, it is only prudent for marketers to refine their video narrative to be compelling even with the sound off. To make the content crisper, you can even employ subtitles or pop-ups in the video that aid storytelling.

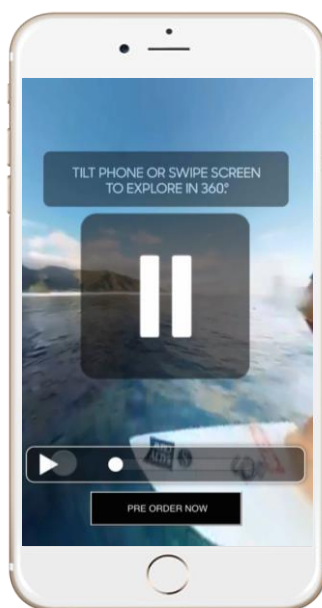


Standout with Futuristic Trends

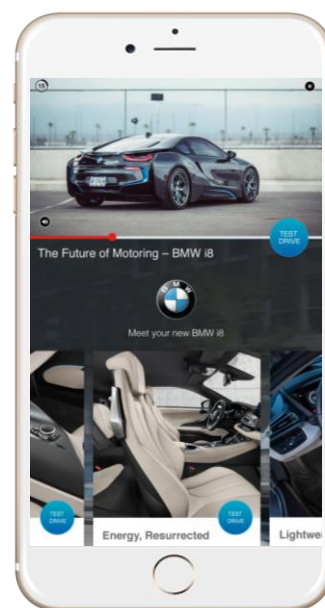
With millions of ads being served to users each day, it's getting hard for advertisers to cut through the clutter and deliver a memorable ad experience. Embracing the upcoming video trends is more of a necessity than vanity to reach the intended audience. Vertical Video and 360 are a few trends that are creating waves in the industry. At InMobi, the early adopters have seen success with **80% higher completion rates on Vertical Video** as compared to the horizontal counterpart. Marketers can also leverage rich end cards to boost the engagement. InMobi advertisers have seen a **2X jump in engagement rates** with interactive end cards.



Vertical
Video
[Watch Video](#)



360
Video
[Watch Video](#)



Interactive
Carousel End-Cards
[Watch Video](#)

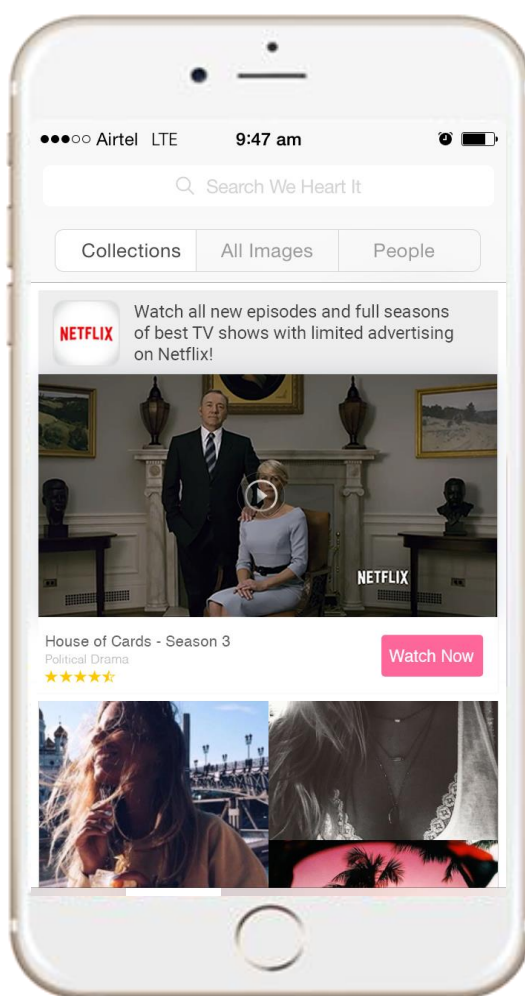
Source: InMobi
For representation purposes

Be Placement Smart

Unless the media buy is direct, marketers seldom get visibility into the where the video lands and how it looks at the user's end. Though the ecosystem is almost opaque, the industry is warming up to transparency, starting with constructive work on the ad viewability front.

