PHOENIX

Creating and Measuring Impactful Communications in a Post-Pandemic World

The Quirk's Event: Chicago

THE QUIRK'S EVENT
FOR MARKETING RESEARCH & INSIGHTS PROFESSIONALS

"

Any idiot can face a crisis, it's the day to day living that wears you out.

"

- Anton Chekhov
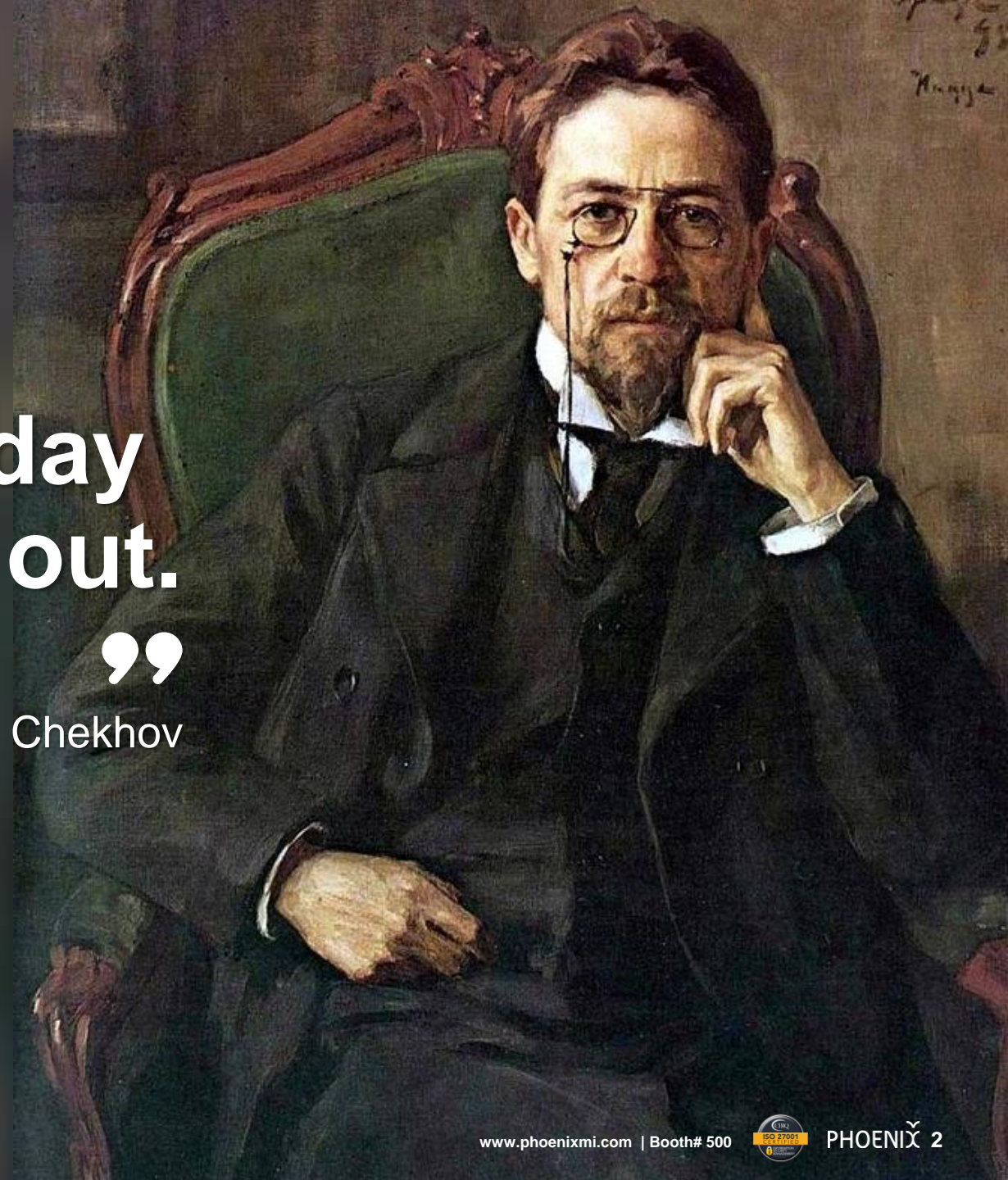
What We Will Be Covering **Today:**

1 Recap: Where We Were & Where We Are Now

2 How the Pandemic has Affected Advertising, Sentiment & Human Behaviors

3 Case Studies: The Impact on Brands and What It Means for You

Phoenix Marketing International

400+ Research Consultants from both client and agency side, with **20+ average years of experience**, delivering **actionable insights**

Market Leaders Report "Top 30" firm and growing rapidly

Founded in **1999**

International:

Offices in US, Mexico, Canada, Australia, UK, Germany, provide **seamless global execution**

