



University of  
**Salford**  
MANCHESTER

## **Optimising Video for E-Commerce**

A Critical Commentary on Works Published 2013-2018 by the Author

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### Declaration

The candidate confirms that this work submitted is his own. Where reference has been made to the work of others, appropriate credit has been given.

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## **ABSTRACT**

An e-commerce video is an online video which offers one or more items for the viewer to directly buy. It is a new type of media content, resulting from the fusion of the retail, content creation and digital marketing industries, and it is enjoying rapid, global growth.

But what kind of video works best in e-commerce ? How is such video best produced and distributed ? What are the optimal strategies for content in e-commerce video ?

Through his critical analysis of a set of works published from 2013-18, the author has sought to break new ground through answering these questions. He sets three specific objectives, around which the narrative of this thesis is built, in looking to provide a better understanding of the route to optimization of video content for e-commerce.

First, he evaluates what literature already exists, in both the parent category of branded content, and in the new, fast-growth sub-category of e-commerce video itself - around the drivers of success in shoppable video content creation. He finds that coverage is quite substantial around e-commerce and social media, and in the technical routes to successful e-commerce sales through video distribution. But it is sparse with respect to the content itself, which allows him the space to make a meaningful contribution.

Second, he considers and contextualises his *own* original research into the existence of a 'cliff-edge' in branded content including e-commerce video. In a piece of video content, there is a point beyond which greater brand integration has a negative effect on customer engagement and sales. Knowing that point is vital to the advertiser. Here the author's original, new research provides useful insight into the gradations of in-content branding that are effective, and this cut-off moment where the audience begins to respond negatively.

Third, the author considers and contextualises his own additional new, original research into which specific styles of e-commerce video are most likely to deliver results. Here he provides multiple new findings - such as the fact that multi-product videos are more likely to sell goods than ones featuring single products alone; or that mute videos are better sales tools than videos with presenters, or using user-generated content.

By answering the three research questions, the author provides focus and nuance to an academic topic which is barely a decade old, and in a developing media content genre which is commercially powerful, global and evolving fast. As a reflection on that rapid change, the author adds a postscript chapter where he reviews all the technologies that are driving the growth of e-commerce video into the future, including Artificial Intelligence.

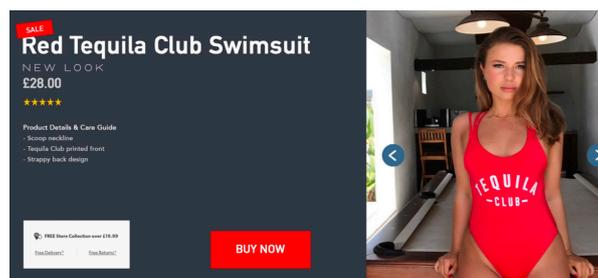
## **CHAPTER 1: INTRODUCTION**

### **(i) What is e-commerce video ?**

An e-commerce, or 'shoppable' video, features a directly clickable button (whether inside or outside the video player) which enables the user to directly purchase the products they are seeing onscreen.

When they click, they can either Add to Basket, or Click to Buy. Either way, the link to the retailer, and opportunity to complete the purchase, is immediate and direct. This is not therefore an advert or programme which aims to raise awareness of a brand, but one that actually allows you to buy that brand in real time.

The process works through a simple product listing inside or outside the video player, sometimes combined with a clickable hotspot which can be placed in view on a rollover button. It is an e-commerce listing, but in a video, and provides a direct translation between the video content and the purchase – a transformative immediacy to the integration between advertising, content and retail.



E-commerce functionality can be integrated into a video either on a retailer's own website (known as 'on-platform') or into programmes on a video-on-demand or social platform (which is 'off-platform,' from the retailer's perspective). No longer are viewers of adverts or branded content expected to retain information about a product until they next happen to browse a retail store. Now they can go shopping in real time whilst viewing the content.

There is therefore a simple equation at the heart of this topic. The better the content of the e-commerce video is at encouraging the user to purchase, the more successful the content. The challenge lies in working out *what* content that is. And that is what this thesis aims to address.

(ii) **e-commerce video has grown rapidly**

Globally, e-commerce is a very rapidly-growing business sector, rising globally to an estimated \$2.7 trillion in 2018<sup>1</sup>, including 19% of all Chinese retail sales.<sup>2</sup> Within that double-digit annual growth, there is substantial use of video content as a marketing tool<sup>3</sup>, video is also growing fast<sup>4</sup>, and it is becoming automated.

Looking specifically at the North of England, there are dozens of e-commerce companies using video as a sales tool, including [Boohoo.com](http://Boohoo.com), [ASOS.com](http://ASOS.com), [missguided.com](http://missguided.com), [Prettylittlething](http://Prettylittlething), [JD Williams](http://JDWilliams), [Beauty Bay](http://Beauty Bay), [gymshark.com](http://gymshark.com), [Rentalcars](http://Rentalcars), [Auto trader](http://Auto trader), [jet2.com](http://jet2.com), [thomascook.com](http://thomascook.com) and [onthebeach](http://onthebeach). In fact, each of the North's top ten e-commerce companies is currently using video as a sales tool on its websites or social channels.<sup>5</sup> Therefore e-commerce video is a real, novel phenomenon operating at scale in the content production sector - and one worthy of substantive consideration.



<sup>1</sup> Source Statistista forecasts 2018, <https://www.statista.com/statistics/379046/worldwide-retail-e-commerce-sales/>

<sup>2</sup> Source Statistista forecasts 2018, <https://www.statista.com/statistics/379046/worldwide-retail-e-commerce-sales/> Chinese figure is for 2016

<sup>3</sup> Mary Meeker, Kleiner Perkins Caufield Byers report *Internet Trends 2017* <http://www.kpcb.com/internet-trends>

<sup>4</sup> SHOP.CA Scales Video Production for 100,000 Products and Boosts Sales with Treepodia E-commerce Video Platform. PR Web Newswire, May 2014

<sup>5</sup> Source, Prolific North, The Top 100 e-commerce companies in the North, July 2018

### (iii) **What are the basic drivers e-commerce in video optimisation ?**

In creating e-commerce video cost-efficiently, it is important to know what *kind* of video content is most effective as an e-commerce sales tool in such a direct, retail driven format. This is the issue the author's work from 2011-18 has sought to address. There are three specific, key questions for this thesis:

- What are the drivers of success in any piece of branded content video ?
- Is there a 'cliff-edge' in brand integration, after which additional prominence of the brand produces negative return in sales effectiveness ?
- What are the optimal approaches in video content for e-commerce sales ?

In answering these questions, the thesis considers precisely what style of a video - length, level of information, quantity, prominence and placement of branding, audio elements, presentational approach, production and distribution methods and other techniques - can be the most effective in driving successful sales in an e-commerce context. It considers the point at which it is optimal *not* to add further branding. It asks what technologies and distribution methodologies for showing e-commerce content, seen alongside the content itself, appear most effective in driving sales. And it asks to what extent factors behind sales success in one specific video project are capable of being generalized across other sectors and other videos.

### (iv) **Structure of this thesis**

Chapter 1 (this Chapter) is an introduction to the topic, and an overview of the document and the three key questions the author has sought to answer.

Chapter 2 introduces the field through setting out the developing global sector of e-commerce content, the scale and scope of the market, the level of growth in the digital video sector of which it is a component, and the change in consumer behavior which is driving brands and platforms towards more directly 'shoppable' content.

Chapter 3 then maps the research landscape, with a review of academic literature and relevant 'real-world' commercial studies - structured according to the three key questions outlined above – to show the gaps in the knowledge which the author has addressed in his work.

It explores, first, drivers of success in content marketing video on the basis of existing academic and industry assessments, examining the correspondence between the level of brand integration and results, alongside other factors such as content style, distribution and a video's provenance. The chapter then reviews available literature on the 'cliff edge' in brand integration. Finally it analyses academic and industry sources for existing, best-practice findings for content of video in e-commerce specifically, along with a roadmap to its near-future in design, production and distribution. Where the literature is relatively sparse, the author will look to add detail and nuance as the thesis progress, through his own work.

In this vein, Chapter 4 considers the author's *own* publications and contribution to wider work in the field (this being a PhD by publication). Specifically, it analyses the author's two substantial, published surveys. And it also considers four real-world projects in which the author played an executive role, in a sequential approach to further elucidating the three key questions that drive this thesis, and evaluating his contribution to answering them.

First, the chapter explores theoretical and real-world study by the author of the optimal calibration of brand integration. Then it demonstrates the existence of the 'cliff edge' in the level of brand integration into content, after which point returns become negative. Finally, it provides detailed findings around e-commerce video content strategies.

Chapter 5 concludes the analysis with a consideration of the contributions made to the literature overall by the author, and commentary on future research required.

Chapter 6, a Postscript, reviews for the reader the latest technologies and production methodologies in e-commerce video, with a view to informing on the direction of travel of the industry.

A Bibliography, concludes the study.

**(v) The author's outputs – overview of types of material provided**

The author's outputs 2011-18, on which the thesis is based, fall into two types of produced material.

First, his key published outputs are two major authored surveys, featuring original, primary source research, into the field. These studies book-end an intellectual trajectory, from a groundbreaking study of audience tolerance of brand integration into video content in general, to a study of the detailed specifics of which editorial techniques are most effective in generating click to buy in e-commerce. The studies and their methods are critically evaluated in detail in this thesis.

Second, the enquiry is also enriched by a selection of 'real-world' learnings that the author has been able to draw from the wide range of productions in which he has played a practical, executive role over a 25-year industry career, as a manager, executive producer or consultant (rather than hands-on director). These are invariably published by third parties (broadcasters, advertisers or channel platforms) as TV programmes or commercials, branded content and video e-commerce projects, and are cited in the study to elucidate specific intellectual points. The author here discusses the public-domain aspect of these works (rather than behind-the-scenes production), by which they provide valuable, real-world insight into the central questions of this study. The author's individual contribution in producing each of these large projects is substantive, but always partial, as is the nature of any large media project. Specifics of his involvement in each project are shown in the text or footnotes in each case.

Combining these two sources - the focused academic research and the mass-market production examples – with a critical commentary, the author intends this thesis to form an intellectually cogent and practically useful exploration of an important and evolving subject. The key driver of this thesis is the question: what are the optimal strategies for content in e-commerce video ?

(vi) **Specific outputs evaluated in the thesis**

There are six outputs considered in this thesis, alongside reference to other work the author has done, where appropriate, and a wide range of other academic and industry sources. These works are as follows:

(A) Brand integration tolerance tested in an extensive market research study

*Ask the Audience: Evaluating New Ways to Fund TV Content, Sian Kevill and Alex Connock (Reuters Institute, Oxford University) (2013)*

This (equally) co-authored 2013 branded video/TV content<sup>6</sup> study ([link](https://reutersinstitute.politics.ox.ac.uk/sites/default/files/2017-11/Ask%20the%20Audience.pdf) <https://reutersinstitute.politics.ox.ac.uk/sites/default/files/2017-11/Ask%20the%20Audience.pdf> ) is the intellectual starting point for the body of work which the overall critical commentary is evaluating, since it sits in video branded content as a whole. A retailer or brand which wishes to sponsor content needs the audience to engage with its products, so has to first make sure they keep watching the video shown. The two authors analysed, in both academic and market research, what *level* of brand integration an audience responds to in branded content, and what level of branding goes so far that the audience *stops* watching – the so-called ‘cliff edge’ over which the advertiser would not want to tumble. A key finding is that not inserting *enough* brand presence in a piece of advertising content will result in underperformance of the content as a marketing proposition. But *excessive* brand presence will have the same effect, with the added risk of customer alienation. Calibrating the content exactly right is the first - and biggest - challenge of creating any branded content, including e-commerce video.

(B) Flexing the style of branding between TV and online iterations

*AO.com commercials (2016)*

The author was involved in the creation of contrasting brand-funded editorials around the same piece of content but for different platforms – TV ([link](https://www.youtube.com/watch?v=sAD9koJHRM) <https://www.youtube.com/watch?v=sAD9koJHRM> ) and social video ([link](https://www.youtube.com/watch?v=bCURavzfMTU) <https://www.youtube.com/watch?v=bCURavzfMTU> ). The publication used here as an

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<sup>6</sup> Ask the Audience: Evaluating New Ways to Fund TV Content, Sian Kevill and Alex Connock, December 2013

example is a *Hotpoint* advertising campaign produced for AO.com, in 2016. The author was Managing Director of the company hired to co-conceive and deliver the advertising production. The critical commentary will evaluate the use differentiated editorial approaches in branded video content, matched to the different attributes of platforms. The lessons from this smaller project become more nuanced and scaleable in the movement to the larger scale, more iterative approach under discussion in later outputs around e-commerce video.

(C) Successful engagement strategies in branded social video

*Purdey's commercial for Facebook (2016)*

In 2016 the author was part of a team which explored brand integration in a purely digital context in social video

([https://www.facebook.com/idriselba/videos/10153796514863692/?video\\_source=pages\\_finch\\_thumbnail\\_video](https://www.facebook.com/idriselba/videos/10153796514863692/?video_source=pages_finch_thumbnail_video)), through his participation in the publication of a ground-breaking, commercially successful global, viral branded content video by *Purdey's*, distributing principally on Facebook in 2016. (He was Managing Director of the production company responsible for delivering the produced film to the advertising agency.) The analytic experience of the global success of this video built usefully for the author on the key findings of the Oxford survey (output 1 above). The commentary evaluates the contribution to knowledge made around the editorial structure of successful social video, and relates it to the literature on engagement drivers in content, particularly social video and ultimately e-commerce social video.

(D) Technical nuances in social video engagement

*Magners commercial for Facebook (2016)*

In a separate piece of work conducted in 2016, the author was part of a team (<https://www.facebook.com/LADbible/videos/2763463847034121/>) which provided for publication branded social/digital films with differentiated approaches in placement of branding and title. The critical commentary evaluates a video published for the brand *Magners*, which the author was involved in commissioning. It considers in particular how scaleable to the *generalised* practice of branded video content production this published project's findings around optimal edit structure can be said to be. (This work was made

whilst the author was consulting as acting as Head of Video at the leading global social video channel, The LADbible.)

(E) Substantial research on optimal styles of e-commerce video

*Market research survey with Ipsos MORI (2016)*

In 2016, with the aim of providing a contribution to existing knowledge of content effectiveness in e-commerce video, the author produced a study with IPSOS/MORI, published by global production group Endemol Shine, and, for instance on [Prolific North](https://www.prolificnorth.co.uk/broadcasting/featured/2017/03/major-study-what-kind-video-content-drives-ecommerce-sales) (<https://www.prolificnorth.co.uk/broadcasting/featured/2017/03/major-study-what-kind-video-content-drives-ecommerce-sales> ) In the research, conceived and driven by the author, a large audience sample (2900 people) was presented with multiple videos in order to produce distinct findings around the most successful editorial structures of e-commerce video. The critical commentary addresses the contribution of this study to academic knowledge on successful e-commerce video editing approaches made across multiple areas of research, ranging from the optimal length of a video, to placement or inclusion of price information, to the number of items in a video designed to create an e-commerce interaction. This is the core study in this thesis, and merits a substantial portion of the coverage of the Critical Commentary.

(F) Practical iteration of multiple variants in edit approaches for e-commerce

*MyProtein video production (2017)*

Finally, in a real-world publication which sits usefully alongside the methodology tested in output E above, the author acted as a consultant in creation of video in volume (published for instance, in [this Instagram video](https://www.instagram.com/p/BeS-hG7FE83/?taken-by=myproteinfr) <https://www.instagram.com/p/BeS-hG7FE83/?taken-by=myproteinfr> ) to drive e-commerce on the successful *MyProtein* brand at the global e-commerce platform THG<sup>7</sup> in 2018. The author participated in the conception of the editorial plan for the videos. This innovative work, published on global, country-specific social channels from YouTube to Instagram, varied the content of a generic e-commerce video to the specificities of a variety of digital outlets. Innovation therefore is visible in the variable output length, style, prominence of branding, language and length of uploaded items. The critical commentary evaluates the relevance of this work to wider

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<sup>7</sup> The Hut Group

understandings on the subject in the sector, and how it fits into current thinking around iterative production of video edits. The move to iterative production (a test and repeat methodology) marks a change from one-size-fits-all content production of the kind which dominated advertising until the second decade of the 21<sup>st</sup> century, and presages a present and future where those multiple iterations in e-commerce video creation are driven, cost-efficiently and at scale, by artificial intelligence (see Chapter 4 below).

