



A SMoX Executive Summary on Cross- Marketing Effectiveness: Unilever's Magnum Ice Cream Bars

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Introduction: The Why and What of SMOX

In 2015, the Mobile Marketing Association unveiled its pioneering research program, SMOX. Short for Smart Cross-Marketing Effectiveness Research, the initial series of SMOX marketer case studies sought to provide brand marketers, for the very first time, with empirical evidence on the impact of mobile in the marketing mix, answering three critical questions:

1. Can mobile help brands meet their marketing goals across the purchase funnel?
2. What is the optimal mobile allocation for my campaign?
3. How can I make my mobile investment work harder?

Because the kind of measurement SMOX entails is very complicated to do, there is no other research like it. However, at a time when people – just in the U.S. – are spending approximately three non-voice hours per day¹ on their mobile devices, – per eMarketer – as compared with slightly more than two hours on desktop, the imperative to measure mobile’s impact in the marketing mix is obvious, even as many advertisers haven’t yet met this challenge.

The marketers who were part of SMOX Wave I – AT&T, Coca-Cola (four studies around the world), MasterCard and Walmart (two U.S. studies) – are now being joined by Unilever, which is the first participant in SMOX Wave II and the focus of this Executive Summary. SMOX Wave II seeks to go beyond proving *why* marketers should invest in mobile, to how to go about it; the MMA thanks Unilever for its invaluable participation. Marketing Evolution, which specializes in person-centric marketing analytics, collaborated with the MMA to design and lead the research, with the goal of scientifically assessing the value of mobile in the mix and also providing a granular understanding of the entire mobile toolkit.

About Unilever’s Magnum Ice Cream Bars

Magnum is a line of ice cream bars for adults featuring premium ingredients which play on the theme that “A day without pleasure is a day lost.” Launched in 1989 and known worldwide as the ice cream synonymous with indulgent pleasure, Magnum ice cream bars arouse the palate by melding thick, crackling Belgian chocolate with smooth and delicious ice cream. The brand launched in the U.S. – where this SMOX study was conducted – in 2011, focusing on a female target.

Magnum is available in grocery stores, convenience stores and in pop-up stores around the world, including one launched this year in New York² – where customers can visit a “dipping bar” that allows them to customize their ice cream. Because of partnerships early in its U.S. launch with fashion icons such as Karl Lagerfeld and Dolce

¹ <http://www.emarketer.com/Article/Growth-of-Time-Spent-on-Mobile-Devices-Slows/1013072>

² https://www.unileverusa.com/news/press-releases/2016/MAGNUM_launches_first_US_Storefront.html?criteria=page%3d2



& Gabbana, it has become somewhat of a darling in the fashion world³. Magnum sells one billion units annually worldwide and is the biggest of Unilever's ice cream brands.

In 2015, the brand partnered with the MMA to conduct a SMOX study that would help Unilever see how it could leverage all of mobile's touch points to drive purchases for Magnum.

Campaign Media and Measurement for Magnum

Unilever partnered with the MMA to study a campaign for Magnum's Double Caramel and Double Peanut Butter ice cream bars from April 5 through September 27, 2015. The effort was targeted toward women, age 25 – 54 and used TV, print, digital and mobile. Within mobile itself, the campaign employed small and large banner ads and 15- and 30-second video – mostly in-app – along with using weather and other targeting parameters, and formats and channels including mobile social media and rich media.

For Unilever, there were two main measurement objectives. The primary goal was to measure sales and understand the contribution and sales impact of each marketing tactic. Unilever also had a secondary objective at the very top of the funnel, to understand the impact of the campaign and its components in driving aided awareness.

What SMOX Found: The Alchemy of Marketing in Mobile

The study of Magnum's 2015 summer campaign unearthed three key findings about the role mobile played – and could play – in the marketing mix, assuming it was completely optimized. (More complete details below.)

1. Increasing allocation to mobile would drive better results with the same budget for Magnum.
2. Certain combinations of format, channels and targeting methods could further improve results for mobile.
3. Optimizing within mobile and better leveraging creative would further improve mobile impact.

1. Increasing allocation to mobile would drive better results with the same budget for Magnum.

Mobile as a whole, including all of the mobile tactics that were tested, was an efficient driver of sales with a lot of upside remaining. In fact, given its efficiency and sales

³ <http://abcnews.go.com/Lifestyle/magnum-fashion-worlds-food-darling/story?id=24589146>



impact, a 15 percent reallocation to mobile of the total campaign budget would drive an incremental nine percent in profit.

2. Certain combinations of format, channels and targeting methods could further improve results for mobile.

The results from the Magnum study underscored how just the right mixture of ad format, channels and targeting methods can drive impact in spades, resulting in better sales impact than previously planned campaigns would have.

It depends on the weather. The Magnum campaign proved how essential context – in this case, weather – is to successful mobile marketing. A large mobile display ad that ran during the course of this campaign was effective in terms of driving awareness for the brand but had no impact in driving sales when served to a broad audience of women 25 – 54. Yet, running the same ad when the temperature was over 80 degrees gave this unit formidable impact. Not only did aided awareness grow by 14 percent per dollar spent compared to untargeted mobile display, but serving the ad in a more relevant context also made it one of the most efficient drivers of sales, with sales impact 50 percent higher than the campaign average.

Size matters. Previous SMOX studies have shown that larger banners tend to perform better than smaller ones, even taking into account differences in CPM – and that proved true here as well. In fact, the large banner ad for Magnum was seven times more effective in moving purchase intent than the smaller one, a result that was enhanced by the fact that imagery plays an important role in category such as ice cream.