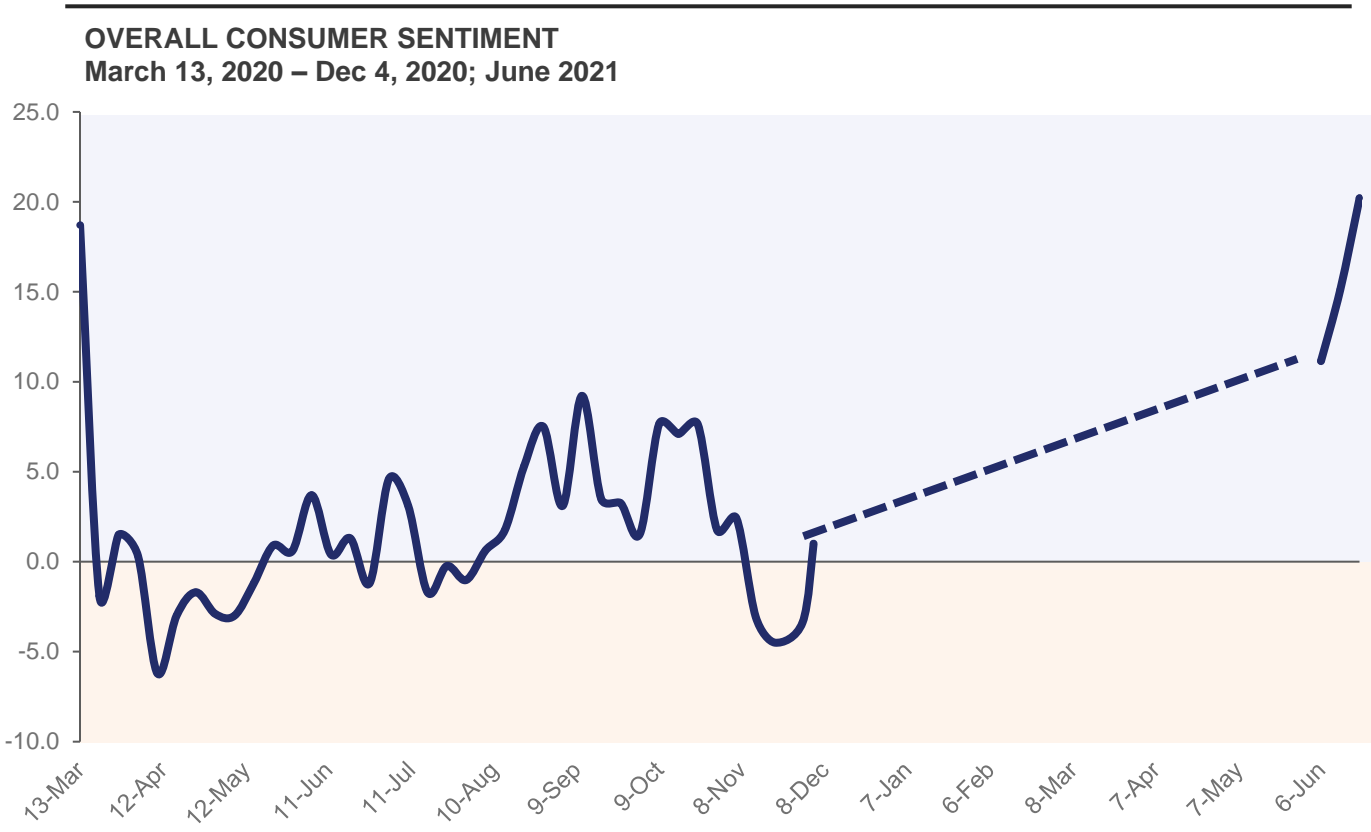Specialists in **Communications, Brand & Customer Experience & Marketing Consulting**
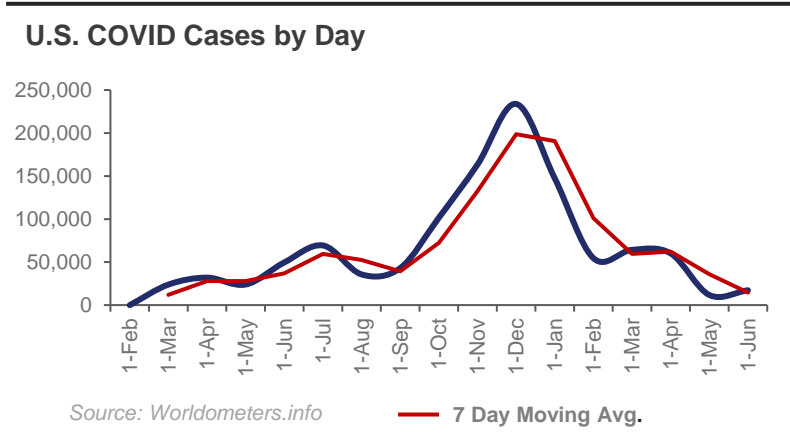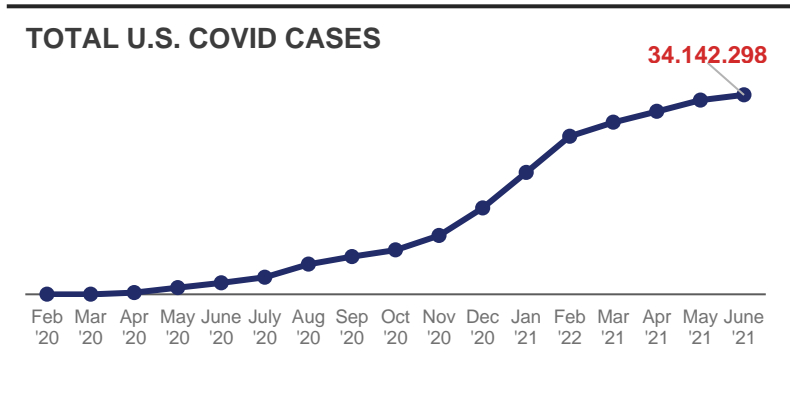
Leading the way with **customized**, interactive **dashboards**, sample **quality**, data integration & advanced **modeling**

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Precise and Connected Solutions to Drive Business Impact

CONCEPT DEVELOPMENT

CREATIVE DEVELOPMENT

OPTIMIZATION & CONTRIBUTION

IN-MARKET MEASUREMENT

NEW! CAMPAIGN-LEVEL RECALL & BRAND LIFT

So far this year, consumer sentiment has risen exponentially as COVID-19 cases declined, vaccine rollouts continued and cities & states further loosened restrictions.

TOTAL U.S. COVID CASES

34.142.298

Feb '20 Mar '20 Apr '20 May '20 June '20 July '20 Aug '20 Sep '20 Oct '20 Nov '20 Dec '20 Jan '21 Feb '22 Mar '21 Apr '21 May '21 June '21

U.S. COVID Cases by Day

Source: Worldometers.info

— 7 Day Moving Avg.

OVERALL CONSUMER SENTIMENT
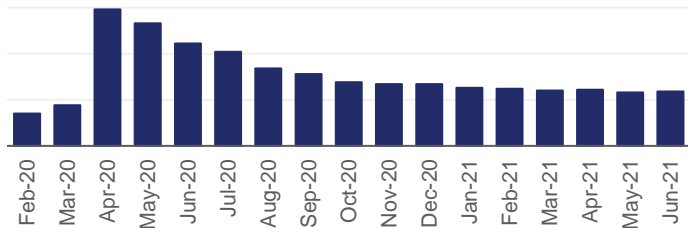**March 13, 2020 – Dec 4, 2020; June 2021**

Consumer Sentiment is based on similar inputs to the University of Michigan's Consumer Sentiment Index. Overall Consumer Sentiment is a Net Positive score that ranges from +100 to -100.

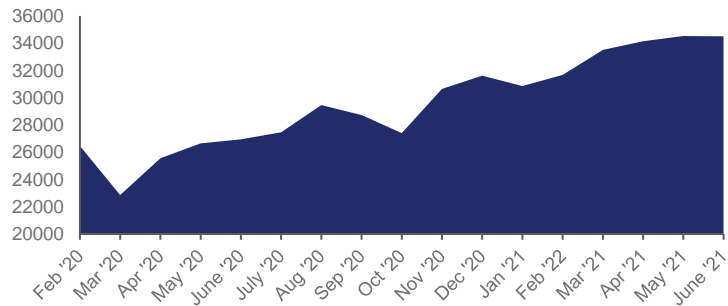www.phoenixmi.com | Booth# 500

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Consumers are also feeling more optimistic about the present and future as the US economy balances out and the unemployment rate continues to drop and stabilize.