**(vii) Approach to Analysis of the Nominated Published Outputs**

This is a Critical Commentary. The significance of each work in Chapter 4, the publications, is set out in the context of relevant academic and industry knowledge. The contribution (and limits) of the work is then evaluated in each case.

The role played by the author in each of the publications is described in each case and summarised thus. The two published surveys are fully authored (or co-authored on an equal basis) academic/industry works. In the author's published academic research in the field he played an end-to-end role in creation *and* publication. These sections constitute the considerable, lion's share of the work under review, and the substantial body of this report. Meanwhile the third-party publications referred to are endeavours which involved many people, as is common with works in the creative industries. As alluded to case by case above, in none of these works would the author claim anywhere near sole creation.

All considered elements of the published works are already in the public domain. In the cases of the advertiser-published works, the critical commentary considers learnings from the work as published by the rights-holder, on television or online.

Because this is a commercially substantial field, some of the *conclusions* in this report (as opposed to the previously-published works) may need to be kept commercially confidential prior to eventual publication of the thesis. The thrust of the critical commentary will not be affected by this.

**(viii) The author's background in the field**

The author holds degrees from Oxford University (BA Politics and Economics), Columbia University (MA Journalism) and INSEAD (MBA). During his 25-year career, he has also written and co-written reports,<sup>8</sup> other than those listed above, and articles<sup>9</sup> in the broader media field, for instance around political campaigns and the use of social media. He is a visiting professor in digital media at Salford, Sunderland and Manchester Metropolitan universities, and Associate Fellow at the Saïd Business School, University of Oxford, in the marketing department.

Commercially, his relevant digital video industry experience is substantial and ongoing. He was CEO of the company (Ten Alps Plc) that owned the production company (Brook Lapping) which jointly won the contract to produce the *Teachers TV* channel for the UK government. This saw some 3500 digital videos produced, ground-breaking in the UK education system. The company also ran the online TV project *Kent TV*, and *Newton TV*, a science-targeted digital video channel, with some programmes transmitted via *The Guardian*. He has consulted as Head of Video<sup>10</sup> for the social channel *The LADbible*, which in January 2018 became the world's most viewed Facebook video site. He has been a video consultant to The Hut Group<sup>11</sup>, a leading e-commerce company, with substantial growth and turnover in the global beauty field in e-commerce, and a leading commercial TV channel. He was Managing Director of television and production company Endemol Shine North<sup>12</sup>, producing programming for the BBC, Channel 4, Discovery and National Geographic, as well as digital commercials and social video. He is trustee<sup>13</sup> of UNICEF UK and the Halle Orchestra, in each case with responsibility for developing the organisation's digital video content.

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<sup>8</sup> For instance Ask the Audience: Evaluating New Ways to Fund TV Content

Reuters Institute, University of Oxford, by Sian Kevill and Alex Connock December 2013

<sup>9</sup> The BBC Today: Future Uncertain August 2015, Edited by John Mair, Abramis. Chapter by Alex Connock: 'The BBC: The UK's Creative Kickstarter'

<sup>10</sup> He was sub-contracted by his then employer Endemol Shine to The LADbible as head of video in the Summer of 2016

<sup>11</sup> He worked for THG in late 2017 via his digital company Missile Limited

<sup>12</sup> Based in Manchester, Endemol Shine North produced a range of both broadcast TV and advertiser-funded content, commercials and digital films. Alex Connock was Managing Director from 2012-2017

<sup>13</sup> He became a trustee of UNICEF UK in the Summer of 2017

## **CHAPTER 2: AN OVERVIEW OF VIDEO E-COMMERCE**

*'We are talking about a different generation that are growing up, expecting everything to be done digitally. They perceive shoppability of VOD content as a positive. It's about thinking about what will be working for advertisers in the next 5 years. E-commerce businesses selling product live through that quality content is a dream for them.'*<sup>14</sup>

This chapter aims to provide an overview of the new industry of e-commerce video, so as to provide an economic landscape in which the analysis of the subsequent chapter can be located. It explores why e-commerce video is growing, the scale of the market and the wider digital video ecology it benefits from.

### **(i) The attraction of video in e-commerce**

E-commerce video is a tool used by retailers to amplify engagement and sales online,<sup>15</sup> considered by many in retail<sup>16</sup> to be more potent in doing so<sup>17</sup> than still imagery. Video production is both growing fast<sup>18</sup> and becoming more automated. In the UK adult population, 29% of a representative sample say they have made a purchase online after watching a relevant online video.<sup>19</sup>

Video e-commerce is the quintessential engagement-driven and dynamic business ecology. It fits perfectly into the current evolution in both marketing and content production towards direct sales accountability – a Google AdWords economy - where a customer lead or sale has a specific, real-time value, and is *prima facie* evidence of a content investment of some kind translating into a desired outcome. As Jerry Daykin, head of global digital media partnerships at Diageo, said (in an article): “We don't think digital works because our agency gives us nice numbers. It's because we see our sales

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<sup>14</sup> Managing Director of a leading UK media sales agency interviewed July 2018

<sup>15</sup> Mary Meeker, Kleiner Perkins Caufield Byers report *Internet Trends 2017* <http://www.kpcb.com/internet-trends>

<sup>16</sup> Online Sellers Discover The Power of Video Clips. Bob Tedeschi, New York Times, Feb 5 2007

<sup>17</sup> Channeling sales: traditional home shopping networks bank on video to maneuver around e-commerce giants. Mike Farrell, Multichannel News, Aug , 201

<sup>18</sup> SHOP.CA Scales Video Production for 100,000 Products and Boosts Sales with Treepodia E-commerce Video Platform. PR Web Newswire, May 2014

<sup>19</sup> Poll conducted by IPSOS MORI to a panel of 2800 audience members in the UK March 2017, report author Alex Connock, report commissioned by Endemol Shine

increase.”<sup>20</sup> To pick one example from his own company, it has produced a major, global, advertiser-published global content project, *World Class*. Diageo made the project to promote its premium spirits brands – evolving it from 2012-17 from TV distribution to a principally digital video transmission model. By 2017 it had a directly shoppable element, in the form of a body of Amazon video content in Germany.<sup>21</sup>

This field is therefore a major step towards customer interaction, and away from the top-down, non-interactive media provision of the kind found in twentieth century TV viewing choices and commercial breaks between broadcast channels. In the latter, such a direct, real-time translation from content to outcome was not visible. Today, video is a results-driven, dynamic commodity. The more people interact with this new kind of editorial output - by clicking on it, viewing to completion, commenting, sharing and ultimately clicking to buy – the more it *goes viral*, optimizes algorithmic performance on social channels, succeeds in selling things, and incentivizes affiliates to drive yet more promotion, in a virtuous circle.

This then is content production where emotional reaction (enjoyment, desire) is directly translated into action; where meaningful engagement is actualized not in viewing figures but in sales data. Video e-commerce is like a county fair where the farmer’s entire seasonal success is benchmarked not by the generalized perception of the market over time, not by entry tickets sold, but by the number of vegetables purchased at the fair on the day.

## (ii) **The scale and scope of the e-commerce content market**

E-Commerce (see *chart overleaf*) is forecast to become a \$3.3 trillion annual global industry in 2019<sup>22</sup> - part of a wider, rapidly-evolving media landscape, where advertising spend is shifting away from TV (down 2.9% in the UK in 2017) and into pure digital investment (up 13.3% in the same period.) Content marketing, of which e-commerce

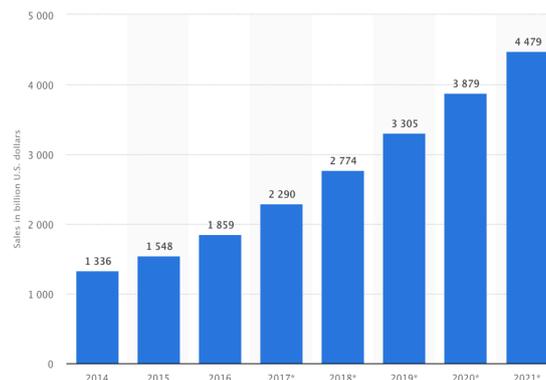
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<sup>20</sup> Jerry Deakin quoted in Marketing Week article by Ellen Hammett, 7 March 2018: ‘Diageo: Programmatic enables us to do ‘really great marketing’

<sup>21</sup> The author was Managing Director of Shine North (as it then was), a company contracted (via Shine TV) to produce the *World Class* television series from 2013-15. There were other producers involved. The author did not work on the 2017 series or its e-commerce spinoffs.

<sup>22</sup> Source Statistista forecasts 2018, <https://www.statista.com/statistics/379046/worldwide-retail-e-commerce-sales/> Chinese figure is for 2016

video is a subset, is a £1.3 billion UK industry, which grew 14% in the first half of 2017.<sup>23</sup> And millennials (defined as people who came into adulthood after the year 2000, along with subsequent generations) are rapidly disengaging from broadcast TV channels. Advertising agency Group M predicted a 12% drop in linear TV viewing by 16-24 year olds, with 16-34 year olds 8% down, for 2018 alone. As viewers shift to digital video viewing, broadcast TV network advertising models are under threat, and both marketers and media owners are looking to other niche activities to re-capture lost viewers and sales. One such activity is e-commerce video.



Projected growth of e-commerce - source: Statista 2018

Within this changing market, and one that is migrating towards shoppable content, social media is of considerable commercial importance as both a driver of business leads, and a distribution channel.<sup>24</sup>

In e-commerce, fast-fashion and beauty is perhaps the key sectoral driver, constituting 16 % of the UK's online spend, with 14% of all fashion retail in 2016 was made online.<sup>25</sup> In 2016, more than 90% of all British under 30 year olds shopped. Many 25-34 year olds (over 30%) will make eleven or more online purchases over a three-month period. Yet only around 11% of 16-34 year olds buy directly through social media or an app<sup>26</sup>. In other words, there is still considerable scope for the further expansion of social content to convert users into buyers, in a fast-moving fashion and beauty sector.

<sup>23</sup> Group M upgrades ad market forecasts for 2017 and 2018, Emily Tan, Campaign, November 22, 2017.

<sup>24</sup> Enders Analysis Report, Fashion's new Look: digital sets new trends. 2017.

<sup>25</sup> Enders Analysis Report, Fashion's new Look: digital sets new trends. 2017.

<sup>26</sup> Enders Analysis Report, Fashion's new Look: digital sets new trends. 2017.

Social media is creating influential fashion and beauty communities which translate directly into e-commerce buyer communities. A 2016 retail survey by PwC (quoted by Enders, 2017) found that 78% of their sample was influenced by social media to make purchases, substantially up from 68% in 2015. 'Social' is where users discover products and brands, watch adverts, and review comments that inform buying decisions. Social channel Instagram is moving into m-commerce (or mobile commerce, meaning the use of mobile phones for e-commerce) with sponsored listings and "Shop Now" options. A Comscore study in February 2017 reported that mobile commerce had grown by 40% in the year to September 2016<sup>27</sup>. Fashion brands (and stores) Topshop and Burberry, have made products immediately available after showcasing them through the platform, with "Shop Now" functionalities. Fashion site Missguided sponsored the hit UK ITV2 entertainment show Love Island in June 2018, with multiple shoppable online storefronts and blogs directly showcasing the show's content. During global Fashion Weeks in 2016, 14% of brands participated in this type of e-commerce.

This kind of 'Social commerce' – fusing e-commerce and social networks – is seen across e-commerce sectors far beyond fast fashion, and is also dealt with as an academic theory in Chapter 2 below.

### **(iii) The wider context: growth in the digital video market**

Brands have become increasingly attracted to content in video, particularly on social video, because digital video, as a whole, is the demonstrable preferred platform of the millennial generations.

On-demand video consumption for 16-24 year olds (as opposed their watching of broadcast TV) now stands at 47% of their overall video consumption, growing by over 25% in the past two years alone.<sup>28</sup> YouTube accounts for about 10% and Facebook about 6% of the overall viewing of 16-24 year olds. In March 2017, video aggregator site Tubular reported 2,000,000 videos uploaded *per day*, 101 billion monthly media company video views on Facebook and 126 million daily views on sponsored content. In fact, video was

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<sup>27</sup> Source Retail Dive article, Dan O'Shea, February 2017. <https://www.retaildive.com/news/comscore-holiday-spending-topped-80b-driven-by-mobile-commerce-growth/436106/>

<sup>28</sup> Andrew Griffith, Group COO & CFO, Sky quoted in Enders Media & Telecoms: 2017 & Beyond Conference 19 April 2017

74% of all online traffic in 2017,<sup>29</sup> set to amount to 75% of the rapidly-growing mobile data traffic by 2020.<sup>30</sup> As a measure of the extraordinary reach of digital video into TV viewing, in the author's published outputs later in this thesis, he examines the findings from a Facebook video production which achieved over 32 million views – which some 4 times the average peak nightly viewership of the UK's most popular TV soap opera, Coronation Street.<sup>31</sup>

Meanwhile video, including e-commerce video, is going mobile. Some 65% of all sales by one leading UK e-commerce site are made on mobile phones,<sup>32</sup> which is also the fastest growth medium for social video, at the same time as viewing of long form TV programming on broadcast channels has been in long term decline. (This is not quite the same thing as long form programming as a whole seeing viewing decline, because so-called OTT platforms<sup>33</sup> are on the rise at the same time, through long-form 'binge viewing.'). Enders analysis of 23 March 2017 (chart below) predicts considerable digital video growth by 2026 as a percentage of the population's viewing (at the expense of broadcast television).

In light of this growth and platform change, the video marketing industry is growing fast. Social Media Examiner CEO Michael Stelzner, in his opening keynote address at Social Media Marketing World conference<sup>34</sup> in San Diego, March 2018, said that 77% of those surveyed said they would be making 'significantly improved' investments in video in the next 12 months.

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<sup>29</sup> Mary Meeker, Kleiner Perkins Caufield Byers report *Internet Trends 2017* <http://www.kpcb.com/internet-trends>

<sup>30</sup> Cisco Visual Networking Index 2016-21 White Paper. <https://www.cisco.com/c/en/us/solutions/collateral/service-provider/visual-networking-index-vni/mobile-white-paper-D11-520862.html>

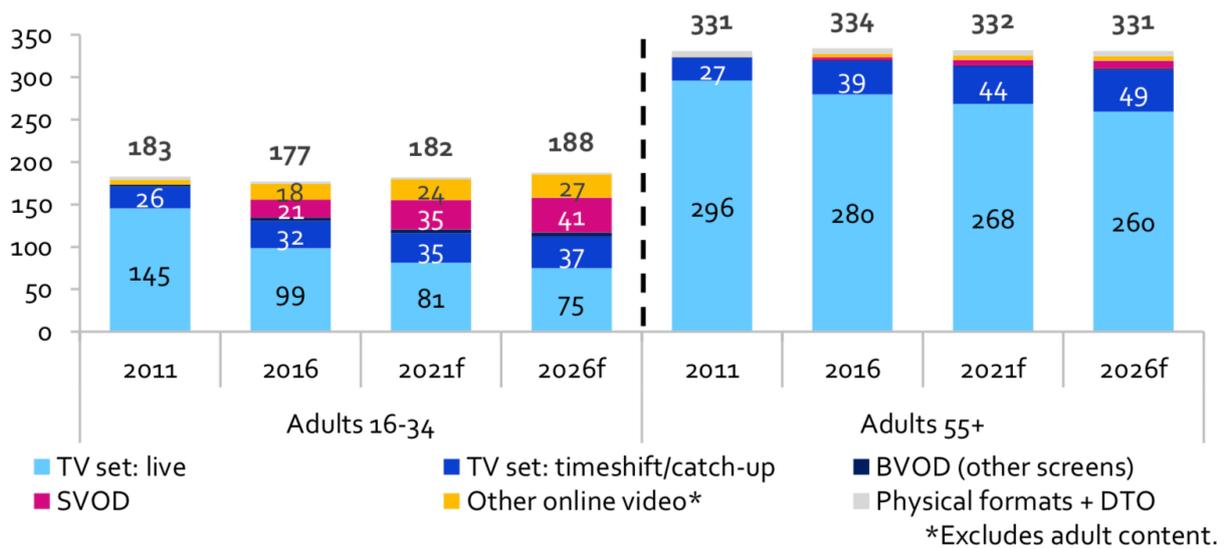
<sup>31</sup> Source Broadcast Magazine, Top 100 Network Programmes, 19-25 February 2018, Coronation Street highest rating 7.43m

<sup>32</sup> Industry interview by author with THG, leading UK internet retailer, November 2017

<sup>33</sup> OTT denotes 'over the top', meaning via the phone cable more traditionally associated with cable television delivery

<sup>34</sup> Social Media Examiner. CEO Michael Stelzner quoted 3 March 2018 by The Content Gardener <https://www.youtube.com/watch?v=CINeN6gq-Fc>

**Figure 6: Average video viewing across UK population, 2011-2026f (mins/day)**



Source: Enders Analysis, March 2017

In summary: the digital video market is growing fast, at the expense of traditional television viewing, and particularly with the younger demographics. It is also becoming more mobile-based, and more e-commerce-oriented. All these contextual facts create the technical environment capable of integrating commerce into viewing – in other words the necessary conditions for e-commerce video.