Video is now mobile (and social): TV remains effective, but mobile delivers video impact far more efficiently. In fact, mobile social video emerged as a key driver of results due to its low cost and reach. Here is how it compared to its competition:

- Cable TV was as effective but was 2.5 times more expensive.
- Network TV was eight times more expensive and only 2.8 times more effective.
- While desktop social video was the same cost, it was 1/3 less effective than mobile social video.

Time is of the essence. While bigger is better when it comes to display, shorter wins when it comes to mobile video. A 15-second video for Magnum used during the campaign was 27 percent more effective than a 30-second video. (Note: the 15-second ad was for Magnum's Double Peanut Butter ice cream bar, and the 30-second for the Double Caramel version.)

The rich get richer – results. Targeted rich media was by far the strongest driver of sales impact and awareness. Compared to the campaign as a whole, it drove four times the aided awareness and sales impact showing that the combination of efficient targeting and rich, engaging experiences can increase relevance and attention, driving superior results.

The ice cream lovers come out at night. Mobile ads served at night were 40 percent more effective in purchase intent when compared to all mobile dayparts. This



finding reinforced the results of previous SMOX studies, which demonstrated how dayparting makes messages particularly relevant in mobile. Media planners need to identify key moments and make media decisions based on them.

The art of being agile (but also strategic). There was wide variation in how different parts of the demo responded to the advertising, illustrating an opportunity to engage them with different versions of the creative. By targeting the most responsive audiences (women age 45–54, followed by women with no children) the current creative would work harder improving results by 25 percent. However, additional creative should be developed that would resonate with the remaining groups, ensuring that the strategic goals of the brand are met.

3. Optimizing within mobile and better leveraging creative would further improve mobile impact.

Given the findings above, it's clear that optimizing within mobile and using some creative formats rather than others would increase mobile's impact significantly. Specifically, the combined impact of increasing mobile investment and optimizing within mobile would result in a 13 percent increase in impact. If Unilever were to increase mobile investment without reallocating budget based on this study's insights about formats and targeting, it would still see a nine percent in impact.

Do the Math: Context and Targeting Multiply the Effects of Creative and Formats

The Unilever case study for Magnum demonstrates how important it is in mobile to interconnect and optimize a variety of parameters from demographics to weather to creative – and how overlooking any one of them can have dramatic effects on campaign effectiveness.

If the most important driver that emerged was context – since targeting for weather and time of day had a profound effect on intent to purchase– the campaign also underscored the efficacy of bigger display ads vs. smaller ones; short video vs. long video and the need to hone creative targeting further than one single, large demographic.

While marketers are using a variety of techniques from native to social to deliver context, it becomes a different beast in a mobile environment. One reason is that our devices are wherever we are – and sometimes that place is at, or close to, the point of purchase. Another reason context is transformed by mobile is its higher level of engagement – as demonstrated by this campaign's ability to enhance sales impact and effectiveness beyond the average across all of its media channels. This applies in spite of the fact that mobile spend is still minimal compared to other channels.



The Five Most Pervasive Missed Opportunities in Mobile – and How to Turn Them Into Best Practices

What makes the Unilever case study more powerful is that its findings align with previous SMOX studies for AT&T, Coca-Cola, MasterCard and Walmart. No matter what the objective, the demographic, or the region, SMOX studies emphasize that mobile shouldn't be viewed in the same way marketers perceive other media, including digital, and that even though mobile is now the first screen for many consumers, marketers continue to underinvest in it. This creates an opportunity for marketers who are willing to treat mobile differently.

In fact, over the course of the nine SMOX studies that have been conducted to date, the MMA has identified five ways marketers miss mobile opportunities. Here's how to turn them into best practices:

1. ***Target more deeply than huge, undifferentiated demographic audiences:*** Mobile creates a much richer dataset that can allow marketers to capture the context, intent and need-state of individuals and smaller demos. For instance, a SMOX study for Walmart demonstrated that using historic location data to target past shoppers increased the relevance and effectiveness of the creative by 50 percent.
2. ***Take advantage of mobile's unrivaled ability to deliver on context:*** Mobile can deliver along contextual parameters – particularly location -- that are far deeper than other platform.
3. ***Produce creative specifically for mobile:*** Mobile's smaller screen offers more purposeful engagement, so repurposing creative from other platforms misses the opportunity to leverage context and customize accordingly.
4. ***Use dynamic targeting, with different creative for different mobile consumers:*** Marketers need to build a process that can capture which messages are effective with which people and dynamically target them with different messaging.
5. ***Focus mobile allocation on sales impact as opposed to CPM.*** Video and native have a higher CPM than banners, but they have an outsized impact on effectiveness – enough to justify paying a higher CPM. The SMOX work for Walmart demonstrated that while mobile native, in that case, was five times the cost, it had ten times the effectiveness.

As the Unilever case study demonstrated, mobile has tremendous upside potential for marketers willing to incorporate context, creative and finer targeting into their mobile efforts – as well as for those willing to optimize and increase their spend. As the MMA continues to roll out more SMOX case studies, we hope marketers will continue to follow what the research is telling us, and benefiting from it. Marketers who would like to be the subject of a SMOX study – and get a firmer grip on the role mobile plays in their marketing mix – should contact Vassilis Bakopoulos, the MMA's Head of Industry



Research, at vas@mmaglobal.com.

About the MMA's Cross Marketing Studies (SMoX)

SMoX is a global research initiative conducted by the MMA, which has also included studies with AT&T, Coca-Cola, Mastercard, Walmart and Unilever. SMoX applies research techniques from person-centric marketing analytics firm Marketing Evolution to provide a granular read of mobile and other media. SMoX methodology has been independently reviewed by the Advertising Research Foundation (ARF). The MMA thanks the following companies that support SMoX: Jun Group, PlacelQ, The Weather Company, xAd, ESPN, Foursquare, Pandora, Turner, Ubimo and Verve.