Monthly Unemployment Rate
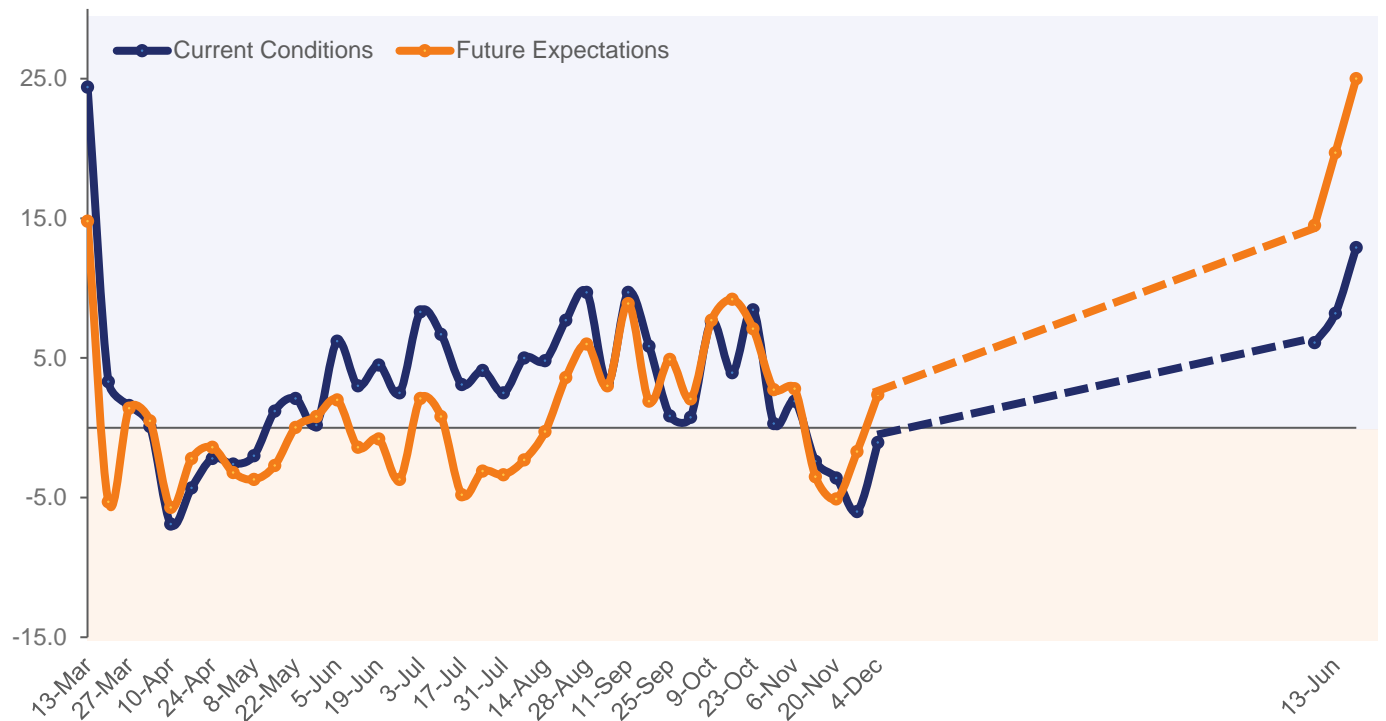

Source: U.S. Bureau of Labor Statistics

DOW Jones Industrial Average


Source: www.macrotrends.net

CONSUMER SENTIMENT
- Current Conditions vs. Future Expectations -

Consumer Sentiment is based on similar inputs to the University of Michigan's Consumer Sentiment Index. Overall Consumer Sentiment is a Net Positive score that ranges from +100 to -100.

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Pandemic related ads' memorability was similar to traditional ads. The initial strong focus on the Pandemic came at the expense of Brand Identity. Many advertisers made course corrections, & this slowly came back up.

COVID Ad vs. Traditional Ad Memorability Trend

COVID Ad vs. Traditional Ad Brand Linkage Trend
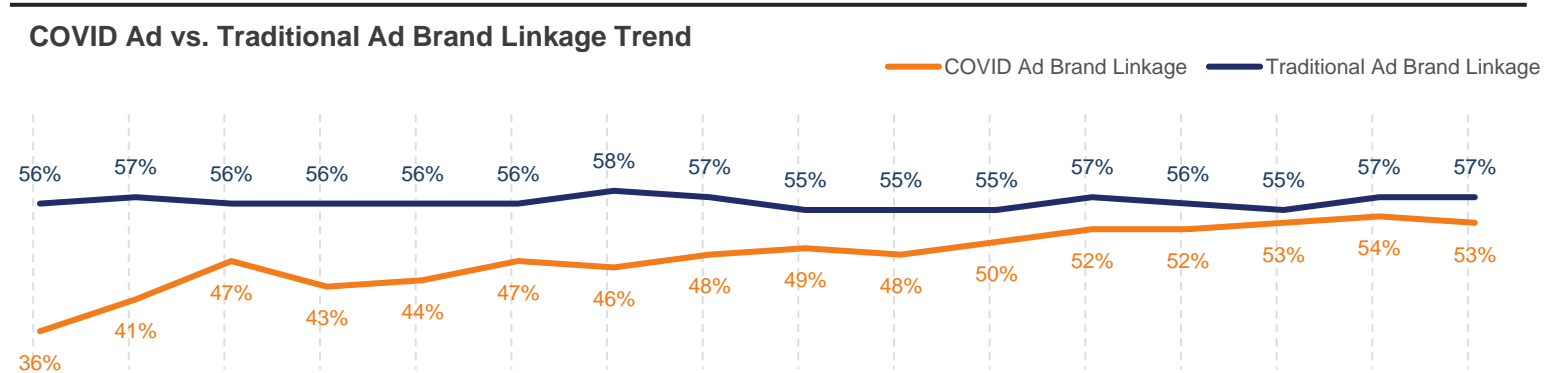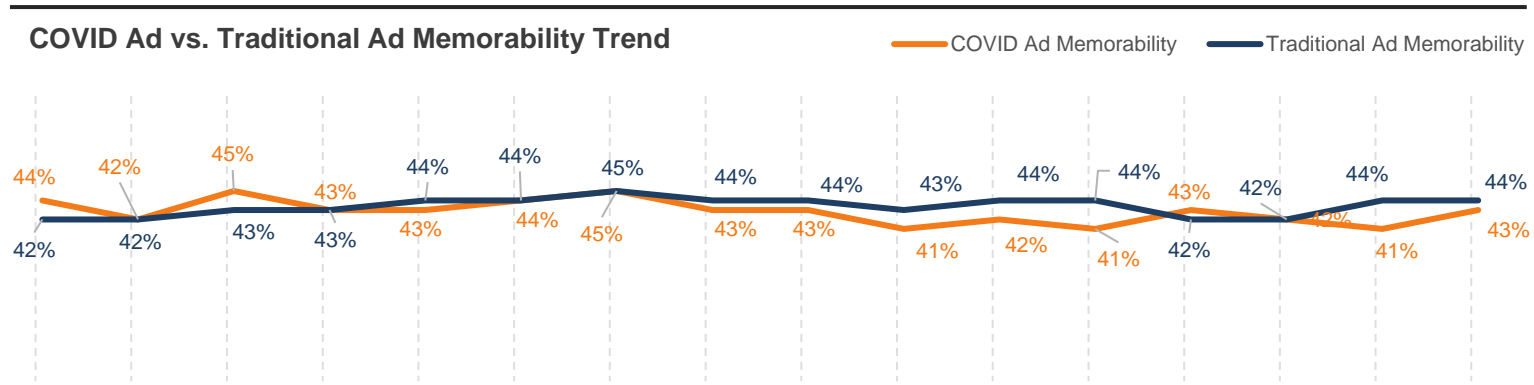
Source: Phoenix Brand Effect. 3/16 – 7/5/2020, Adults 18+.