The next chapter reviews the current literature base, both academic and commercial, within the context of the key questions around e-commerce video content which this thesis has sought to answer.

## **CHAPTER 3: EXISTING KNOWLEDGE BASE IN CONTENT STRATEGIES FOR BRANDED CONTENT AND E-COMMERCE VIDEO**

This Chapter explores the literature base. It analyses work on branded content video in general, where it is relevant to e-commerce and e-commerce video specifically, in order to put the author's exploration of e-commerce video techniques in context. The three sections of this chapter structure the academic literature and commercial learnings landscape according to the three specific questions outlined at the start of - and throughout - this PhD.

- What are the drivers of success in any piece of branded video content ?
- Is there a 'cliff-edge' in brand integration, after which additional prominence of the brand produces negative return in sales effectiveness ?
- What are the optimal styles of video content for e-commerce sales ?

The relevant literature to begin to answer those questions spans multiple disciplines. These include retail<sup>35</sup> strategy, via social commerce as a subset of marketing<sup>36</sup> and the use of online video in advertising at scale<sup>37</sup>. There is literature around experimental design<sup>38</sup> in the construction of video stream technologies, around television and telecoms<sup>39</sup> as a driver of commercial change, and data science<sup>40</sup> in analysis of user behavior. There is analysis in psychology<sup>41</sup> and sociology<sup>42</sup> journals of how

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<sup>35</sup> Arnold, M. J., & Reynolds, K. E. (2003). Hedonic shopping motivations. *Journal of Retailing*, 79, 77-95.

<sup>36</sup> Deriving Value from Social Commerce Networks, *Journal of Marketing* April 2010. Andrew Stephen and Olivier Toubia.

<sup>37</sup> Video e-commerce: Toward Large Scale Online Video Advertising. Cheng et al. Published in *IEEE Transactions on Multimedia*, Volume 19, Issue: 6, June 2017.

<sup>38</sup> Video Stream Quality Impacts Viewer Behavior: inferring Causality Using Quasi-Experimental Designs. *IEEE/ACM Transactions on Networking*, Krishnan and Sitaraman, Dec 2013

<sup>39</sup> Andrew Griffith, Group COO & CFO, Sky quoted in *Enders Media & Telecoms: 2017 & Beyond* Conference 19 April 2017

<sup>40</sup> Modeling Consumer Purchasing Behavior in Social Shopping Communities with Clickstream Data. Rainer Olbrich & Christian Holsing,. *International Journal of Electronic Commerce*, Dec 2014

<sup>41</sup> Santarossa, S., Coyne, P., Lisinski, C., & Woodruff, S. (2016). #fitspo on Instagram: A mixed-methods approach using Netlytic and photo analysis, uncovering the online discussion and author/image characteristics. *Journal of Health Psychology*, *Journal of health psychology*, 15 November 2016.

Instagrammers' self-image<sup>43</sup> plays out online - through to discussion of how computing<sup>44</sup> and deep learning<sup>45</sup> assist the study of video content.

In this chapter, where there are clear gaps in the literature which the author has sought to fill, the gap in question is highlighted. The discussion of the author's own outputs in Chapter 3 will then address in detail his own contribution to this landscape, again through the prism of the three core questions.

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<sup>42</sup> The human face of e-business: Engendering consumer initial trust through the use of images of sales personnel on e-commerce web sites.. Author Aldiri, K et al, International Journal of e-Business Research, 2008, Vol.4(4), pp.58-78

<sup>43</sup> Ridgway, J. L., & Clayton, R. B. (2016). Instagram Unfiltered: Exploring Associations of Body Image Satisfaction, Instagram #Selfie Posting, and Negative Romantic Relationship Outcomes. *Cyberpsychology, Behavior, and Social Networking*, 19(1), 2-7.artifi

<sup>44</sup> Spott: On-the-Spot e-Commerce for Television Using Deep Learning-Based Video Analysis Techniques. *ACM Transactions on Multimedia Computing, Communications, and Applications (TOMM)*, 28 June 2017, Vol.13(3s), pp.1-16. Vandecasteele et al.

<sup>45</sup> Spott: On-the-Spot e-Commerce for Television Using Deep Learning-Based Video Analysis Techniques. *ACM Transactions on Multimedia Computing, Communications, and Applications (TOMM)*, 28 June 2017, Vol.13(3s), pp.1-16. Vandecasteele et al.

(i) **QUESTION 1: WHAT ARE THE DRIVERS OF SUCCESS IN BRANDED CONTENT VIDEO?**

We can identify the literature around key drivers of editorial success for any piece of branded content video in the three categories of storytelling, engagement and perceived provenance. These constants in the field will re-appear in both the author's experimental work, and in the real-world examples in Chapter 4.

**(a) Storytelling**

Content marketing is about telling stories with brands in them, and – in contrast to the sub-category of e-commerce video - there is nothing new about it. Particularly on television and radio, content marketing has been an industrial fact in the US media since the 1940s. *The Flintstones* cartoon was used for the marketing of Winston cigarettes in the 1960s. The author has compiled an online playlist ([link here](#)<sup>46</sup>) of useful US branded content across history. From a taxonomy perspective, this category enjoys multiple overlapping and very loosely-defined descriptive terms, including branded entertainment, native advertising, advertorial, brand journalism, brand integration and engagement marketing. Whatever the terminology, content marketing is always for one ultimate purpose: sales. It achieves sales through good storytelling about the brand and its place in the viewer's universe.

A 2017 report by consultancy Ovum<sup>47</sup> states: "A key thrust of retail advertising will be the *story*<sup>48</sup> it tells about the retail brand." Brands, including Microsoft,<sup>49</sup> are now appointing 'Chief Storytellers'<sup>50</sup>. Ungar Franks' 2016 textbook on Content Strategy<sup>51</sup> presents the optimal modern strategy as follows: "Marketers should try to pay as little as they can, own as much of the brand experience as possible, and earn favourable brand mentions in a socially connected media world."

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<sup>46</sup> <https://www.youtube.com/playlist?list=PL33579B50363FACD0>

<sup>47</sup> Ovum report. The future of E-commerce: The Road to 2026  
Published April 2017 pp. 22

<sup>48</sup> This author's italics

<sup>49</sup> Steve Clayton is Microsoft's Chief Storyteller as at January 2018

<sup>50</sup> Why Every business needs a Chief Storyteller, Vala Afshar, Huffington Post January 2017

<sup>51</sup> Judy Ungar Franks, Chapter 14, Content Strategy in a Paid/Owned/Earned Media World, published in The New Advertising: Branding, Content, and Consumer Relationships in the Data-Driven Social Media Era Edited by Ruth E. Brown, Valerie K. Jones, and Ming Wang, Praeger, 2016. Page 325

How good your story is, and how well you tell it, therefore underpins the so-called paid/earned/owned segmentation which underpins much of conventional 21<sup>st</sup> century content marketing strategy. ‘Earned media’ describes publicity achieved by doing promotional work such as creating content (telling stories) which achieves organic public engagement. This is different from ‘paid media’, which is paid advertising; or ‘owned media’, which refers to the company’s own branding materials. Earned media is the desirable commodity obtained when storytelling is successful, and it drives engagement.

### **(b) Engagement**

Engagement is the measure of how successfully a piece of branded content storytelling creates a response with the audience.

In his book *The Content Code*, Mark Schaefer argues that:<sup>52</sup> “The persistent myth that surrounds much of marketing today is that content is king, and if you can just produce enough of this scintillating, ripped-from-the-headlines, epic and amazing stuff...you’ll win.” The real imperative is not the creation of content: it is the *monetization* of it in “measurable business.” Social proof, or sales – being shared, or better still shopped – is proof of qualitative success in this field.

Engagement can be with products or the people telling their stories. In a 2017 article<sup>53</sup> in the journal *Marketing Theory*, Lancaster University academics Cocker and Cronin unpacked the appeal of YouTube bloggers amongst their fan communities from a sociological perspective. Drawing on Weber’s concept of ‘charismatic authority,’ they observed the content of seven of Britain’s most popular YouTubers and their audience’s responses.

“We argue new cults of personality differ from their traditional counterparts through collaborative, co-constructive and communal interdependence between culted figure and follower. While Weber maintained charismatic authority has its source in

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<sup>52</sup> *The Content Code: Six essential strategies for igniting your content, your marketing, and your business.* Mark W Schaefer 2015. Page 2

<sup>53</sup> Cocker, H., & Cronin, J. (2017). Charismatic authority and the YouTuber: Unpacking the new cults of personality. *Marketing Theory*, 147059311769202. Pp. 455

the innate and exceptional qualities of an individual's personality, we submit that in consumer culture's current era of consent, the 'culting' of social actors becomes a participatory venture."

Engagement via a mutually 'participatory' venture is the end goal - not only of YouTubers, but of any marketer seeking to use celebrity and charisma as a starting point to create a productive engagement on the part of the viewer - and, ultimately, a purchase. The greater the participation and engagement, the better. The contention tested in two of the outputs covered in chapter 4 is that greater the charismatic authority of the video's creator or influencer, the greater the chance of that happening.

Engagement makes people feel good, and feeling good makes people engage. In 2018, Facebook changed its algorithm to favour friends and family content over third party content. This was their rationale, as expressed by Facebook's Adam Mosseri<sup>54</sup> in WIRED.

"A lot of the research that we've done, and the research that's out there in the field and in academia that we've read, suggests that online interacting with people is positively correlated with a lot of measures of well-being, whereas passively consuming media content online is less so."

Engage your audience and they will buy products, is the key message.

### **(c) Provenance**

As important as the content of any product in driving people's engagement is its perceived provenance, and this is no different for branded content video. Where an e-commerce video is seen, and where it is from, both matter. Provenance covers the known sourcing of the video in terms of producer/creator, and the platform or the distribution channel.

Provenance of a video as a factor was tested in a 2015 study by the advertising agency Mindshare.<sup>55</sup> 410 UK online video consumers watched pieces of video content, which was

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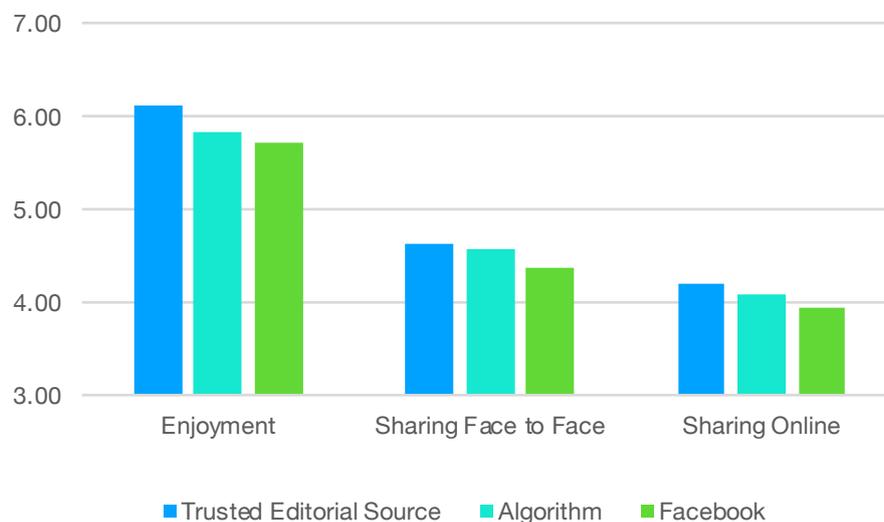
<sup>54</sup> Adam Mosseri, Vice-president in charge of the Facebook Newsfeed, interviewed Wired 13/1/2018 [https://www.wired.com/story/facebooks-adam-mosseri-on-why-youll-see-less-video-more-from-friends/?mbid=social\\_twitter&utm\\_content=bufferfdb92&utm\\_medium=social&utm\\_source=linkedin.com&utm\\_campaign=buffer](https://www.wired.com/story/facebooks-adam-mosseri-on-why-youll-see-less-video-more-from-friends/?mbid=social_twitter&utm_content=bufferfdb92&utm_medium=social&utm_source=linkedin.com&utm_campaign=buffer)

<sup>55</sup> Mindshare study 02/10/2015

recommended for them in one of three different ways. Either it was (1) based on their Facebook friends' viewing (2) recommended by a trusted editorial source; or (3) based on their previous online viewing habits.

Mindshare found that content which was thought to have been recommended by a trusted media *brand* was also significantly *more* likely to be enjoyed and shared with friends than content recommended socially or by algorithm.

Enjoyment of the content was reported to be highest when the video had been presented to the viewer as being recommended by a trusted editorial source. It was higher than, for instance, when the recommendation was based upon the viewing of Facebook friends, which came in last place. (The other options were: 'recommended by a trusted editorial source' and 'Based on their previous online viewing habits.'). This order of preference also applied when viewers were asked about their likelihood to share the content, either in person, with someone in the room, or online.



In other words, evidence suggested that if a brand publishes content related to it through *established* sources, channels and distribution platforms, editorial credibility is likely to result that will enrich viewer satisfaction. Provenance, and how much it matters, is an important finding which will be applied in detail to the author's own published work in Chapter 4.

(ii) **QUESTION 2: IS THERE A 'CLIFF-EDGE' IN BRAND INTEGRATION, AFTER WHICH ADDITIONAL PROMINENCE OF THE BRAND PRODUCES NEGATIVE RETURN IN SALES EFFECTIVENESS ?**

In content marketing it might seem axiomatic that the more branding there is in a given piece of content, the more the audience might engage with the content, and the more units the advertiser might sell as a result. After all, increased advertising *spend* and *frequency* are generally assumed to correlate with better results - hence why consumer brands invest heavily in advertising during the Christmas season, for instance. Not many supermarket marketing executives argue for a lower spend on advertising in order to increase sales.

But actually, the degree to which the *brand integration level* within a given piece of content is positively correlated with increases in response and sales is not as simple or straight-line as that and its relevance to video e-commerce is one of the key themes of this thesis, and a key contribution by the author to the field. It is investigated in detail in Chapter 4 below, where the author produced original research to calibrate the drop off in engagement that results from putting too much branding in a video. The background to this work is illustrated by research which shows that consumers are increasingly savvy about what constitutes 'advertising', and they may not respond positively to more of it. In a Kantar Media report<sup>56</sup> (2017) 5,213 'connected adults' (aged over 18 years old) were interviewed across five of the world's largest advertising markets: Brazil, China, France, the UK and US. Of these, 64% said that messages from brands on social media counts as advertising. Attempting to convince them that a paid-for brand message, in whatever form and however transmitted, is somehow 'not advertising' will fail, the report argued. In this environment, where integrating brand messaging into social conversations will not necessarily work, the important thing is to place it overtly - but in such a way as it will not be *counterproductive* and alienate the target audience.

The Kantar survey also highlighted that in the decade since 2008, there had been 30% more companies advertising overall: "Consumers don't have the capacity to keep up. Consumers are aware of more brands, yet at a rate disproportionately lower than the

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<sup>56</sup> Kantar Media - DIMENSION – Communication Planning in a Disrupted World 2017 pp.30

increasing number of brands trying to create awareness.” With too much advertising around, people are sensitive to too much from any given brand.

Similarly, useful studies have been made of the impact of embedding advertising in content - notably an Australian study of the value of including health information in games (or advergaming, as the study describes them.)<sup>57</sup> The results showed significant interaction effects between HEI (health education information) levels and level of brand advergaming integration. Individuals with higher levels of health education information showed more negative attitudes toward the brand and game when integration of that information was high. However, lower levels of brand advergaming integration resulted in positive effects among lower HEI individuals. So flexing the level of brand integration downward was able to raise the success of the content – a fundamental, if indicative finding, which has consequences for the author’s own research (see below.)

This research points to the conclusion that there is *not* necessarily a positive correlation between the level of message *integration* in a piece of content, and the level of message acceptance. Less brand can be more effective.

In the work featured in Chapter 3 below, the author refined this research substantially by adding an engagement gradation element to the cut-off point, or cliff-edge. Knowing the right moment to stop putting more brand in, just before it starts to have a negative effect on the audience, should enable marketers to optimize their level of brand integration.