In-Feed

An in-feed placement is typically seen in non-gaming apps like news, editorial, social or commerce apps. This placement allows users to watch video within the feed akin to the app's environment. The video usually expands to full-screen once the user taps it and resumes to the original size once the video completes or the user closes it. Advertisers looking to create brand awareness or drive engagement via video should definitely opt for this placement. A typical in-feed video experience is auto-play and skippable.



Source: InMobi
For representation purposes

In-Stream

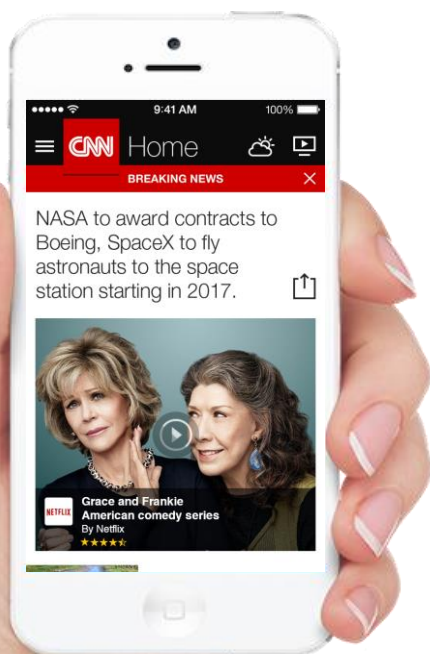
In-stream placements have been around since 2008 when Youtube launched video ads on its platform, borrowing the concept from TV. The video ad can appear at pre, mid or post roll of the video content. Since the content itself is video in nature, the ad appears seamlessly native. The ad buy can be either skippable or non-skippable. Even though pre-roll is a prime-time slot and guarantees views, most users find such video ads annoying and in few cases have even surged ad blocker app installs⁵.

Advertisers looking to educate users about a new product or accomplish a rebranding exercise should opt for an in-stream mid-roll placement for maximum effectiveness.



Source: InMobi
For representation purposes

Out-Stream



Many publishers who provide editorial-style content in a non-feed environment choose to showcase videos in out-stream fashion. An out-stream video is an ad unaccompanied by content. Since out-stream videos are user opt-in, they are better geared towards viewability. Similar to in-stream, these impressions too can be bought in skippable and non-skippable variants. However, out-stream video is popular among mobile web publishers too. As targeting on mobile web properties is inferior to the targeting on apps, marketers should be watchful of buying these impressions.

Source: InMobi
For representation purposes

Value-Exchange

Gaming, being an unusual suspect, too offers a scalable native video opportunity to marketers with value-exchange placements. A value-exchange slot leverages the user-flow aligned to the core game loop and adds value to the overall gameplay experience. Similar value-driven experiences have been employed by the utility, messaging and entertainment apps too. For instance, [Pandora](#) unlocks music for an hour with “Sponsored Listening”, and [Boingo](#) provides access to free WiFi in exchange for the video view.

These ads are user opt-in, may or may not be skippable, and play with default sound on. The opt-in aspect enables advertisers to reach their audience whilst maintaining a non-disruptive, player-first approach. As seen by EA, value-exchange placement offers **97% completion rates** and post-video CTRs of nearly 2X the industry average. When EA ran a survey among its players, 9 out of 10 players agreed that opt-in native video ads did not disrupt their gaming experience. Also, advertisers enjoyed **2.5X higher recall with opt-in videos as compared to TV**. Typically these units enjoy a **3%-14% post-view engagement rate**. Adding a pre-qualified screener question before a value-exchange unit can increase the post-view engagement rate by 3X, as noted by Jun Group. Advertisers looking to get user-initiated, undivided attention from their audience should opt for this placement. The non-disruptive, user opt-in experience makes value-exchange a clear favorite over pre-roll with over 20% better completion rates.