Amongst the Pandemic Ads some stars rose to the top on both creative power and performance.

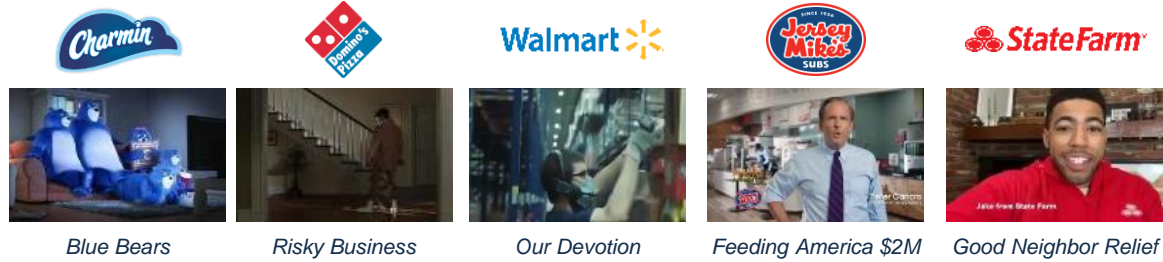|		Charmin	Domino's Pizza	Walmart	Jersey Mikes SUBS	State Farm
		Blue Bears	*Risky Business*	*Our Devotion*	*Feeding America $2M*	*Good Neighbor Relief*
Brand Effect	**BRAND MEMORABILITY** Norm = 24%	**47%** ⬆	**34%** ⬆	**33%** ⬆	**31%** ⬆	**29%** ⬆
Ad pi ®	**CREATIVE SCORE*** Norm = 129	**151** ⬆	**146** ⬆	**149** ⬆	**151** ⬆	**147** ⬆
	LIFT TO CONSIDERATION Norm = 33% (Top 2 Box)	**47%** ⬆	**47%** ⬆	**44%** ⬆	**45%** ⬆	**37%**
	LIFT TO BRAND IMPRESSION Norm = 32% (Top 2 Box)	**50%** ⬆	**48%** ⬆	**45%** ⬆	**56%** ⬆	**44%** ⬆
	APPROPRIATE FOR THE TIMES Norm = 5.71 out of 7	**6.26** ⬆	**6.16** ⬆	**6.27** ⬆	**6.11** ⬆	**6.16** ⬆

❙ Reflects statistical significance above the norm at the 90% C.L.

Source: Phoenix Brand Effect. 3/16 – 7/5/2020, Adults 18+.

***Creative Score** derived from regression modeling designed to quantify the contribution of creative attributes (Brand Connection, Relevance, Cognitive Connection and Engagement) in driving ad response. Scores can range from 0-200.

Charmin: *Blue Bears*
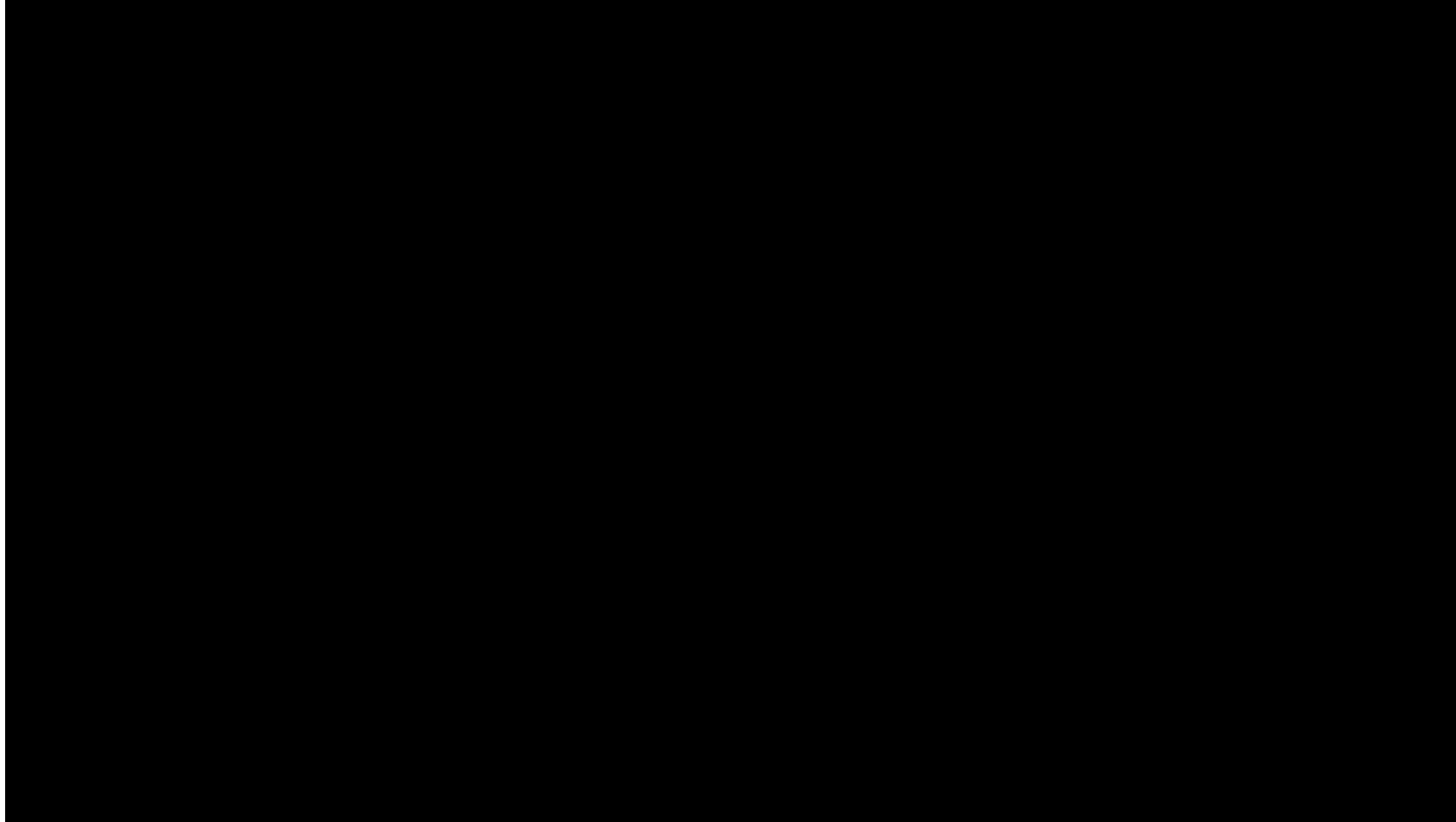
PHOENIX **10**

Changing Times – Changing Consumer Needs and Drivers

Understanding Current Need States Drives Messaging

- Phoenix's Emotivations® methodology reveals and explains System 1 (fast, unconscious) thinking by exploring the emotional motivators of brand choices.