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<sup>57</sup> Advergaming and healthy eating involvement, Cicchirillo and Mabry, Internet Research, 06 June 2016, Vol.26(3), pp.587-603

(iii) **QUESTION 3: WHAT ARE THE OPTIMAL APPROACHES IN VIDEO CONTENT FOR E-COMMERCE SALES ?**

This next question is the heart of this PhD, and a niche within the field where the author's research aims to make a useful contribution. The literature here is fairly wide-ranging, and is thus structured into two sections for analytical purposes. Section (a) considers the existing knowledge base around *content* of e-commerce videos specifically (as opposed to branded content videos in general), the importance of storytelling, and studies of types and styles of videos that have performed well. It also brings to bear some relevant academic work around the psychology and sociology of e-commerce video. It highlights that there are substantial gaps in the knowledge about content styles that work, which then creates an opportunity for the author's targeted study of this in Chapter 4 to make a useful contribution.

Section (b) then examines the impact of the *distribution method* of e-commerce video content. It examines how e-commerce video is viewed as a last level in the marketing funnel of a consolidated, multichannel strategy. It explores technical approaches to social video optimization in e-commerce, the power of social networks and communities, the role of social recommendation and the marrying of content to data.

### **(a) The video view quality and content**

There is literature to support the idea that video content works as an ecommerce sales tool. For instance, Huang et al (June 2017) demonstrated that video e-commerce outperforms the state-of-the-art other advertising methods, and can handle large-scale data in real time.<sup>58</sup> But there is limited literature around the actual content strategies that work, which is one reason why the author himself undertook such research (see Chapter 4 below.)

On the most basic level, the impact of view quality (in terms of bandwidth and therefore resolution of the video that is playing) was also experimentally tested, and found to be positively correlated by Krishnana and Sataranan (2013).<sup>59</sup> An earlier, 2004 academic laboratory experiment<sup>60</sup> by Zhenhui and Izak, around what was then known as 'electronic shopping,' showed that both visual and functional experience of products drove enhanced reactions from the consumer, relative to dry product listings. And the use of imagery in e-commerce (to include video) was found to be positively correlated with effectiveness in sales and profit, in a 2008 study of trust behaviours by Aldiri and others<sup>61</sup>. In a Journal of e-Business study<sup>62</sup>, they showed video and other forms of experiential product showcasing in e-commerce to have superior results to simple product listings.

“It was proposed that initial trust may be built by simulating face-to-face interaction. To test this, an extensive laboratory-based experiment was conducted to assess the initial trust in consumers using four online vendors' Web sites with a variety of still and video images of sales personnel, both Western and Saudi Arabian. Initial

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<sup>58</sup> Video e-commerce: Toward Large Scale Online Video Advertising. Cheng et al. Published in IEEE Transactions on Multimedia, Volume 19, Issue: 6, June 2017.

<sup>59</sup> Video Stream Quality Impacts Viewer Behavior: inferring Causality Using Quasi-Experimental Designs. IEEE/ACM Transactions on Networking, Krishnan and Sitaraman, Dec 2013

<sup>60</sup> Virtual Product Experience: Effects of Visual and Functional Control of Products on Perceived Diagnosticity and Flow in Electronic Shopping, Zhenhui and Izak, Journal of Management Information Systems, November 2004.

<sup>61</sup> The human face of e-business: Engendering consumer initial trust through the use of images of sales personnel on e-commerce web sites.. Author Aldiri, K et al, International Journal of e-Business Research, 2008, Vol.4(4), pp.58-78

<sup>62</sup> The human face of e-business: Engendering consumer initial trust through the use of images of sales personnel on e-commerce web sites.. Author Aldiri, K et al, International Journal of e-Business Research, 2008, Vol.4(4), pp.58-78

trust was found to be enhanced for Web sites employing photographs and videoclips compared to control Web sites lacking such images”

Unsurprisingly therefore, high view quality has been shown to get better results than poor quality.

Yet whilst there is evidence that video tools work as a sales tool *in general*, there is less literature directly addressing the *content* of e-commerce video. One of the more interesting comparisons that does look at that content effect, was around the effect on engagement of changing video *length*. Animoto performed a test on<sup>63</sup> the same video at 30, 60 and 90 seconds in length, to find that engagement was higher the longer the video, especially on Facebook. Similarly in an Aldiri et al study (2008), running time was found *not* to be positively correlated with abandonment of the view (a double negative which effectively says longer videos get better engagement).

So we can conclude that longer videos may indeed be attractive as a sales tool. This is a useful finding picked up by the author in Chapter 4 below, where the author actually found that the opposite correlation was associated with the ‘shoppability’ of video, namely its preponderance to drive e-commerce interactions. In that case, shorter videos performed better. The reconciliation of the two positions may be that longer videos get better engagement, but shorter videos generate better sales results.

Around the provenance issue explored in the Chapter 1 above, there is research for - and against - the idea that using influencers in videos can work. A 2016 Journal of Health Psychology study<sup>64</sup> described how “personal (as opposed to corporate, for instance) accounts were associated with higher popularity of images (i.e. number of likes/followers)”, thereby supporting the idea of using influencers to achieve positive results. A study<sup>65</sup> by Animoto published in 2017 explored, via testing, the performance of text-only videos vs. talking-head videos on Facebook, Instagram and Twitter. It found that text-only videos outperformed on Twitter and Facebook (though not on Instagram), based on average

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<sup>63</sup> Animoto study outlined by Brian Peters on Buffer Social March 2017 <https://blog.bufferapp.com/square-video-vs-landscape-video>

<sup>64</sup> Santarossa, S., Coyne, P., Lisinski, C., & Woodruff, S. (2016). #fitspo on Instagram: A mixed-methods approach using Netlytic and photo analysis, uncovering the online discussion and author/image characteristics. Journal of Health Psychology, Journal of health psychology, 15 November 2016.

<sup>65</sup> Animoto study outlined by Brian Peters on Buffer Social March 2017 <https://blog.bufferapp.com/square-video-vs-landscape-video>

video view completions. This resulted in the unsurprising recommendation that “Creating informative, easily digestible videos for these platforms will help to increase your completion rate.”

Finally, there is evidence with respect to the engagement benefits of making instructional videos that were interactive in some way (termed ‘playfulness’ in this context). A large segment of the e-commerce video market is around product-specifications and use-related material. In 2010 a Taiwanese team<sup>66</sup> analysed the power of instructional video in driving advertising engagement. A sample of 504 people was collected around people in Taiwan prepared to view an instructional internet video. They found that: “Perceived playfulness positively affects the attitude toward instructional video advertising, but does not significantly affect the purchasing intention. From the results, the purchasing intentions of customers are not enhanced simply or directly by the perceived playfulness.”

In summary, there are some interesting, pre-existing studies around e-commerce video content, but none that explores at the full range of content options in the way that the author has been able to conduct.

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<sup>66</sup> The impacts of instructional video advertising on customer purchasing intentions on the Internet. Huang et al. Service Business, March, 2010, Vol.4(1), p.27(10)

## **(b) The distribution of the video content**

If there is limited literature on the optimal *content* of e-commerce video, there is more around the distribution of content designed to drive e-commerce in a multi-channel environment.

The segmentation of distribution between off-platform outlets (on social channels such as Facebook for instance, or aggregated shopping sites, of which Amazon is the market leader) and on-platform sites (the e-commerce sites themselves) is also visible in the segmentation of the relevant literature. Each of those channels has its own knowledge base about what strategies are most effective, and is dealt with below. Each also has its own commercial advantage. Off-platform gives the e-commerce video maker access to a wider network of potential customers and their social contacts. On-platform gives the e-commerce video producer unparalleled data and insight.

Before exploring each in turn, arguments for the multi-channel approach itself merit discussion.

### ***The multi channel strategy***

E-commerce videos do not sit in isolation. Retailers are increasingly adopting an ‘omnibrand’ strategy, whereby customer touchpoints both on their own sites (on-platform) and in wider networks such as social media sites combined with wherever else TV and other media footprints the brand and product appear (collectively, off platform), will work together to support an integrated experience.

Coordination of the message is key – from digital distribution platforms, to linear TV players – so that advertisers can synergistically access the widest breadth of audiences. Mike Rich of Fox Networks Group Asia<sup>67</sup> has written: “It’s becoming harder and harder to separate ‘digital’ from ‘TV’. They should really go hand in hand.”

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<sup>67</sup> Quoted in Digital Market Asia, January 10, 2018, by Shubhi Tandon.

This is a field where technology offers businesses competitive advantage. For instance, in a June 2017 Multimedia Computing article<sup>68</sup> Vandecasteele et al proposed novel and state-of-the-art automated concepts and methodologies such as video summarization (condensed and succinct representations of the content of a video stream through still images, video segments, graphical representations and textual descriptors), and similar object retrieval (retrieving images containing objects captured on screen) to drive customers to make decisions on adverts seen. In layperson's terms, they considered the opportunities to *automatically* embed shoppable links in video. Achieving that would provide the technology to make all television, and not just TV advertising, instantly shoppable, based on the user being able to choose items onscreen and buy them. Integrating the e-commerce video produced in a way that replicates the multi-screen way users interact with content will be advantageous.

Brands are running this kind of multiplatform mix, in which video is only one element, all the time. To take a simple example, Gareth O'Rourke, e-commerce manager<sup>69</sup> of CHO Fashion and Lifestyle, a regionally-based UK fashion business, said in an interview (January 2018) that he used video to amplify impact and sales for a 2017 campaign, in a quintessentially cross platform, but targeted manner:

“We used Sky Smarts targeting technology and looked at a female demographic between the ages of 25-45 in particular areas we already knew where the audience was more likely to buy. We then ran a YouTube campaign looking at the same demographic to try and increase frequency of view and used Facebook retargeting with the video to really try and create a fully integrated digital mix. We saw brand awareness during that 9 week campaign increase some 800% and sales via the increase in direct traffic increase by 250%.”

### ***Literature around off-platform distribution***

E-commerce video used on off-platform sites and channels not owned by the retailer –

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<sup>68</sup> Spott: On-the-Spot e-Commerce for Television Using Deep Learning-Based Video Analysis Techniques. ACM Transactions on Multimedia Computing, Communications, and Applications (TOMM), 28 June 2017, Vol.13(3s), pp.1-16. Vandecasteele et al.

<sup>69</sup> Gareth O'Rourke, Director of International E-Commerce and buying at CHO Fashion and Lifestyle, Kendal, Cumbria, interviewed via email January 2018.

such as social networks, or Amazon – offers the obvious benefit of tapping into the third-party network as a powerful sales tool.

To return to the analogy of the county fair raised in Chapter 1, the collected social networks of the farmers at the county fair become more powerful marketing tools for anyone selling product at the fair, than their own social network alone would be. ‘Social commerce’ is the phrase used to characterise this process of cultivating the fabric of intangible networks between influencers, consumers, and product pages on e-commerce websites in using content to drive engagement. Wang and Zhang (2012) define social commerce as “a form of peer-to-peer communication, where users spread out a persuasive viral message by word-of-mouth through social networks to increase a company’s brand recognition, product awareness and adoption.”<sup>70</sup> Huang and Zu summed up the opportunity it presents to use technology in fundamentally re-mapping how shopping works: “Social commerce connects business to consumers or consumers to consumers.”<sup>71</sup>

E-commerce video derives from “Social shopping”<sup>72</sup> a two-way strategy: first to help people connect where they usually buy; and second, to guide people to buy where they usually connect. This is as recent phenomenon as e-commerce video itself. According to a 2011 history its etymology, the term ‘social shopping’ was coined by Yahoo!, as identified by Curty and Zhang, in 2005<sup>73</sup>, with the earliest academic article about it having been published in 2007, by Jascanu et al (however, Curty and Zhang (2011) have traced it back to the 1990s via the internet history tool, the Wayback Machine.”)

Academic definitions aside, in the commercial world, social commerce is thriving and continues to be highly relevant to the distribution of e-commerce video. For instance, fast-fashion sites such as BooHoo.com, based in Manchester, and (co-owned) PrettyLittlething.com using Facebook and Instagram posts to drive direct links to sales

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<sup>70</sup> Wang, C., Zhang, P.: The evolution of social commerce: the people, management, technology, and information dimensions. *Commun. Assoc. Inf. Syst.* **31**, 1–23 (2012)

<sup>71</sup> Huang Z., Yu W.Y. (2016) Bringing E-commerce to Social Networks. In: Nah FH., Tan CH. (eds) *HCI in Business, Government, and Organizations: e-commerce and Innovation*. HCIBGO 2016. Lecture Notes in Computer Science, vol 9751. Springer, Cham. Chapter 2, section 3.

<sup>72</sup> Mardsen, P. (2010). *Social Commerce: monetizing social media*. Hamburg, Germany, Syzygy Deutschland GmbH as cited by Curty and Zhang, 2011

<sup>73</sup> Referenced in ‘Social Commerce: Looking back and forward’ by Curty and Zhang, *Proceedings of the Association for Information Science and Technology*, 2011. Pp.1

through around 150 influencer postings a month, including video. BooHoo then turns the social into the commercial, by using a shoppable *ersatz* replica of its Instagram page<sup>74</sup> - which elegantly gets around the limited functional shoppability of Instagram itself.

E-commerce video matters in social commerce from a sales-generation, and even a product development, angle. Alex James Aylen<sup>75</sup> co-founded agency Social Chain in Manchester, which runs over 1700 social channels. He noted in an interview that: “If videos are not at the heart of what you are doing, you will really struggle from a social commerce perspective.” To drive shopping online through content, Social Chain technology ‘scrapes’ the internet to see what products are gaining traction on Facebook<sup>76</sup>. They are then able either to ally with those products for further promotion or create similar products to those that are trending. In either case the sites, according to Aylen, “blur the lines between entertainment and products or life hacks, through social, relatable and product-focused content that ignites conversation on the internet.”

This nexus between e-commerce video and social commerce is supported in the academic literature. Nish et al (2013 ), commenting on social networks and data mining <sup>77</sup>: “...show evidence that celebrities' popularities on Twitter correlate well with their relevant search and sales on eBay. The correlations and lags provide predictive insights for future applications that might lead to instant merchandising opportunities for both sellers and e-commerce platforms.”

Finally the effectiveness of social networks in driving e-commerce has been usefully explored academically. In a 2014 article<sup>78</sup>, Olbrich and Holsing describe ‘social shopping communities’ (SSCs) as a cross between social networking and online shopping, and chart

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<sup>74</sup> BooHoo Instagram Likeshop.me/boohoo.

[https://likeshop.me/boohoo?utm\\_source=instagram%20&utm\\_medium=socialmedia&utm\\_campaign=dashhudson&utm\\_term=likeshop&utm\\_content=Non-boosted](https://likeshop.me/boohoo?utm_source=instagram%20&utm_medium=socialmedia&utm_campaign=dashhudson&utm_term=likeshop&utm_content=Non-boosted)

<sup>75</sup> Alex James Aylen interviewed at Social Chain in Manchester 8 February 2018

<sup>76</sup> Sites such as Oddity Mall are trawled

<sup>77</sup> Chelsea won, and you bought a T-shirt: Characterizing the interplay between Twitter and e-commerce. Nish et al. 2013 IEEE/ACM International Conference on Advances in Social Networks Analysis and Mining, Aug. 2013, pp.829-836

<sup>78</sup> Modeling Consumer Purchasing Behavior in Social Shopping Communities with Clickstream Data. Rainer Olbrich & Christian Holsing,. International Journal of Electronic Commerce, Dec 2014.. <https://doi.org/10.2753/JED1086-4415160202> . pp 17

their growth (2014).<sup>79</sup> They tested a number of interesting ideas in their research, for instance:

- (1) The longer the view time, the greater the likelihood of a click-out. (Click-out means the person visiting the advertiser's website needs to click one of the providers listed there, usually resulting in payment of commission.)
- (2) The longer the average view time per page, the lower the likelihood of a click-out.
- (3) The more frequently product-detail sites are visited, the lower the likelihood of a click-out.

This is useful material in e-commerce video design. To know that the number of times a potential customer visits a product page is *not* indicative of their likelihood to buy can inform editorial choices about what to put *in* the video. Some techniques, for instance those related to point 2 above around view time per page, were also tested, and with more content variables, by the author in his own survey of e-commerce video techniques, considered in Chapter 4 below.

### ***Literature around on-platform distribution***

Putting e-commerce video *on*-platform – meaning on a brand's own ecommerce site – offers a huge advantage to the retailer: full, real time data access, ownership and insights. This transparency can then drive the efficiency of the e-commerce video's design and distribution.