Additionally, Jun Group observes a post-view engagement rate of 2-8% with value exchange video, and an average video completion rate of 91% for a 30 second video. When a campaign is purchased on a Cost Per Engagement (CPE) basis, the rate of engagement jumps to 24%.



Source: EA
[Watch Video](#)

Bring the User to the Forefront

Just because nobody complains doesn't mean all parachutes are perfect, as Benny Hill, the noted comedian, once said. Similarly, one doesn't have to wait for a user backlash to fine-tune the end-experience. Though, predominantly, a publisher is responsible for the user-experience, it is only prudent for the marketers to be cognizant of the video's ramifications.

Contextual relevance, as with any native execution, is crucial for a seamless and integrated ad experience. A recent study by the Guardian found that contextual relevance boosted campaign effectiveness, with 23% more consumers seeing a benefit in the ad placement, and 18% more feeling positive towards the advertiser⁶. Besides video, dynamic optimization of headlines and CTAs improves performance by 5X, as observed by Nativo. The native video should, ideally, accommodate pause-video and provide clear CTAs for the format's efficacy. Also, adding a replay button at video completion allows the user to watch the video again if they wish so, boosting engagement.

Dominant players like Facebook, Twitter, Instagram, and Snapchat have made autoplay a standard geared towards better completion rates. Undoubtedly, autoplay video implementations have monopolized the in-feed native experience across the board. However, a native video should autoplay only after being fully rendered, and when 50% of pixels are visible on the screen for at least 2 seconds, as per the viewability guidelines of MRC⁷.

As to whether the native video should play with default sound off or on, the only guiding force should be the placement. On Facebook, 80% of the users react negatively when in-feed mobile video ads play loudly when they aren't expecting it, both towards the platform and the advertiser⁸. Accordingly, in-feed videos should play with the sound off allowing users to experience the video without intrusive annoyance. User opt-in placements like value-exchange can afford to play the video with default sound on.

To maintain the trust of the user while driving brand recall for the advertiser sponsoring the native video ad, disclosure and transparency are of paramount importance. To differentiate a native video ad from the organic native video content, the ad must be clearly marked with "Sponsored" or Ad" tag.



Measure the Right Metrics

Identifying the metrics that matter is critical to aligning native video ads with a campaign's objective. To figure the efficacy of the native video ad one has to start by finding the right metrics to measure. The following are some proven metrics that you can use:



Video plays or Start rate: Number of videos which have started playing.



Quartile completion rate: 25% (q1), 50% (q2), 75% (q3) indicates the percentage of plays that were partially watched.



Completion rate: The percentage of the plays that reached 100% completion.



Viewability: According to MRC, a fully rendered video ad is viewable if at least 50% of pixels are visible on the screen for at least 2 seconds⁹. Measuring viewability ensures marketers that their mobile video ads were seen, and increases accountability. Marketers can tie up with independent tracking partners who measure viewability like Integral Ad Sciences, MOAT, Nielsen or ComScore to name a few.

These metrics coupled with standard metrics like CTR, Completion Rate give a comprehensive view of the ad's performance. Knowing that a user has watched the ad is a good first step, but it's also important to measure if the ads are having the intended effect. Advertisers should consider running their own brand-lift research across all of their media partners or look for value-add opportunities. Marketers should examine both performance metrics and brand impact metrics (post-view engagement, brand lift) to gauge the campaign success.

Conclusion

Video has been the go-to medium to tell stories and infuse emotions for decades now. Also, there is no doubt that mobile as a medium is here to stay as an agent of transformation in new-age marketing.

Marrying these two vehicles to convey a message in a user's native environment presents a powerful and unparalleled opportunity for marketers. Besides being a powerful storytelling tool, native video is geared towards improving top-of-the-funnel metrics for brand objectives.