- The "wheel" to the right consists of a horizontal "social" dimension (based on Adler's theories on the double mechanism of satisfaction) and a vertical "personal" dimension (derived from Maslow's Hierarchy of Needs).

- The 12 basic Need States around the wheel represent the different ways a person may feel in different situations.

- In a given category, we continuously try to satiate this need, driving our unconscious purchase decisions.

Self-Actualization

It's All About Me

It's All About Others

Safety & Security

Self-Actualization · Play / Social Construct · Belonging · Social Justice · Tradition · Conformity · Control · Security · Status · Self-Indulgence · Curiosity · Independence

Top Three **Key Need States**

"COVID Revenge"

Statements Respondents Most Identify With

- "I look for new experiences and adventures"
- "I love to treat myself, often on a whim"
- "I take pride in my success and want to stand out"
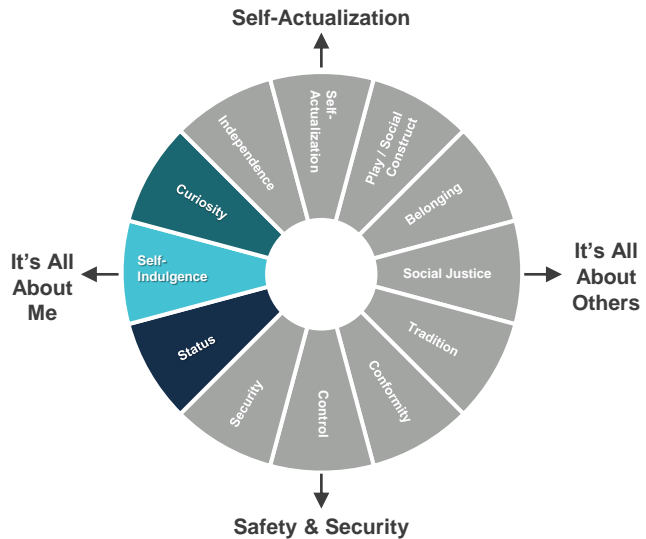
12% of Consumers | Male 47% Female 52%
Urban 40% | Married 53%

"Comfort"

Statements Respondents Most Identify With

- "I need to feel in control of my life and situations"
- "I do best when I know what to expect"
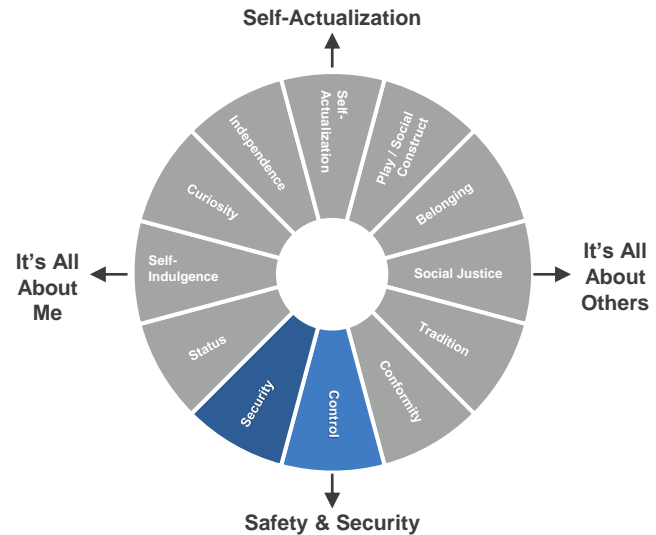
20% of Consumers | Male 38% Female 61%
Urban 31% | Married 49%

"Belonging"

Statements Respondents Most Identify With

- "Quality time and bonding with my friends/family is super important to me"

30% of Consumers | Male 34% Female 66%
Urban 23% | Married 62%

Top Three **Key Need States,** *cont'd*

"COVID Revenge"

Key Characteristics Based on Phoenix's Knowledge of these Need States

- Excitement, novelty, and challenge in life
- Engagement
- Desire for knowledge/new learning
- Pleasure and gratification
- Spontaneity
- Social status and esteem

Why We Think COVID Has Activated the Group

- It's time to be free again
- Suffering through hardship deserves reward
- Showing off the success of my tribulations

"Comfort"

Key Characteristics Based on Phoenix's Knowledge of these Need States

- Order, certainty, risk-averse
- Ability to predict
- Safety, tranquility
- Ability to be confident, anxiety-free

Why We Think COVID Has Activated the Group

- Months of uncertainty and living in fear has driven the need for personal control

"Belonging"

Key Characteristics Based on Phoenix's Knowledge of these Need States

- Friendship, companionship, intimacy, nurturance
- The need to love and be loved by others
- Caring about people with whom one is in frequent personal contact

Why We Think COVID Has Activated the Group

- A strong desire to reconnect with those we've missed
- Solidarity as we move forward

Real World:
Are You Satisfying Need States?
Evolving from Connected Solutions through System 1 Measurement

> " There are far, far better things ahead than any we leave behind "
>
> - C.S. Lewis