On-platform is where e-commerce video is most directly and substantially monetized, and where the most innovation is taking place. In an interview conducted in January 2018, one executive in an agency which has e-commerce content activities in Europe, the US and China noted: "We optimize every hour. Giving the right video to the right person at the

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<sup>79</sup> Modeling Consumer Purchasing Behavior in Social Shopping Communities with Clickstream Data. Rainer Olbrich & Christian Holsing,. International Journal of Electronic Commerce, Dec 2014.. <https://doi.org/10.2753/JED1086-4415160202>

right time is essential. If someone is likely to buy, don't give him the whole story. Go straight to the product. Amazon even has algorithms to decide which video we give them." Video versions are dynamically selected in real time by client attributes and browsing history. China is leading the market in this marketing approach: "They have completely content-enabled commerce. As long as you are watching on a device with a mouse point, it can be e-commerce enabled, and probably will be."

E-commerce video on-platform can be the most lucrative form of the practice, because the data insights and platform ownership protect the vendor from margin dilution. In his interview, the executive said: "The best performing campaign on Amazon for one of our clients has a return on advertising spend (ROAS) of less than one. But they have done two e-commerce campaigns with a premium brand client, where they have a ROAS of more than 2, and one of 3.8. This means for every 1000 dollars you spend, you get back 3800." These are the extremely attractive metrics of targeted content in an on-platform environment of robust, real time data.

Academically, there is useful material on how to list e-commerce video-driven products on-site. Olbrich and Holsing's research (quoted above in another context) shows that social shopping features exert a significant impact on "click-out" to an online shop, but the more lists and styles were used, the less likely the user was to "click-out" and buy. They give increasing transaction costs and information overload as potential reasons. They offer proliferation of styles and use of contests (i.e. competitions) as useful drivers of engagement. They also find that community members are more likely to make a click-out than ordinary users, and are likely to therefore be more profitable to the advertiser.<sup>80</sup>

## Conclusion

In summary, the literature around both branded content and e-commerce video offers a degree of guidance in the topic of content optimization. For instance, the Australian health information and Kantar surveys clarifies the binary point that greater brand integration does not necessarily translate into greater audience engagement. However they do do

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<sup>80</sup> Rainer Olbrich and Christian Holsing Modeling Consumer Purchasing Behavior in Social Shopping Communities with Clickstream Data International Journal of Electronic Commerce / Winter 2011–12, Vol. 16, No. 2, pp. 20

not layer on top of that a guide to the gradation of response The Olbrich and Holsing work highlights the differentiation between view time engagement and click-to-buy engagement. The Animoto work suggests that shorter video lengths may confer great sales responses, but does not differentiate engagement from sales.

All of this work provides a starting point, in terms of site visit interaction data, for the author's own study assessed below (Chapter 4). This work was concerned not *just* with site visit, but with analogous, but functionally distinct, content interaction data - generated once the user is *on* the site. And the work is concerned with enriching the knowledge with specific content scenarios, in a way that has not previously been achieved, both in branded content and in specifically e-commerce video.

## **CHAPTER 4: THE AUTHOR'S PUBLISHED WORK**

This Chapter is the heart of the thesis on the optimization of e-commerce video. It outlines and critiques publications to illustrate his contribution to the literature around successful content strategies in video content marketing in general, and e-commerce video in particular.

Following the key drivers of the thesis as a whole, the Chapter approaches the landscape through the prism of the three key questions outlined at the top of the study.

- What are the drivers of success in any piece of branded content video ?
- Is there a 'cliff-edge' in brand integration, after which additional prominence of the brand produces negative return in sales effectiveness ?
- And what are the optimal approaches in video content for e-commerce sales ?

In each case, the significance of the piece is explained, and key learnings are highlighted.

## OUTPUT 1

### BRANDED CONTENT - 'ASK THE AUDIENCE: EVALUATING NEW WAYS TO FUND TV CONTENT'

*This study tested what level of brand integration an audience responds to within content, and what goes too far – off the 'cliff-edge'. Branded video/TV content report [published Oxford University 2013](#)*

#### (i) Author's Output in context

This output goes to the core of the first two of the three questions the author sets for this thesis – what works in branded content, and is there a cliff-edge ? In both cases, the author has developed new findings.

In Chapter 3, the review of academic and industry literature showed how in e-commerce, fashion and beauty is a key driver, perhaps the key sectoral driver, constituting 16 % of the UK's online spend, whilst 14% of all fashion retail in 2016 was made online.<sup>81</sup> The sector is also one of the principle users of e-commerce video. This chapter develops in more detail how, amongst a number of other scenarios, a piece of beauty-driven video content that was sponsored by a cosmetics brand would be engaged with by the viewing audience, and what factors would be likely to drive that interaction. This is quintessentially brand-engaged content marketing, of the kind posited by Scott Donaton's 2004 book 'Madison & Vine: Why the entertainment and Advertising Industries must converge to survive<sup>82</sup>.' And the critical question to answer, across all examples studied, is a deceptively simple one: how much brand integration is the right amount ?

The 2016 Australian study of health information,<sup>83</sup> referred to above, showed that lower levels of brand integration resulted in positive effects. This points to the lack of an *a priori* positive correlation between the level of message integration in a piece of content,

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<sup>81</sup> Enders Analysis Report, Fashion's new Look: digital sets new trends. 2017.

<sup>82</sup> Madison & Vine; why the entertainment and Advertising Industries must converge to survive, Scott Donaton, published by Mc Graw-Hill, 2004.

<sup>83</sup> Advergaming and healthy eating involvement, Cicchirillo and Mabry, Internet Research, 06 June 2016, Vol.26(3), pp.587-603

and the level of message acceptance. To put it bluntly, just because you put more brand in, that doesn't mean the viewers take more brand value away with them.

The Kantar Media report<sup>84</sup> (2017), based on interviews with over 5000 'connected adults' across five advertising markets noted that: "advertisers may be getting better at reaching people, but the content of the messaging needs to be improved. "

A key question thus centres on the extent to which and how this might be achievable? The author (in 2013) set out to provide detailed evidence on these interactions. He co-wrote a study titled *Ask the Audience*, which explored the impact of differential styles of brand integration in video on audience perception of the content and the sponsoring brand.

The value of the study derives from its contextualization and evaluation of brand integration within video, and it's identification of the cliff edge in limits of viewer tolerance. These are pertinent to the first two of the three overarching questions in this survey as a whole. The value of the *Ask the Audience* study was based on an original, substantial, international market research survey, co-designed by the author, and conducted by polling organisation Ipsos MORI, in the UK, US and Hong Kong.

Three internationally distinct markets were selected because each market - globally - has its own distinct regulatory system, setting the permissive level for brand integration in television content, and setting the de facto standard for acceptable levels of in-content branding in audience perception, which has a direct carry-across into e-commerce video. The UK (like Northern Europe in general, particularly Scandinavia) has, via Chapter nine of its regulator OFCOM<sup>85</sup> code<sup>86</sup>, distinct limits and definitions on permissible brand integrations. The US and (particularly) China adopt a more liberal approach, especially (in the US) outside broadcast networks and on cable channels, where advertorials are evident frequently. (An advertorial is a lengthy advertisement in the form of a programme.)

The author's 2013 study aimed to benchmark audience views of advertiser content funding both in absolute terms, but also in relative terms based on what kind of regulatory

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<sup>84</sup> Kantar Media - DIMENSION – Communication Planning in a Disrupted World 2017, pp 8

<sup>85</sup> OFCOM is an acronym for the Office of Communications

<sup>86</sup> OFCOM code <https://www.ofcom.org.uk/tv-radio-and-on-demand/broadcast-codes/broadcast-code> Chapter 9 refers to commercial references in broadcast communications.

environment they were located in. The research also aimed to determine whether a regulatory environment that was more tolerant of brand integration into content would be correlated with viewers showing more tolerance of brand integration. (The answer found was that there was a relationship, but that it was quite weak.)

The survey was co-written with author Sian Kevill on a 50/50 basis. Each author had oversight of, and editorial insight into, the research and writing of the other's work. A link to the report is [here](#).

(ii) **The study of critical 'cut off' points: the cliff-edge in brand integration**

The report's key contention, based on the evidence gathered and analysed, was that for any given brand integration exercise, there is a specific point at which audience appreciation would drop, and that point was precisely where audience tolerance of branding had been exceeded.

The market research survey tested which precise point that was. Was it where the branding was relatively subtle, like a simple branded item in and out of the advertising break? Or was it where the brand was saturated editorially into the content, such as where the spouse of the sponsoring company's chair was on screen in a branded t-shirt presenting the prize at the end of the show?

A designed contribution of the study was that calibrating the brand integration in a piece of content to the maximum level *before* the negative impact of over-inclusion is felt, would be likely to maximise potential impact on sales. In fact, calibrating brand integration to the *optimum* level before the negative impact is *by definition* the method of optimizing sales. What *optimum* means in practice is that producers of content funded by brands must be aware that there is a *non-linear* function in both brand equity enhancement from content integration, and the engagement and viability of that content itself, with respect to the level of branding.

Quantitative research, which tested multiple content and brand integration scenarios and consisted of the submission of an online survey to a regulated and statistically representative audience, was conducted among 500 TV-watching respondents in each

territory (UK, Hong Kong, USA). Again, by including multiple markets, the authors were able to provide insight into differently-regulated media landscapes, and compare them.

Participants were screened by Ipsos MORI by age (into six groups), gender, geographic location, UK region, whether they watched TV (if they didn't, they were screened out), and how much TV they watched. The audience was screened for TV viewing because there was no point in finding out about views on how brand integration into TV programmes would affect an audience's perception of those programmes, amongst people who would never have watched TV *in the first place*. Age groups were differentiated because of the possibility that different generations would have different tolerances of brand integration. (Indeed this turned out to be the case, especially in Hong Kong.)

Even after the opening questions of the survey, and before the scenarios were presented, there was evidence, from the responses, to contradict the industry's conventional wisdom (reflected in OFCOM regulations, as cited above) that UK consumers are less tolerant of in-content branding. Two thirds of the UK respondents to the survey claimed to have *never* refused to watch a show, regardless of brand involvement, compared to around half in the USA (54%) and Hong Kong (also 54%). This would suggest that either the UK audience is more tolerant of branding, or simply that they have seen less branded content to object to.

To measure the differential viewing engagement resulting from different levels of brand integration, a set of test programmes and videos was created for the purpose of the exercise, and described to the participants. These offered scenarios such as a popular factual genre television project sponsored by a car brand; a charity video; and a polluting multinational which was clearly attempting to 'greenwash' its image through support of an ecologically sound programme about dolphins in the ocean.

'Laddering' exercises were undertaken, meaning that programming scenarios were set out, and then 'ladders' of different levels of brand integration were created. The audience would metaphorically climb up the branding ladder, with more and more branding being added, until they would no longer be willing to ascend another level. That would be their cut-off point in terms of brand integration. Using these potential scenarios of staged (i.e. successively increased) levels of brand integration in each case, the survey team were

able to benchmark the impact of increasing levels of company involvement, and find out in the process at what point the audience could no longer bear to watch the content.

### *Methodology*

When the survey tested editorial scenarios for levels of brand integration, a typical question and answer were as follows.

#### CASE 1: A Nice British Adventure

Tonight's viewing includes a one-hour programme on a non-publicly funded channel that you watch regularly. The programme is called "A Nice British Adventure: A journey to the most amazing locations in the British Isles".

Throughout the programme, people will be shown travelling by plane, train, boat and car across various locations and, as the viewer, you will get a first-hand view of their travels.

Trailers and promotions for the programme have promised incredible adventures, very high production values and narration throughout by a beloved TV personality.

#### Q1

If this programme was on in your home, how likely would you be to watch?

1. *Would definitely watch*
2. *Very likely to watch*
3. *Quite likely to watch*
4. *Neither likely nor unlikely to watch*
5. *Quite unlikely to watch*
6. *Very unlikely to watch*
7. *Would definitely not watch*

#### Q2

If this programme were to receive funding by a company to help make sure it gets made (and is of a high quality) in return for the right to advertise themselves during the show, how likely would you be to watch?

Again, the participants were given seven possible options in terms of whether they would watch.

Then a further nine questions were asked around this case study in which in each case a scenario of escalating sponsor involvement in the editorial content of the show was posited, and the audience were asked whether they would keep watching.

For instance:

Q3

If the company funding A Nice British Adventure was a car manufacturer, how likely would you be to watch?

Q6

During the programme, the presenters make a point of naming the brands of cars they are using and of talking about how good the cars are, with a particular emphasis on the cars made by the manufacturer funding the show.

Q9

In return for their financial support of the programme, the car manufacturer is given final say in how the programme itself is made. This would include all decisions regarding the content and production of the programme.

By tracking the point of editorial involvement by the sponsor at which user *stopped* watching the show, the survey was able to calibrate the audience's response to programme sponsorship.

Where users did not choose to keep watching the programme, the following qualitative question was added.

Q10

Why wouldn't you watch the programme? Please select all the statements below that apply to you.

*[The order in which these statements appeared on screen for any given participant in the survey was randomized, in order to avoid bias towards any given statement by virtue of its position.]*

- 1. Sponsoring companies do not know how to make television programmes*
- 2. I would worry that it would turn into an advertisement for the company*
- 3. The interests of the company are not in the programme, but in themselves*
- 4. I refuse to watch programmes with sponsors attached in general*
- 5. I am not interested in this type of show anyway*
- 6. I think the quality of the show would suffer too much as a result*
- 7. I don't believe that companies should be allowed to publicise themselves this much, even if they are funding*
- 8. It would take the emphasis away from the landscapes, which is the main reason to watch the programme*
- 9. I wouldn't watch because a car company is involved; I would consider watching if a different type of company were involved – DO NOT SHOW IF RESPONDENT ANSWERED CODE 5-7 AT Q4*
- 10. Other reason – PLEASE SPECIFY*

And finally, in order to screen out whether it was the fact of the company sponsoring being an editorially related car company, rather than any given company, the users were asked about their attitudes to other categories of sponsor.

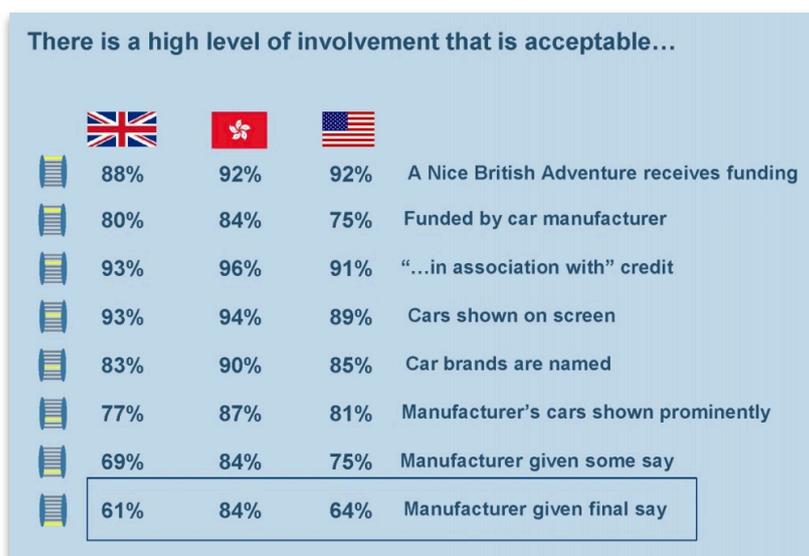
Below is a list of different types of companies that could fund the show. Please select all that would not affect your decision to watch if they were to provide funding.

- 1. A hotel chain*
- 2. A fast food company*
- 3. A soft drink company*
- 4. A charity*
- 5. A furniture manufacturer*
- 6. A national newspaper*
- 7. A confectionery manufacturer*
- 8. An alcoholic drinks manufacturer*
- 9. A mobile handset manufacturer*

- 10. A mobile phone network provider
- 11. A clothing store chain
- 12. A supermarket chain
- 13. A cosmetics brand
- 14. A breakfast cereal manufacturer
- 15. The British Tourism Board
- 16. Others – PLEASE SPECIFY
- 17. None

## Results

In *A Nice British Adventure*, 88% of the British audience (as opposed to 92% of the US or Chinese audience) were prepared to keep watching the show, even once they discovered that it had a conflict of interest at its heart, since it had been funded by a car manufacturer.



But that number dropped to 61% people ready to keep watching when it was specifically stated that the manufacturer had been given the final editorial say in the creation of the programme. (Non-British viewers, perhaps more used to direct programme sponsorship, were more tolerant: 84% in China and 64% in the US kept watching.)