To summarize, marketers should heed the following to improve the efficacy of their native video ad campaigns:

- 1 Grab the user's attention within the first 2-3 seconds of the video with a compelling narrative.
- 2 Become truly native to the user's experience by making sound secondary. Tailor the video in a fashion that the storytelling comes through even when on mute.
- 3 Make the video length as short as necessary to be able to convey the message and align it with the objective.
- 4 Identify environments and publisher contexts that are most relevant for the campaign and customize the messaging accordingly.
- 5 Consider gaming to reach the target audience as the same user sits across multiple gaming and non-gaming apps.
- 6 Make the ad experience seamless for the user by aligning sound, auto-play, and skip as per the user's environment.
- 7 Measure viewability to ensure that the message was indeed delivered to the user.
- 8 Identify direct response metrics and end conversion metrics that impact the business and optimize ad campaigns to achieve them.

While it will be some time before the ecosystem matures enough for a gold standard on native video, this guide is an early attempt at throwing some light on the topic of keeping the user at the focal point. Keeping these best practices in mind as well as the [basic tenets of native ads](#) can convert an indifferent scroll into a thoughtful click.

About the MMA

About the Mobile Marketing Association (MMA)

The MMA is the world's leading global non-profit trade mobile marketing association comprised of more than 800 member companies, from nearly fifty countries around the world. Our members hail from every faction of the mobile marketing ecosystem, including brand marketers, agencies, mobile technology platforms, media companies, operators and others. The MMA's mission is to accelerate the transformation and innovation of marketing through mobile, driving business growth with closer and stronger consumer engagement. Anchoring the MMA's mission are four core pillars; to cultivate inspiration by driving innovation for the Chief Marketing Officer; to build the mobile marketing capabilities for marketing organizations through fostering know-how and confidence; to champion the effectiveness and impact of mobile through research providing tangible ROI measurement; and to advocate for mobile marketers. Additionally, MMA industry-wide committees work collaboratively to develop and advocate global best practices and lead standards development.

Members include: 1-800-Flowers.com, Allstate, American Express, Bank Of America, Campbell's, Chase, Chobani, Choice Hotels, Citi, Colgate-Palmolive, DataXu, Dunkin' Brands, E*TRADE, Electronic Arts, ESPN, Facebook, Ford, Foursquare, Google, Havas, Hilton, iHeartMedia, InMobi, Johnson & Johnson, Krux, Marriott, MasterCard, McDonald's, Mondelez, Nestle, OpenMarket, Pandora, Pfizer, Pinterest, PlacelIQ, Procter & Gamble, R/GA, RadiumOne, Razorfish, Samsung, SAP, Sears, Spotify, Starcom, The Coca-Cola Company, The Rubicon Project, The Weather Company, T-Mobile, TUNE, Ubimo, Unilever, Verve, VEVO, Vibes, Visa, Walmart, Wendy's, xAd , Zurich and many more. The MMA's global headquarters are located in New York with regional operations Asia Pacific (APAC), Europe/Middle East/Africa (EMEA) and Latin America (LATAM). For more information about the MMA please visit www.mmaglobal.com



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¹<http://www.emarketer.com/Article/Mobile-Spearheads-Digital-Video-Advertisings-Growth/1013611>

²<https://www.salesforce.com/blog/2016/02/facebook-video-ads-global.html>

³<http://digiday.com/publishers/harvard-business-review-launched-slackbot-delivers-workplace-advice/>

^{4,7,9}http://www.mediaratingcouncil.org/063014%20Viewable%20Ad%20Impression%20Guideline_Final.pdf

⁵<http://www.adageindia.in/Study-Pre-Roll-Ads-Dramatically-Increasing-Ad-Block-Installs/articleshow/50735137.cms>

⁶<http://www.iabuk.net/blog/it-s-time-to-bring-context-back-to-advertising#3ehBlpKTOQ440EF.99>

⁸<http://www.adageindia.in/Facebook-Tests-Video-Ads-With-Sound-Automatically-Turned-Up/articleshow/53832187.cms>