Precise and Connected Solutions to Drive Brand Impact

CONCEPT DEVELOPMENT
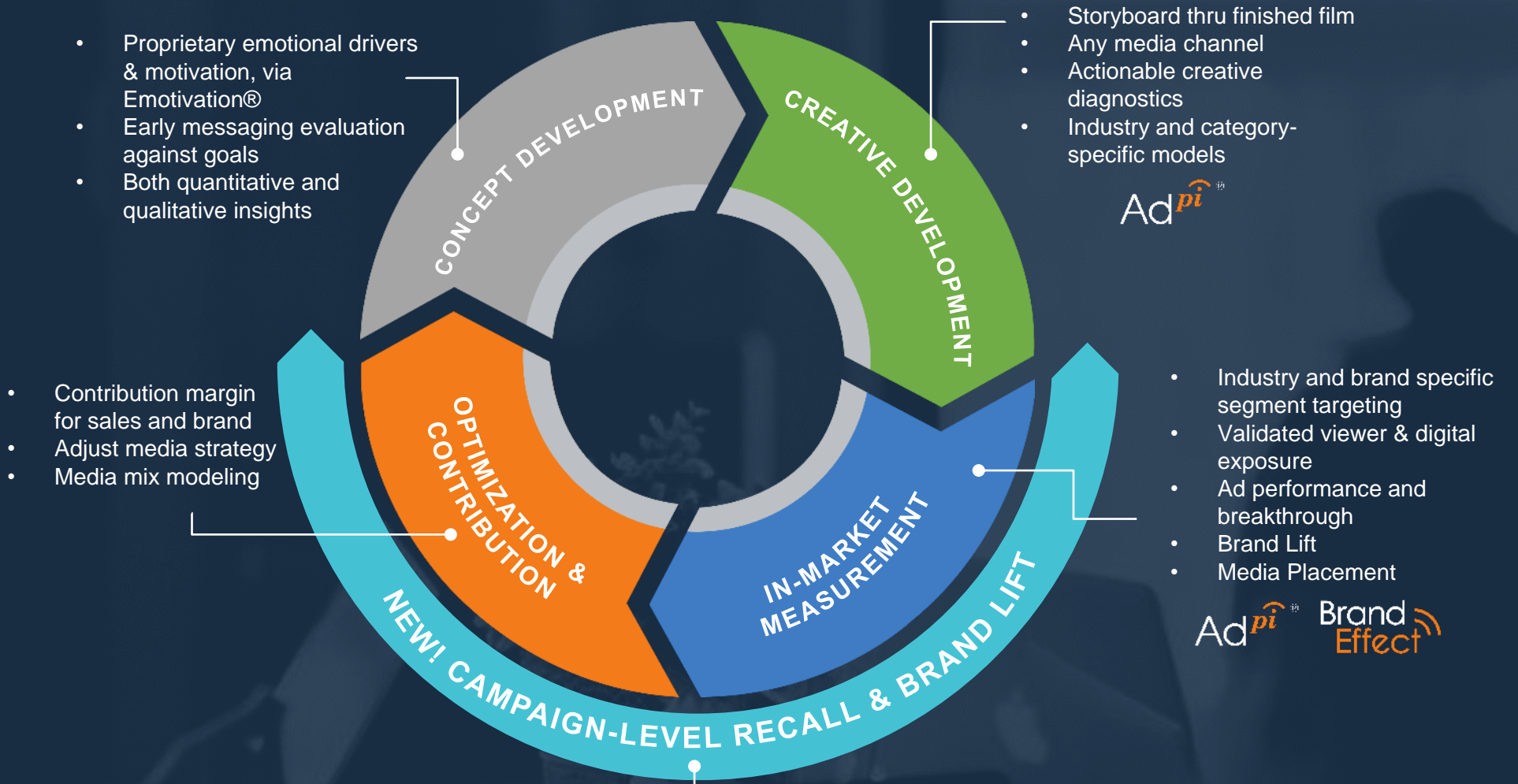- Proprietary emotional drivers & motivation, via Emotivation®
- Early messaging evaluation against goals
- Both quantitative and qualitative insights

CREATIVE DEVELOPMENT
- Storyboard thru finished film
- Any media channel
- Actionable creative diagnostics
- Industry and category-specific models

Ad *pi*

IN-MARKET MEASUREMENT
- Industry and brand specific segment targeting
- Validated viewer & digital exposure
- Ad performance and breakthrough
- Brand Lift
- Media Placement

Ad *pi*   Brand Effect

OPTIMIZATION & CONTRIBUTION
- Contribution margin for sales and brand
- Adjust media strategy
- Media mix modeling

NEW! CAMPAIGN-LEVEL RECALL & BRAND LIFT

At the campaign level:
- Campaign breakthrough for the campaign as a whole
- Assets contribute to campaign awareness and performance
- Consumer retention of message

At the brand level:
- Brand impact
- Identifies which message themes drive strongest impact
- Relative channel contribution to impact

communicus

ISO 27001

prime video

Utopia –
Real World
Findings

Using the AdPi Framework to Understand *Utopia Affair of War's* Creative Potential

METHODOLOGY

- Quantitative, online survey
- Sequential-monadic evaluation of three ads - 1 Amazon Prime and 2 Competitive
- Forced Exposure Ad Evaluation

TARGET

- Entertainment Category-Specific

COMPARISON

- Comparing the results of *Utopia Affair of War* vs. a Competitive Benchmark of two Single Title ads - Netflix's *Hubie Halloween* and Disney+'s *The Mandalorian*

Bookending Content Footage With Multiple, Visual Brand Cues Leads to Strong Unaided Playback Of Amazon Prime Video Brand

86% ↑ Unaided Brand Recall

79% Single Title Benchmark

73% Unaided Brand Recall

79% Single Title Benchmark

Though the featured title is prominent, it does not overwhelm the Prime Video brand due to prominently placed visual brand cues and an initial focus on PV vs. Utopia. Utopia is also perceived as fitting well with Amazon Prime:

"They have great original series and Utopia looks like one as well" and "Amazon Prime has good original shows and movies, and this show will blend in perfectly with their amazing library".

Netflix struggles across branding dimensions due to limited brand cues and late brand introduction for its single title promo of "Hubie Halloween"

"I never noticed the word Netflix. I was focused on who was in the video and what it was about." "I think if the logo and brand were at the beginning of the ad it would have been better."

This Spot Successfully Introduces Utopia To Streamers, But Struggles To Deliver A Dual Message Of "Watch Utopia" And "Sign Up For Trial"

UTOPIA – AFFAIR OF WAR – MAIN MESSAGE OPEN ENDS

Introducing a new series/Utopia is now available/Watch Utopia	48%
General Amazon Prime Video/Watch Amazon Prime Video	12%
Utopia – Plot/Storyline	9%
Free 30-Day Trial	9%
Subscribe to Amazon Prime Video	7%
Original Programming/Misc. Mentions	8%
Don't Know	7%

"The main idea is to interest folks in the Utopia Series that is only available on Amazon Prime."

"Amazon has a new show called Utopia about the end of the world."

"To watch a new show exclusively on this platform"
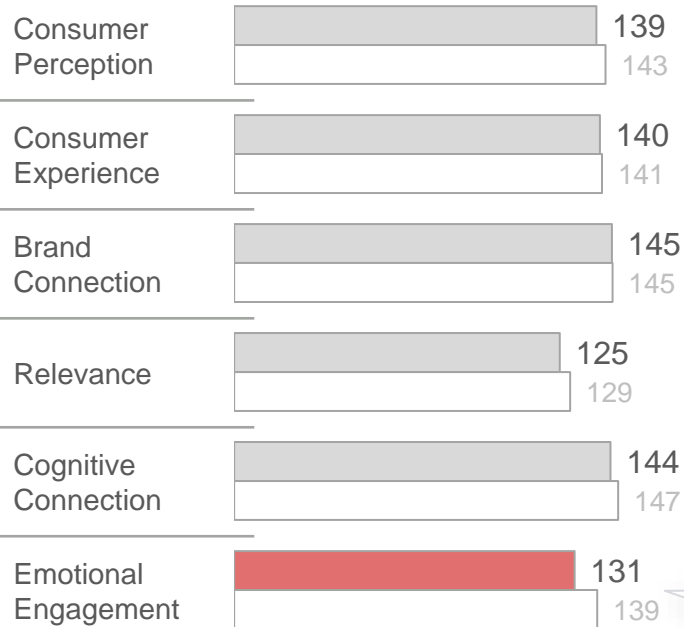
PROGRAM MESSAGING