In this way, the research showed a specific point for the most marked drop off in viewer enthusiasm in each case of the study. In the car show, it was the point at which the manufacturer was given a say (or final say) in the programme's editorial content, which showed a drop of 16% from those previously willing to watch the show in the UK, or 17% for the US audience (from 81% to 64%).

(Although in Hong Kong, there was only a very modest 3% drop, and from a higher level,

**Two thirds of willing viewers in UK and USA (8 in 10 in Hong Kong) would watch regardless**

**However, there is a limit to what the general public will tolerate...**

**...If the ladder stopped at "cars shown on screen" we'd save 81% of dropouts in UK, 72% in USA and 64% in HK**

which shows a clear differential between different regulatory/viewing environments.). This is a cliff edge from which no marketer would want to fall; the point where brand integration annoys the audience, and that point needs to be avoided.

The report also discovered fascinating demographic dimensions. In Hong Kong the younger the respondent, the more likely they are to drop out of the laddering exercise for *A Nice British Adventure* (36% under 35, 13% over 35.)

In another test, a range of entertainment programmes were proposed as potential sponsorships that people might watch. 59% people in the UK sample were open to watching a singing talent show sponsored by a major record label, whilst very substantially more - 80% - were open to viewing it in Hong Kong. Again, the results showed a surprising tolerance of brand integration even in a heavily regulated market (the UK) and an unsurprising but nonetheless powerful tolerance of it in the more brand-tolerant Hong Kong market.

Of course, brand integration is not simply about attempted sales growth.

Sponsorship can also be motivated by a desire to enhance a company's image and reputation as a responsible corporate entity. A test was therefore included to evaluate the impact of brand integration by an oil company which was known to have caused environmental damage, into a programme, *Surfing the World*, which was putting ecology and appreciation of the natural world at its core. The show, notionally titled *Surfing the World*, potentially gave the oil company the opportunity to 'greenwash' its image through association with content of an environmentally positive nature.

But this was most unlikely to work as a strategy. A dramatic drop was observed in the propensity of video viewers to respond positively to the content - if the oil company was given a say in the content production.

Furthermore, if the oil company was seen to have a poor record of environmental



damage, not even half the potential viewers who would have watched the programme at the outset would choose to continue watching it, once they knew the oil firm was involved in production of the content.

Moreover, the very fact that the oil company was involved was more important than *any* level of intervention they might have had in the production of content. In the US, fully 31% of viewers dropped away simply because of who funded it.

Even more critical was what the environmental record of that company specifically was. 72% of UK viewers would still be watching if the company was given the final say in the content of *Surfing the World*. But if that company had a record of environmental damage, the figure instantly dropped to just 41%.

In other words, when assessing the relative effectiveness of differing levels of brand integration in content, it is important to evaluate not only how the brand is integrated, but *what the brand is known for* in the first place. For producers, that is very valuable information.



The same effect was observed when respondents were asked if they would watch a show about polio treatment projects in India, and then informed that the oil company was funding it. The very involvement of the oil company lost almost 10% of potential viewers in the UK and USA.

However, where transparency is provided, that transparency can of itself raise audience appreciation and response.

This was shown in a separate test undertaken as part of the survey, where participants were informed about a notional charity which was using funds to make a TV show. At the point in the exercise when it was revealed that a charity was behind the show, but was open about its intentions, very few potential viewers decided not to watch (just 3% in the UK and Hong Kong and ???% in the USA.) The research concluded thus that the response to the charity sponsoring the video was positive provided the charity behaved in a transparent way.

**(iii) Critical commentary on the contribution to knowledge of this output**

This research by the author and his colleague Sian Kevill remains more detailed and more specific around the qualitative calibration of brand integration to editorial scenarios than any other research discovered by the author in the academic or commercial landscape. It creates new findings in two of the three questions at the heart of this thesis.

It is more detailed around the components of TV programming (and more relevant to this field) than the Australian health information study of 2016, and more detailed around editorial content than the Kantar media report of 2017 into brand integration. It also asks, and to some extent answers, qualitative questions around charity involvement in content, and the limitations of 'greenwashing' for corporations than are not available elsewhere in the literature, even 5 years later.

The aggregate effect of the evidence unearthed in this study is to build a picture of how the audience engages with branded content designed to promote brands or charitable causes, around its perceived authenticity, and its calibration of external editorial involvement. Consequently, there is still some interest in the findings – as brand integration has become more common as a primary funder in the digital video space, particularly on YouTube, Instagram and Facebook.<sup>87</sup>

In the author's second substantive study (below) he would develop these findings from the calibration of the level of brand integration to the separate topic of the style of production.

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<sup>87</sup> The author has an invitation to speak at MIP formats in Cannes in April 2018 on this topic.

Methodologically, the 'ladder' approach provides a more nuanced answer than a simple yes/no question about whether an audience would engage with sponsored content in general. This approach was devised between the polling team at Ipsos MORI and the report's authors. Its strength is that it enables a qualitative assessment of the dropout point for each segment of the audience in respect of different levels of brand involvement in content production.

The international comparisons are also important, not only in that they showed differences between the markets (a slightly higher tolerance in Hong Kong and the US than in the UK for branding in content) but also for the fact that quantitatively the differences were not substantial. A key finding was that notwithstanding the robust regime in the UK regulating branded content, the audience in this sample (500 people in each of the three territories) was remarkably tolerant. Again, it has not been possible to track any other such study in the literature.

#### (iv) **Limitations of the work**

The principal constraint on the value of this study is that it is a theoretical piece of work, and not a real world statistical experiment.

Asking people *in theory* which programmes they would watch, rather than actually showing them the programmes, demanded of them to imagine not only the editorial content (not always easy and likely to favour the more TV-literate segments of the audience) but also the likely impact of different theoretical levels of brand integration. When presented with the actuality of programmes, their reaction may have been substantively different.

Equally, the programmes conceived were by their nature Western ideas and on a Western model (for instance it could be argued that *A Very British Adventure* was similarly in some ways to a *Top Gear* type of format, and clearly even in the title and described subject it is British). This may have made the survey significantly less realistic for the Hong Kong market, although it does not change the statistical validity of the UK sample column.

Of course, real branded content does not exist in a laboratory-style environment. The survey did not reflect the role of *other* advertising experienced by the audience during the programmes viewing, which was probably not a realistic circumstance. Most programming

in the US and Hong Kong, and around 50% of UK programming, also carries not only spot advertising in the breaks, but also potentially sponsor bumpers. These might have negatively (or positively) influenced the findings in a real world setting, as they could have affected the tolerance of the viewer to watch yet more advertising in the programme itself.

Finally, it is worth noting that the survey dealt overtly with television offerings, rather than online video, and there may not be a direct translation between expectations and views of the two types of content amongst all audiences, for the purposes of this overall critical commentary.

**(v) Opportunities for further study in this area**

At the end of this critical commentary (Chapter 5) the author will reflect on overall opportunities for further study in the subject matter of e-commerce video optimization overall. However for precision, with each of the seven pieces of content the author has produced, additional specific points of study will be raised. In light of the deficits identified above, it would be desirable to pursue the research in a number of ways.

First, it would be useful to conduct a second survey with audiences from the same three territories, but playing them real world examples of video which has been re-edited to multiple versions featuring differing levels of brand integration, in order to do a more realistic laddering exercise around drop-out points. This would obviate the risk of audiences perceiving real programmes differently from fictionalised scenarios. Adding specifically online/social video into the survey in order to better reflect the landscape as it is in 2018, relative to the original 2013 environment, would also be appropriate.

In order to benchmark the journey down the 'sales funnel' (see above for definition), it would be interesting to add a click-to-buy functionality and question. This would test some click-to-buy elements in versions of those videos, in order to benchmark to what degree the level and attributes of branded content in video influenced e-commerce. (This has actually in part been done by the author, in the study discussed in Chapter D6 below).

Across the survey, women were in general also more likely to drop out than men. For *A Nice British Adventure*, the more likely a company is to be given a final say in the content, the more likely women are to drop out (26% female, 10% male.) For *Surfing the World*,

women dropped out due to the oil company's presence (19% female, 10% male). The survey was not structured to explore these findings, and discovering greater detail about the differential perception of branding in content by gender would be of interest for further critical commentary.

Finally, there were areas of the survey results which demand further explanation, for instance, in the differences between markets. As Ipsos MORI noted in analyzing the results: "In Hong Kong, no rung of the laddering exercise costs more than 5% of potential viewers of A Nice British Adventure. While regulation appears to have an impact, the nature of the causality needs more explanation."

## OUTPUT 2

### EVALUATING LEARNINGS FROM CREATION OF CONTRASTING EDITORIALS AROUND THE SAME SHOOT FOR DIFFERENT PLATFORMS - HOTPOINT ADVERTISING FOR AO.COM

*What content techniques work best in branded content ? How do producers effectively bridge the crossover in branded content between TV and digital video ? Evaluating the learnings from creation of two short, contrasting editorials around the same shoot for different platforms – two companion pieces of Hotpoint advertising, on [TV](#) and [online](#), produced in 2016 for electricals retailer [AO.com](#)*

#### (i) Author's Output in context

This output assists in the answering of the first and third questions at the heart of this thesis – what works in branded content video, and what are the video content styles most likely to work in e-commerce video?

In Chapter 3, the review of academic and industry literature showed how the relative merits, expressed in return on investment and other metrics of online video, can offer a level of precision in online advertising that is not available in TV spot advertising.



The author explored the editorial implications for producers of a shift of budget from 'pure' broadcast advertising to online content-related marketing, and his industry survey offered useful new findings around models for the limits of brand integration into content. Industry players, for instance Mike Rich of Fox Networks Group Asia<sup>88</sup>, were quoted as identifying a blurring of the lines between digital and TV distribution, so that advertisers can access the widest breadth of audiences with the same piece of core content.

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<sup>88</sup> Quoted in Digital Market Asia, January 10, 2018, by Shubhi Tandon.

Putting that thinking in a very practical context, the author was involved with creating two alternative versions of a *Hotpoint* commercial made for online retailer *AO.com* - one for TV, and one for social channels Facebook and YouTube. The author was Managing Director of Endemol Shine North, the production company which made the commercials, and as executive producer looking after branded content was creatively involved as a key part of the team that produced them, but did not direct them. As usual in advertising content production, there were multiple producers, directors and client creatives involved.

The commercials were created to achieve different styles of brand promotion, based on the perceived values of the channels they were placed on. The two films taken together provide an opportunity for study of the applicability of different edit styles and content per platform. Insofar as edit styles differentiate by platform, this can be a tool in assisting the understanding of optimization of video for e-commerce.

The TV commercial version is linked [here](#). The narrative is simple: children who love to play outside but get themselves dirty. The story is narrated by the parents.



Meanwhile the digital version is linked [here](#). In this version, the narrative is clearly made from the perspective of the *children* themselves, and there is no didactic advertising line through the piece at all, making it much more akin to a piece of user generated content on social video.

The same basic narrative message is conveyed – Hotpoint provides washing solutions for parents whose kids have messy games – but through a different vernacular for each social platform. This simple exercise provides a practical experiential investigation of the brand integration survey above, and is a useful staging post on the journey which follows into full e-commerce digital video in general, and social video in particular.

**(ii) Critical commentary on the contribution to knowledge of this output**

This work provides useful answers to two of the three core questions in this survey – how to optimize video for branded content in general, and e-commerce in particular.

On a design level, the work offered insight into the practical possibility of producing audience-appropriate *multi-platform* content of the kind posited by Galloway (2017) and others. On a production level, the key contribution of this output is that when focusing on the specificity of storytelling for different platforms, in this case TV and digital video, the production methodology can be flexed to encompass entirely different budget parameters for each and to simultaneously deliver to both parameters. The typical production cost of a TV commercial in this space would be £50,000 and upwards, and very often over the £150,000 - £200,000 level. A high production cost for a digital video of the kind produced here would typically be around £5000 to £10,000. By combining the two productions, the TV iteration can benefit from an additional ‘life’ online, whilst the digital commercial can come into existence through leveraging a scale economy on the production alongside TV.

**(iii) Limitations of the work**

One creative re-iteration of a video does not provide a broad establishment of production variables. This was one of the drivers behind the author’s decision to put in place a very detailed market research study of differential editorial approaches in video, which is below; this work is a staging post on the way to that academic output.

## **OUTPUT 3**

### **A GLOBAL VIRAL BRANDED CONTENT VIDEO MADE FOR DISTRIBUTION ON FACEBOOK**

*This output assists in exploring what works in branded video (question 1 of the core questions in this study) in a specifically digital context, and how to avoid going off the cliff-edge (question 2) in too-overt brand integration. Exploring brand integration in a purely digital context in social video: global viral branded content video for Purdey's, [distributed on Facebook](#) 2016*

#### **(i) Author's Output in context**

In the opening sections to this Critical Commentary, the author reviewed the academic and industry literature around the drivers – charisma and personality, amongst other factors - of success in branded content. This case study put that issue of charisma to the test, as well as testing the capacity of a project to stay within the acceptable limits of brand integration.

Cocker and Cronin (2017) argue for the strength of personality in developing engagement on social media. “While Weber maintained charismatic authority has its source in the innate and exceptional qualities of an individual’s personality, we submit that in consumer culture’s current era of consent, the ‘culting’ of social actors becomes a participatory venture.” So what about charisma and participation in the *practical* world of branded social video content-making ?

Consider a Purdey’s commercial film, seen [here](#), featuring actor Iris Elba, which is of relevance in a real world context to all of the above theoretical ideas. In the video, actor and (relevantly in this context of empowering career development advice) businessman Elba, asked a number of adult individuals (real members of the public, cast in advance): “So what do you want to be when you grow up ?” The answers were as counter-intuitive (a mum saying she wanted to be a hot air balloon pilot, an older woman saying she wanted to be a drummer) as they were revelatory, showing in short statements a sequence of views that everyone has unfulfilled potential.

The author was involved in making the film as Managing Director of Endemol Shine North, the company that co-produced the commercial with another company (Green Door) for creative agency Iris Worldwide, which devised and scripted the commercial, working for Purdey's and Britvic. He played a role in selecting the director, a pivotal appointment in a commercial production, and saw the production process through from start to finish on a logistic level. A large number of creative and production roles were involved in the commercial, as is normal in the creation of commercials. It was made as an advertising production and distributed on Facebook.

Intellectually the film is of interest. It tested the notion that where content is played longer than conventional view times dictate in social video (the average view time of a Facebook video was 10 seconds in the first quarter of 2017)<sup>89</sup>, it can achieve high engagement and brand enhancement - providing it is relatable, shareable and structured in such a way as to maintain attention. This is of relevance to the optimization of e-commerce video content, since the length of video is a substantial driver of both production cost and view-to-completion.

Brand integration was minimal, insofar as there was little direct product promotion, no-one seen drinking Purdey's, no so-called 'grip and grin' of the actor with product in hand, and no overt sales pitch, by anyone. Mentions of Purdey's were integrated into the content ("Myself and Purdey's believe that people should thrive"), and shots of the Purdey's bottle were not shown in foreground and partial, instead forming part of the visual subtext to the conversation, rather than a primary element in the editorial content as might be expected in a traditional TV commercial. Where Purdey's did play a role was in the interstitial branded banners where it was literally seen via the narrative to facilitate the conversation, as well as then in the background providing something for people to drink while they were talking.

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<sup>89</sup> Business2Community report by Marko Saric, May 2, 2017.  
<https://www.business2community.com/facebook/state-facebook-video-year-2017-video-length-time-watched-01834666>

The content was long, at over two minutes for a piece of social content, considerably longer and with higher view times than the norm,<sup>90</sup> which was something likely to impinge on views to completion of the video if it did not achieve strong engagement. It was also very slowly edited, in a genre (Facebook video) where more rapid editing is the norm. (YouTube video tends to feature more lengthy, unedited pieces to camera by YouTuber stars). It had subtitles because it was as likely to be played mute as with the sound, since many people are scrolling through their news feed without the sound turned on, and in any case to un-mute a video requires a deliberate tap on the item in the feed. (In fact, around 85% of Facebook videos run themselves mute because of the Autoplay feature<sup>91</sup>.) There was use of visual Purdey's product stings, along with the caption 'Thrive On' which was the overall mantra of the campaign. Again, no one drank Purdey's in the film.

The commercial achieved very significant success.

173 million impressions, over 366,000

shares, and over 30 million views

demonstrated substantial engagement.

For comparison, in the February 17, 2018

Facebook Global Sponsored video

rankings, the leading video, from Baileys,

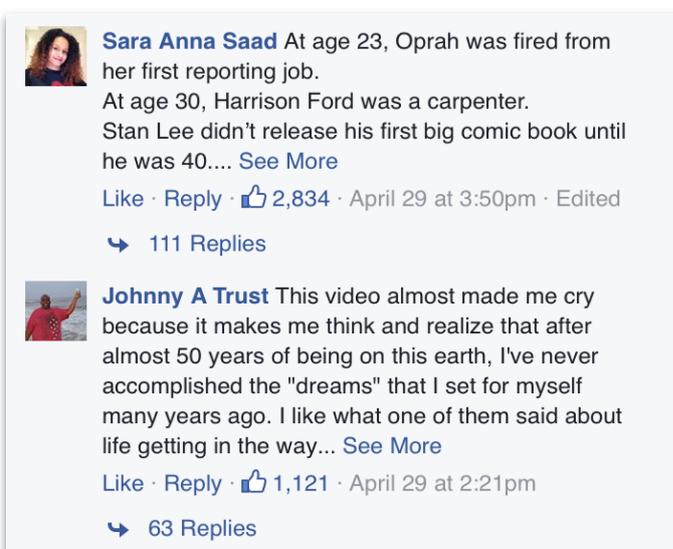
had 8.6m views<sup>92</sup>. As the Iris Worldwide

advertising agency, which was the creative agency which conceived the project, said in a

promotional film<sup>93</sup>, it was an object lesson in devising the key drivers of sharing and virality

(which will be investigated below, and which are discussed above with respect to Cocker

and Cronin's (2017) view on charisma.)



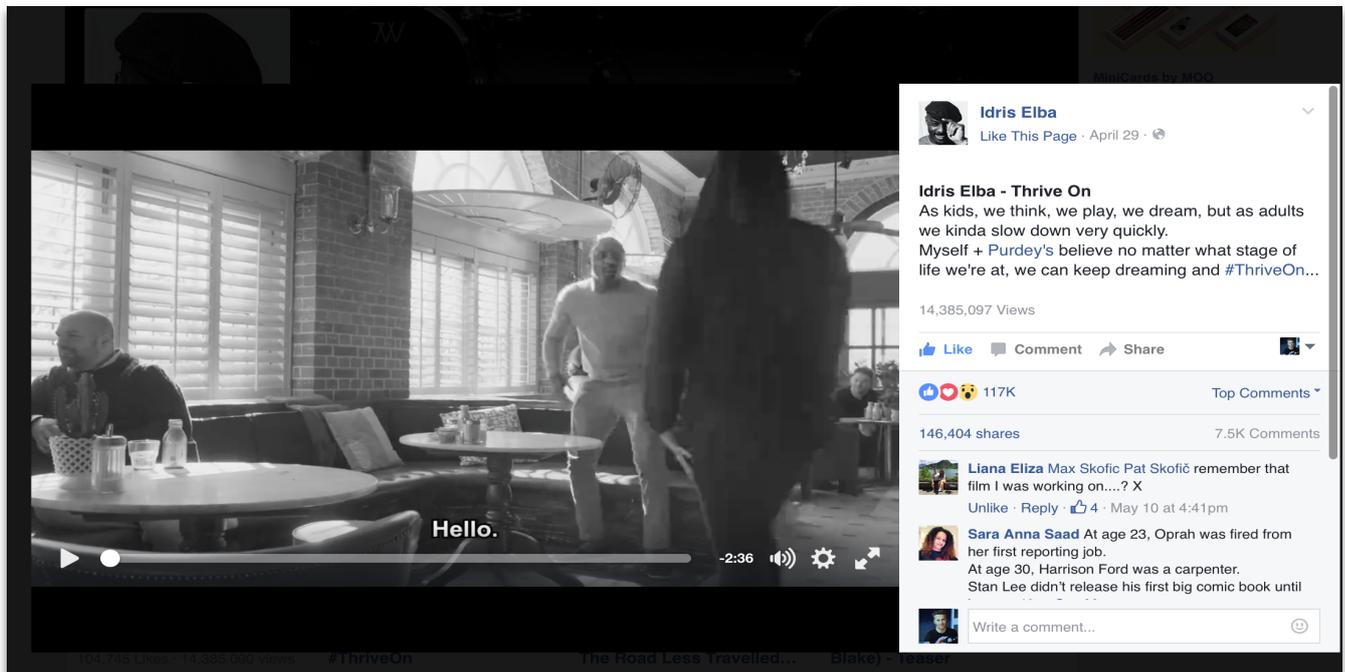
“We'd started something. We offered life-changing opportunities to those featured both on and off screen. We put the spark back into those who had settled for what

<sup>90</sup> Digiday UK showed 16.7 seconds as the average view time in Facebook's news feed in October 2017, though slightly higher view times of 23 seconds where the content came under the Facebook Watch programme, which was designed to promote content with longer view times.  
<https://digiday.com/media/facebooks-watch-off-promising-start-faces-long-road-pursuit-youtube/>

<sup>91</sup> <https://sproutsocial.com/insights/facebook-video-metrics/>  
<sup>92</sup> Source Tubular Insights Global Sponsored Videos ranking February 17 2018  
<http://tubularinsights.com/tubular-top-sponsored-video-chart/>

<sup>93</sup> Iris Worldwide awards submission video for Purdey's campaign

life had served them, and reminded those who had pushed their ambitions to one side that it's never too late to pursue them. People from all over the world began to offer each other support and encouragement.... What started as a UK based campaign became a global conversation.”



Not only was there sharing at a scale of over 208,000 shares of the film on one upload alone: there was also substantial engagement on the *shares* themselves, as shown by the fact that for instance one entry in the feed itself received over 2800 likes. Evidence suggests that this film started a conversation. Many of the comments were lengthy and personal, and many engendered conversational comments of their own from supportive individuals. This was *quintessential* social video engagement.

For instance, Johnny A Trust, in Louisiana wrote:

“This video almost made me cry because it makes me think and realize that after almost 50 years of being on this earth, I've never accomplished the "dreams" that I set for myself many years ago. I like what one of them said about life getting in the way. THAT is so true. When you try to take care of others, you never find the time to do what YOU want to do and then you think that it is too late to even attempt it. Great video and an important message of life.”

Of the 1711 likes that his engagement had, 93 people replied – amplifying the engagement. Françoise Ozdilek confirmed from Strasbourg:

“I am 57 and I gave so much to my family did not think of myself I joined an association, I became the President, I am learning new things given new responsibilities, people rely on me give me credit for the first time. I feel great and I am beginning to realize a dream...

When social content achieves a viral effect through engagement, it reaches an amplified global audience, and that in turn achieves amplified commercial potential.

**(ii) Critical commentary on the contribution to knowledge of this output**

The global success, viewership and virality (an algebraic/technical definition of virality can be found [here](#)<sup>94</sup>) of this film offered insight into the value of substantive and emotionally resonant content in social video, over more technical and tactical view-generation solutions such as sensational start points. The content was largely verbal and televisual. To echo the academic research cited above, this was indeed a ‘participatory’ venture based on productive engagement of the viewer.

Consistent with the author’s own TV-focused research study on prominence of branding, and a considerable amount of the branded content available in the wider market, the piece also showed that use of brand at modest levels in social video is likely to stimulate higher engagement. This video can be argued to support, in a real world context, the finding of the earlier Oxford study conducted by the author, which found that lighter branding can avoid the so-called ‘cliff-edge’ and generate stronger results than intense branding.

The editorial strength of the project, as evidenced by the nature of the responses on the Facebook feed shown above, lay in the relatability and fluidity of the core question, insofar as all audiences of any age could provide. Social media engagement is often amplified by asking a good question. That means most members of the audience will have an answer. And more importantly, they could reasonably ask the question of *their* friends – which then encourages sharing.

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<sup>94</sup> Crowdbabble definition of virality: <https://www.crowdbabble.com/blog/facebook-analytics-101-page-virality/>

**(iii) Limitations of the work and further work desirable**

The commercial was successful enough to stand as a piece of effective creative investment, and one of considerable intellectual interest – hence its inclusion in this study. However, the degree to which the success factors within it – slow pace, universal question, broad demographic of participants - can be replicated across other videos as set of production rules is open to question. Therefore, looking at the video and its exceptional performance *ex post*, the following future work could be undertaken.

It would be useful to re-edit the commercial to 15 second, 40 second and 5 minute versions to explore, with people who had not previously seen it, whether engagement changed with respect to length.

In market research with a panel audience, it would also be interesting to benchmark this version of the edit with another which had a much heavier use of the brand, and to test whether this amplified or diminished the success of the brand messaging.

A key question in purpose-driven social video is around the effectiveness and utility of star messaging. An interesting way to test Cocker and Cronin's 2017 work on charisma would be to re-edit the video to remove the star, and try on a market research audience (or for instance by buying Facebook views) two parallel versions of the advert, one with and one without the star's presence.

These kind of questions are addressed by the author in his 2016 e-commerce video market research survey, featured in Chapter 4, Output 5, below.

## **OUTPUT 4**

### **THE POTENTIAL PORTABILITY OF FINDINGS AROUND PLACEMENT OF TITLE AND BRANDING IN BRANDED DIGITAL FILMS.**

*In a purely digital/social context (as opposed to the mixed TV/digital economy of Output 2 above, the Hotpoint commercials) this output again goes to the core of the first two of the three questions the author sets for this thesis – what works in branded content, and is there a cliff-edge? Exploring issues around placement of title and branding in [branded social/digital films](#) made by the LADbible, 2016*

#### **(i) Author's Output in context**

The degree to which brand integration levels drive engagement was considered by the author, and others, when he worked in 2016, consulting as Head of Video, at the LADbible, one of the world's most successful and most-viewed social video channels. The author was subcontracted by his then employer, Endemol Shine North.

Social channels are a production environment which fundamentally differs from 'conventional' broadcast outlets, insofar as the data insights often lead the content production choices. Insights range from the general and editorial - that the audience are exceptionally inspired by people with disabilities overcoming challenges – to the very specific and commercial, such as that people prefer to drink a certain beer with a meal, or that a new gaming platform is tempting gamers to potentially switch platforms. This kind of consumer insight is of itself valuable commercial information.

Visible on its Facebook feed, LADbible posts one item every 15 minutes or so, 24 hours a day, alternating videos, pictures and articles. It currently has around 31m followers on Facebook.

Videos do well with emotional appeal which cover topics that matter to people in the target demographic (broadly, under 30) and could effect change in their lives. 'Why men who suffer from anxiety need to be taken more seriously' had 36,000 shares. Meanwhile, a high proportion of the content posted is derived from user submissions, which can be both cost effective for social channels, and also a direct point of contact

between the output and the audience. Virality is - in social feed numbers - observed to function best around things that people have experienced with their friends in the past – shared reminiscence of things such as festivals, places, holidays. This will make people likely to comment and tag their friends, both key engagement drivers. This characteristic of hit social channels is a level of information and accountability in excess of what they could derive from television advertising - a relatively blunt tool which provides access to mass audiences, but without differentiation of the specific segment, geographic or thematic, who might be most likely to purchase, and without a return-path direct from the individual viewer. The newer kind of highly targeted social media advertising is the reason why some successful media businesses have been created around Facebook and other platforms, such as the LADbible.

**(ii) Magners cider video**

The author was involved in making a project which broke that rule - the creation of three films for *Magners* cider, uploaded on the *LADbible* global Facebook channel. The first of those videos, *Man on the Block*, was posted as: ‘The Inspirational Story of Terroll Lewis. LADbible with Magners Cider.’ The video relates how Lewis created the street gym project as an intended antidote to his prison term for gang-related activity. The video carries a message of self-empowerment, in keeping with the other two films in the series which, respectively, dealt with a Manchester graffiti artist, and a female double bass playing beatboxer. (Again, the author was contracted as Head of Video at the LADbible via Endemol Shine North, and played a role in commissioning the producers of three videos for Magners, as well as helping to decide its style and calibrating the level of brand integration, then offering edit feedback. He did not direct the films. As would always be the case in substantial social video channels, there were multiple other executives, and a number of staff directing and producing the video.)

The introductory content on the Facebook channel for the Terroll Lewis Magners video states (it was also posted on the website [www.ladbible.com](http://www.ladbible.com))

“I’m the same person that I was before, but with different values, and I am going to hold true to that.’ This is the inspirational story of Terroll Lewis. A former gang member who spends his time making sure young lads don’t get into gang culture.”

The title was 'buried' 15 seconds in. The video was thereby a (non-deliberate) real-world iteration of the branded content calibration exercise carried out in the above in the *Ask the Audience* study. In fact, the video is not in a conventional sense an advertisement for *Magners*. There is no product in vision, and no discussion of the product. The brand's placement consisted of the branding sting near the opening, and another at the end of the video (approximately 2 minutes later) plus a mention of the brand name in the text Facebook (or other channel) post social feed. (The social feed is the list of news updates on your own Facebook page.)

Editorially, the *Man on the Block* is a simple, first person documentary-style telling of the story of a street gym, Block WorkOut, in Brixton,



London. Inspirational in nature, it features a former prison inmate explaining how he got himself off the wrong side of the tracks. Inspiration tends to rate well on social video channels, as was found by a University of Trento study into image virality on the social network Google Plus.<sup>95</sup> The study<sup>96</sup> found users tended to share items that were aesthetically attractive, inspirational or motivational.

As can be seen online, the film achieved 2.6m views on LADbible, which for a piece of short video would not be a particularly big number on the platform (a hit video would tend to achieve over 30m+ views, and sometimes as many as 80m). But at 3.14 in length, the video was more substantive and less likely to have views to completion pushing it up the video feed<sup>97</sup>. It did not have any overt call to action (which in marketing, often termed a

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<sup>95</sup> Exploring Image Virality in Google Plus. Marco Guerini et al <https://arxiv.org/pdf/1309.3908.pdf>

<sup>96</sup> University of Trento study also quoted by Sherice Jacob, Canva <https://www.canva.com/learn/social-media-marketing-strategy/>

<sup>97</sup> The Facebook news feed refers to the center column of a Facebook user's home page, which shows updates from the people and pages that user follows on Facebook. Source Techopedia. <https://www.techopedia.com/definition/5169/facebook-news-feed>

CTA, refers to any device designed to prompt an immediate response or encourage an immediate sale) or e-commerce tie in (meaning the specific opportunity to purchase.)

**(iii) Critical commentary on the contribution to knowledge of this output**

The value of this work to the overall questions at the heart of this PhD is that it demonstrates the effectiveness, again, of a less-is-more approach in brand integration (question 2) and reconfirms the value of storytelling, provenance and charisma in branded content (question1.) The films avoided the familiar tropes of social or ‘youth-oriented’ video, such as fast edit-style or use of music. Their narrative pace, as with the filming style, was akin to TV documentary in the 1970s. The camerawork was low depth of field. This meant only the specific subject of the picture was in focus with the rest of the background defocused and neutral in grade. The result was a distinctive creative look achieved through the consistently low saturation of colours, which emphasized the documentary, understated production style. The films nonetheless succeeded in achieving traction and profile. This constitutes an important finding on the editorial approach in optimizing branded video – namely that *unfamiliar* edit style of any kind may be beneficial in standing out.

Brand integration can be minimal yet effective. The Magners film anecdotally bore out the more systematic and statistically robust market research findings of the author’s Oxford critical commentary (D1 above) that in brand integration, less is more.

**(iv) Limits of the work, and further work desirable in this area**

Clearly this was an exercise in brand integration rather than e-commerce, since there was no call to action for direct shoppability at the end of the video. For the author, this is a waypoint in his intellectual journey across the six outputs towards optimal e-commerce video findings.

However, in future it would be a useful exercise to try a video which breaks the ‘conventions’ of e-commerce video, including those posited by the author himself in his critical commentary (see Output 5 below) and to add an e-commerce call to action<sup>98</sup> (CTA)

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<sup>98</sup> CTA is a call to action

at the end of a documentary video, with only very minimal mentions of the sponsoring brand within it.

As noted above, the involvement of a strong personality in Terroll Lewis may have made the video more susceptible to engagement based on charisma and personality. Re-editing the video to include a less charismatic personality in order to benchmark the impact of charisma on engagement would, however, be all but impossible, since the personality was the subject of the video.

## **OUTPUT 5**

### **STUDY WITH IPSOS MORI INTO E-COMMERCE VIDEO (2016)**

*The next published output deals head-on with question 3 of the enquiry undertaken in this PhD; finding out what content strategies work in e-commerce video. The objectives of this market research project were to make a major step forward in [study of content effectiveness in e-commerce video](#) – through an academic/market research survey conducted with IPSOS/MORI 2016<sup>99</sup>*

#### **(i) The author's output in context**

Success in social video is about engagement. It is measured in likes, shares and (in the case of e-commerce video) clicks to buy. This critical commentary is concerned with putting some additional detail behind the understanding of that engagement, specifically with reference to e-commerce video. It asks what kind of video would be most likely to encourage customers to actually click to buy. It considers whether the most successful video was likely to be long video full of detail, or one with or without the price of the item included, and so on.