CALL TO ACTION MESSAGING

Creative Potential Is Average, But *Affair of War* Misses The Mark On Emotional Engagement, Particularly When It Comes To Generating Buzz; Overall Ad Appeal Is Soft

CREATIVE PATHWAYS (%)

	Affair of War	Benchmark
Consumer Perception	139	143
Consumer Experience	140	141
Brand Connection	145	145
Relevance	125	129
Cognitive Connection	144	147
Emotional Engagement	131	139

■ Affair of War □ Benchmark

Green ■ / Neutral ■ / **Red** ■ indicates significantly higher / neutral / lower than Single Title Competitive Benchmark

CREATIVE AdPi® SCORE

137

Control

140
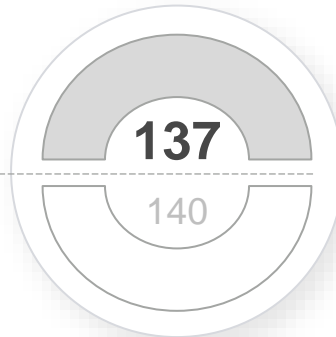
> Struggles to connect on an emotional level and engage

"The clips created enough suspense and exciting to watch the show"

"Very attention-getting preview. I like the fact it's based on a comic book and has great cast, as well".

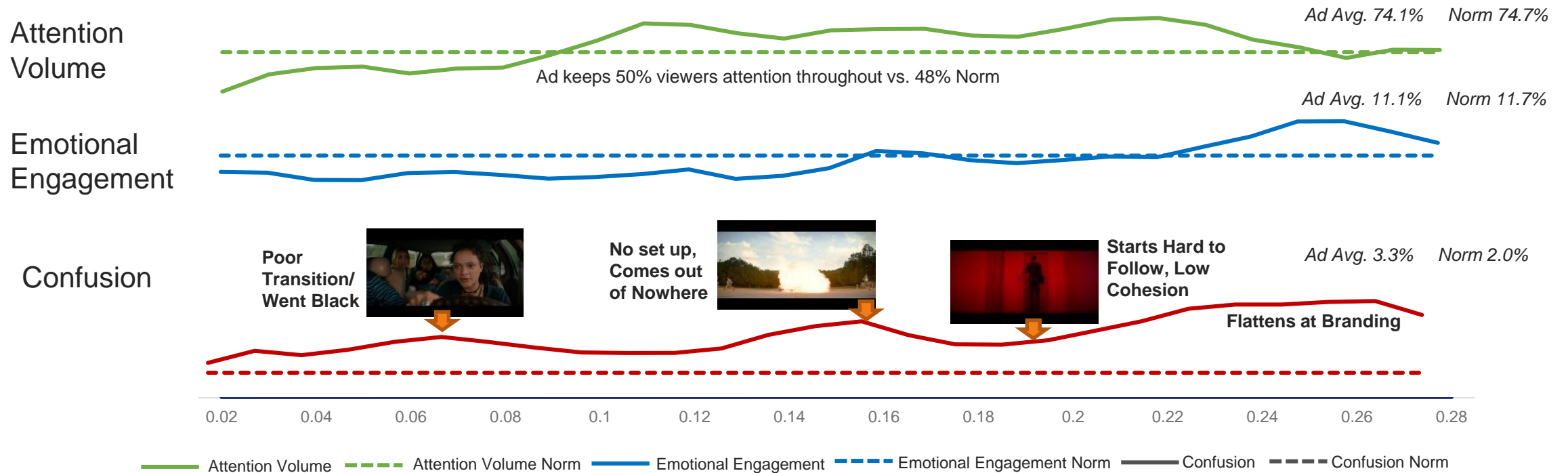*Affair of War* Likeability **47%** vs. Benchmark Likeability **54%**

"It jumps around too much with no clear indication as to what the show will be about."

"Do not like sci-fi/scary film."

Facial Coding Test Outcomes

- *Affair of War* Holds Attention & Has Good Build
- Lacks Emotional Response Due To Viewer Confusion
- Transitions & Mixed Content Makes It Hard To Understand
- No Other Emotional Reactions Stand Out Positively Or Negatively

Attention Volume

Ad Avg. 74.1%   *Norm 74.7%*

Ad keeps 50% viewers attention throughout vs. 48% Norm

Emotional Engagement

Ad Avg. 11.1%   *Norm 11.7%*

Confusion

Poor Transition/ Went Black

No set up, Comes out of Nowhere

Starts Hard to Follow, Low Cohesion

Ad Avg. 3.3%   *Norm 2.0%*

Flattens at Branding

| 0.02 | 0.04 | 0.06 | 0.08 | 0.1 | 0.12 | 0.14 | 0.16 | 0.18 | 0.2 | 0.22 | 0.24 | 0.26 | 0.28 |

―― Attention Volume   ┅┅ Attention Volume Norm   ―― Emotional Engagement   ┅┅ Emotional Engagement Norm   ―― Confusion   ┅┅ Confusion Norm

Emotional Engagement = Happy, Surprise, Disgust, Confusion, and Contempt.
Attention Volume = The volume shows the average volume of attention respondents paid to the content.
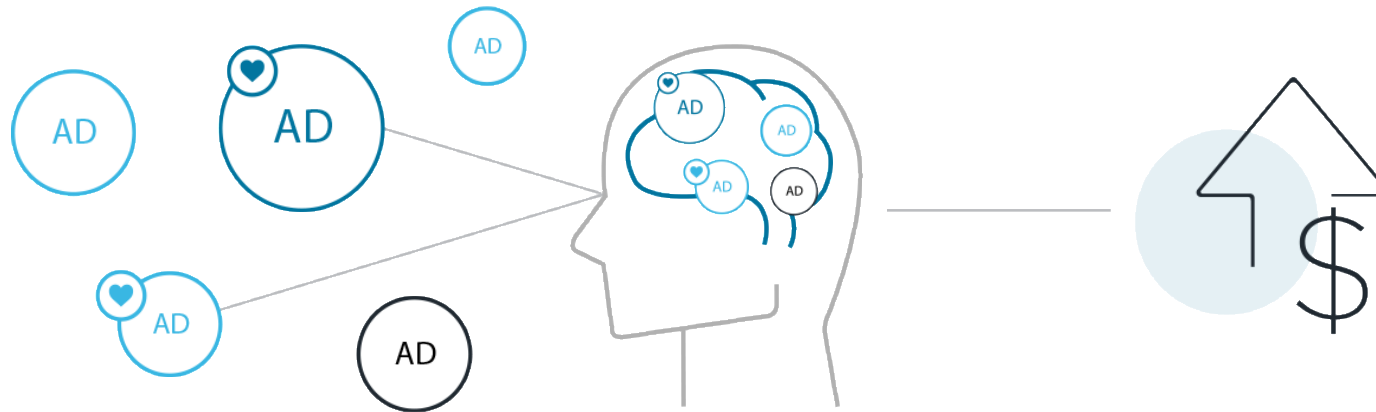
Are You Riding the Pandemic Wave?

Advancing Phoenix MI's Ad & Brand Solution, **Communicus,** was acquired in July 2021

Communicus is a consumer-centric system that focuses on the in-market effectiveness across campaign elements over time to **drive change in brand attitudes and behaviors - across all channels, including walled gardens.**

Which unique creative ads are stored in the long-term memory and are they connected to the brand *...and why*	How cross-campaign engagement builds the brand connection and message strength *.... and why*	Whether seeing the campaign changes brand attitudes, beliefs and behaviour *... and why*	Identify combinations of ads, creative formats, and message themes that produce results on the brand *... and why*

Rethinking An On-The-Go Snacking Brand's Advertising Effectiveness

THE SITUATION

An on-the-go snacking brand was seeing a decline in their product during the pandemic and needed to understand how to make changes to their marketing approach to improve their effectiveness.
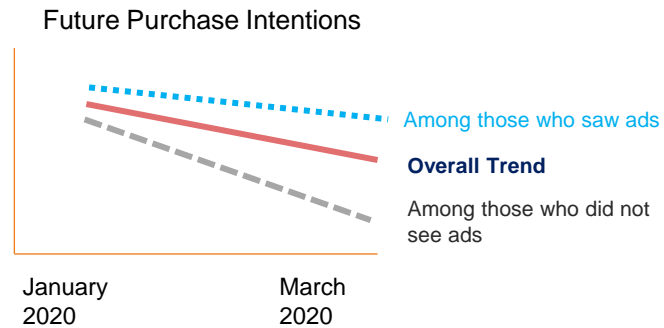
THE CHALLENGE

We worked with them on creatives and placement to inform future brand consideration and intention.
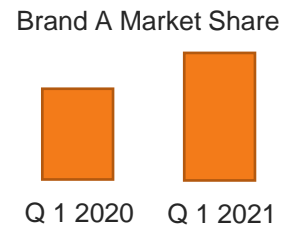
APPROACH + SOLUTION

As a result of maintaining the ad budget, overall market share increased as the overall category began to recover.

Future Purchase Intentions

What did advertising accomplish? How bad would it have been without advertising?

Among those who saw ads

Overall Trend

Among those who did not see ads

January 2020   March 2020

Brand A Market Share

What was the longer-term result of maintaining marketing pressure during the downturn?

Q 1 2020   Q 1 2021

Beer Brand Plays Catch-Up By Reevaluating Their Creative

THE SITUATION

A major beer brand's advertising performance was showing that their overall campaign effectiveness was having no impact on sales even though the category was growing.
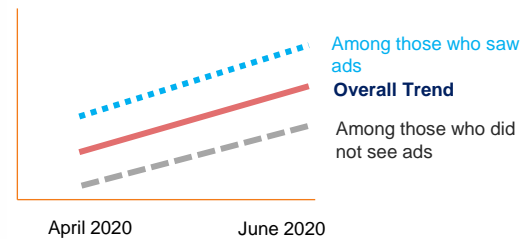
THE CHALLENGE

We needed to identify the areas of their campaign creative that could be improved as well as provide recommendations on campaign placement.
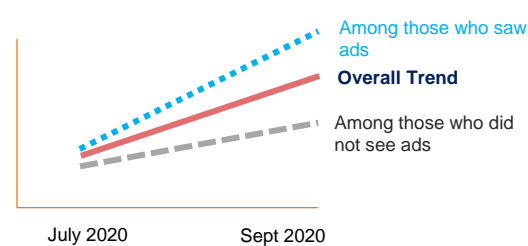
APPROACH + SOLUTION

The recommendation was to advise the client on revising their creative, but to ensure that they maintain their distinctive brand equities and acknowledge consumer dynamics during the pandemic period.

Initial Pandemic Creative

Among those who saw ads
Overall Trend
Among those who did not see ads

April 2020   June 2020

Revised Pandemic Creative

Among those who saw ads
Overall Trend
Among those who did not see ads

July 2020   Sept 2020

Tech Company Uses Specific Brand To Drive Overall Brand Preference

THE SITUATION

A leading tech brand was seeing that their industry was a growing category with strong demand. Amidst surprisingly strong demand for PCs during 2020 BTS, Brand A helped to drive category intentions, but needed revised creative to ensure brand preference was optimized.
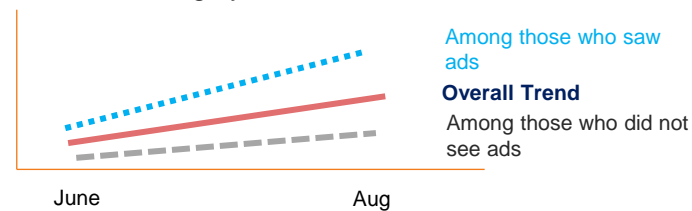
THE CHALLENGE

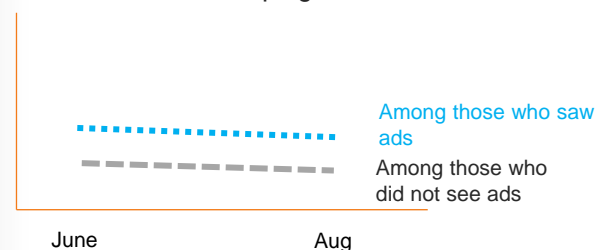How should the client adjust their advertising's creative and approach?

APPROACH + SOLUTION

By adjusting their creatives, the exposure of their ads increased. For Brand A, purchase intention and brand consideration also increased.
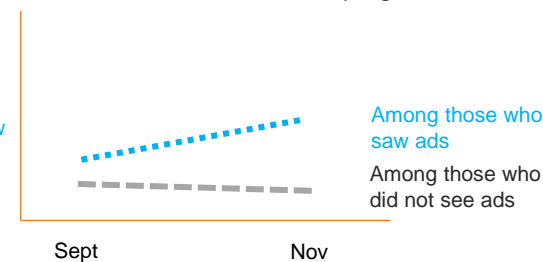
PC Category Purchase Intentions

Among those who saw ads

Overall Trend

Among those who did not see ads

June   Aug

Brand A Purchase Intentions/ Initial Campaign

Among those who saw ads

Among those who did not see ads

June   Aug

Brand A Purchase Intentions/ Phase 2 Campaign

Among those who saw ads

Among those who did not see ads

Sept   Nov

THANK YOU

John Schiela

Executive Vice President

Phoenix Marketing International

215-219-5700

john.schiela@phoenixmi.com

Jim Berridge

Senior Vice President

Phoenix Marketing International

917-743-5775

jim.berridge@phoenixmi.com

BOOTH #500
www.phoenixmi.com