As mentioned above in this thesis, automated video-editing business Animoto performed a 2017 test on<sup>100</sup> a single video at 30, 60 and 90 seconds in length. Engagement was higher the longer the video, especially on Facebook. This possibility of enhanced engagement was assessed in the author's research below, but he also considered the possibility of the *opposite* statistical relationship around 'shoppability' of video, in its ability to drive e-commerce interactions.

Alex Morris of London-based video agency Vidsy<sup>101</sup>, which was Global Innovator 2017 for creativity around video argued in an interview that "It's different for every client....Facebook is trying to understand this. It's such a burning hole in the industry. Creative in general is such a huge factor in performance. Sometimes it's the

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<sup>99</sup> The critical commentary was funded by the author's then employer, the Endemol Shine Group, specifically its global branded content team, based in Amsterdam

<sup>100</sup> Animoto study outlined by Brian Peters on Buffer Social March 2017 <https://blog.bufferapp.com/square-video-vs-landscape-video>

<sup>101</sup> Interviewed January 2018

strangest things for every client. With gaming clients, really slow, boring gaming videos convert to downloads. When you go over to Asia, fast quick highly graphic video shots work. It's only now 15 years into performance advertising that it [the creative] is getting any notice."

To help to fill this 'burning hole' in the knowledge base, the author in 2016 carried out a survey of 2800 people with UK-based polling organisation IPSOS Connect,. They were divided into representative online panels of 100 for each category and question, and different video styles were tested on them. The author was the overall manager of the project, bringing it into existence (with financial backing from his then employer Endemol Shine Group) designing its strategy, fully managing the video production, and devising the questionnaire with the Ipsos MORI team<sup>102</sup>. It was [published](#) in the influential (in North West England?Manchester) *Prolific North* blog, and the author talked about his work at key conferences and through a lecture given at Oxford Said Business School and other outputs. A link to a short summary film is [here](#).

The survey aimed to test different styles of e-commerce video production, in order to discover which content style was the most effective in driving purchase. Its methodology was to produce a set of realistic test e-commerce films (8 sets and 29 films in total), each of which was then edited a number of times to alter key attributes (such as length, inclusion of price, number of items featured and so on). This constituted market research with a realistic (though manufactured) audience of potential 'purchasers.' It is methodologically important to note that no actual purchases were taking place.

Each participant was screened for gender and age, and then asked a number of precursor questions designed to create an overall map of the real-world engagement by this representative audience with e-commerce video.

*We would like you to think specifically about online video adverts that appear on websites. Can you recall ever clicking on one (or more) to find out more detail?*

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<sup>102</sup> The study was financed by Endemol Shine Group, the author's then employer, from its branded content team based in Amsterdam.

*Can you recall ever making a purchase through an online video advert that you have viewed?*

*Thinking about when you are shopping online, do you generally have the sound turned on or off on your device?*

Each of these questions was motivated by the desire to address three broader questions pertinent to understanding e-commerce: how minded are the audience to use video, how much are they converting use of video into actual purchase, and how, precisely, are they watching video ?

Then in the case of each video presented to each target group, participants were shown one version only, and asked the following:

*If you came across this video online, would you have clicked to buy the product(s) (assuming the price was acceptable to you)?*

*Would you have watched all the video?*

If they would not have watched the video, they were given alternatives as to why not:

*It was too long*

*It wasn't interesting enough*

*The content of the video didn't interest me*

*My first impressions of the video were not positive*

*I'm not interested in the product(s) for sale*

After the commercial they were also given a number of alternative next steps to choose from:

*Talk to someone about the ad*

*Talk to someone about the range of products*

*Use the retailer's website to research their range*

*Buy the product(s) you saw in the video*

*Search the retailer's products online*

Make a note to myself to look into the products another time

None of these

The results were a set of findings that questioned some of the received wisdom in the space.

**(ii) Preliminary questions**

According to analysis produced by the author of the IPSOS MORI survey results,<sup>103</sup> 29% of the audience surveyed had already made a purchase through an online video in the UK's estimated £148m 2016 consumer e-commerce industry. And 51% of all video viewing amongst this audience on social platforms is mute - that is occurs without sound turned on. (Other statistics available elsewhere and cited above actually show a higher preponderance of mute viewing.)

**(iii) Main video questions**

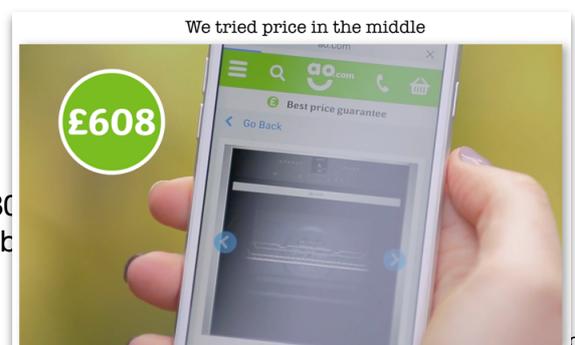
The published outputs examined 8 parameters of video content production and tested alternatives. Tests were also conducted on Single Product Vs Multiple products and the merits of offering add-to-basket *during* the video versus when fully played.

<b>Kitbag</b>	<b>Kitbag 15 Seconds</b>	<b>Kitbag 40 seconds</b>	<b>Kitbag 90 seconds</b>
Would watch all the video	12%	9%	9%
Would click to buy	37%	24%	33%

Base: 300 adults (nationally representative) 

Analyzing first the length of video around three edits of an e-commerce video for the sports goods retailer Kitbag.com, the survey found that the shorter videos were likely to encourage click to buy (see *table*.)

The best performing Kitbag video was of 15 seconds duration. More people would click



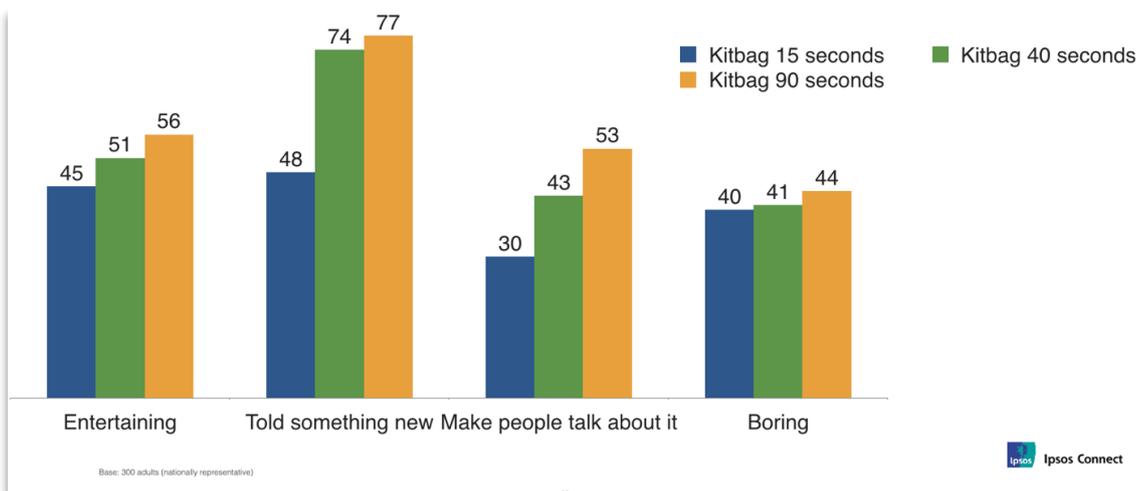
<sup>103</sup> Poll conducted by IPSOS MORI to a panel of 280 report author Alex Connock, report commissioned by

to buy on it than either of the longer ones. 18% of people said they wouldn't even watch the 90 second video as it was too long.

Interestingly, the short length was strong enough to drive purchase, even though it underperformed on information and entertainment, based on user responses to questions around their relative appreciation of the video against key criteria such as 'told me something new', 'entertaining', 'boring' and 'make people talk about it.' More people were likely to take action after seeing the 15 second video as well. The 90 second video resulted in only 3% choosing to buy the product (under the terms of the survey, which was of course based around theoretical decision to purchase rather than actual real-world purchase) when the video was still playing, compared to over 60% who would wait until the video had finished.

AO	Price at end	Price in middle	No price
Would watch all the video	43%	48%	54%
Would click to buy	20%	16%	27%

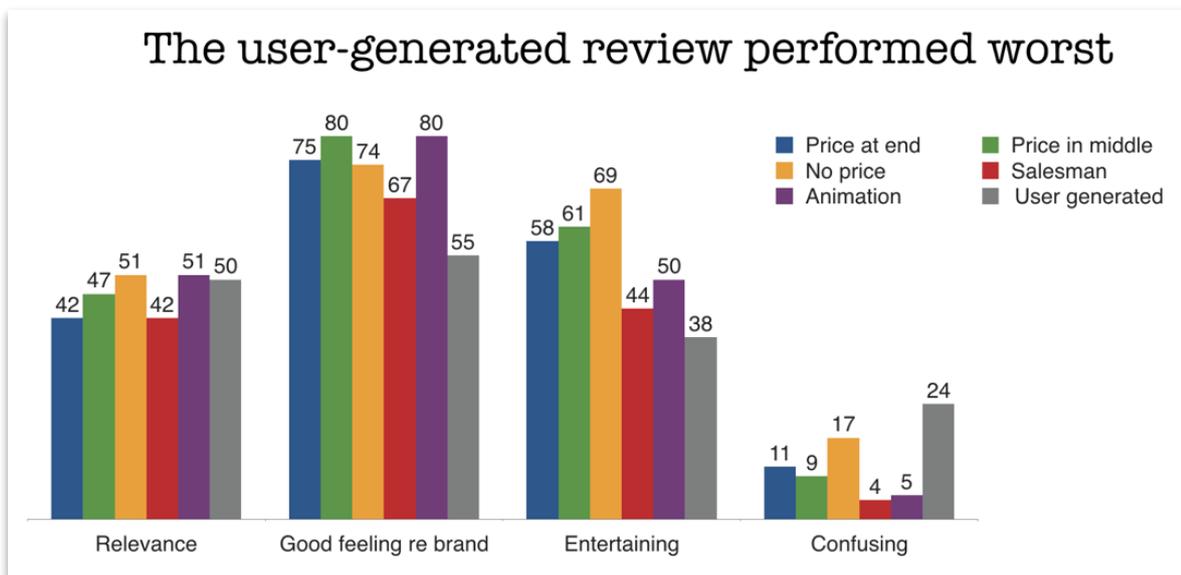
Participants were not told where the price would feature in the video, or whether it would appear at all. Base: 300 adults (nationally representative)



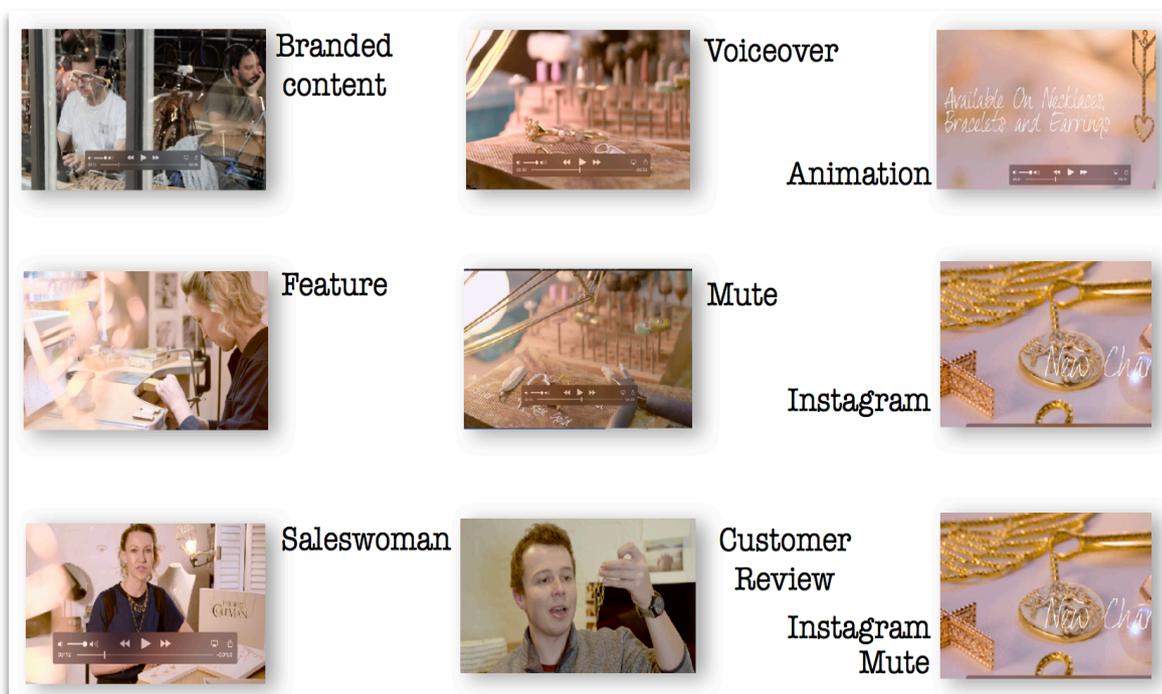
The survey then asked whether it matters if and how the price is inserted in an e-commerce video (as opposed, for instance, to the price being featured on the web page but not within the video itself.) Taking a sequence of edits of an AO.com e-commerce advert, the price was tried at the end, in the middle of the advert and in a version whether it is not featured at all.

The results showed that the version of the video that was clearly most likely to drive view to completion and purchase was the version without price.

Next, the survey looked at a genre-based comparison of e-commerce commercial video in three very distinct styles: presenter-driven, animated, and user-generated. Contrary to received industry wisdom, in these tests, the user review was not successful.



The survey then analyzed and critiqued the *style* of video delivery, by presenting 9 analogous but editorially-varied presentation options, ranging from a straight sales-driven approach, to a mute Instagram-style video, to a user review and branded content approach – all around a real world London-based e-commerce jewelry brand, Phoebe Coleman Jewelry.



There were also UGC (user generated content-style customer review) options and animation.

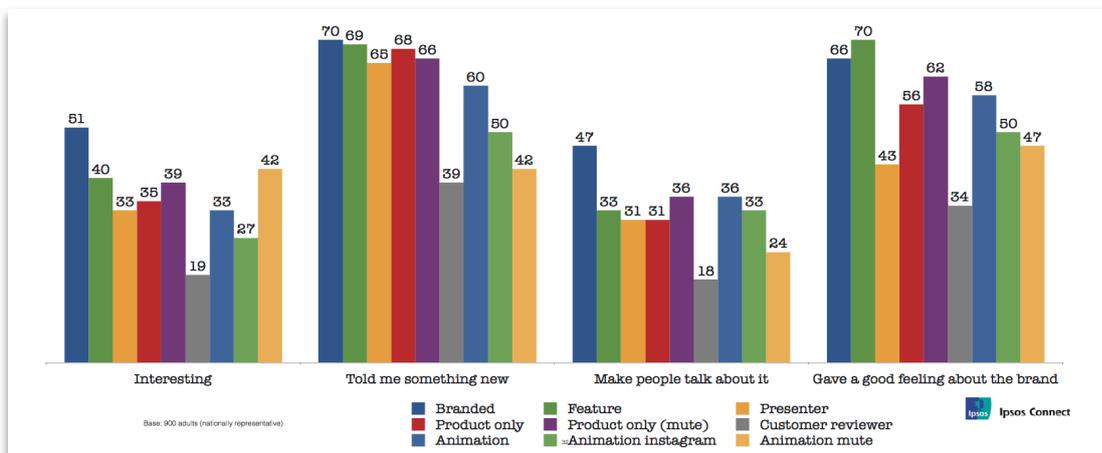
The videos with branded content and feature content had higher viewing figures and a stronger message to buy.

Phoebe Coleman	Branded content	Feature	Presenter	Product only	Product only (mute)	Customer reviewer	Animation	Animation Instagram	Animation Instagram (mute)
Watch all the video	44%	40%	40%	31%	30%	25%	34%	39%	36%
Click to buy	37%	20%	9%	10%	17%	6%	16%	16%	12%

Base: 900 adults (nationally representative)

Ipsos Ipsos Connect

Branded content rated highest out of all of the videos, with 44% saying they would watch the whole video, and 20% would click to buy. Only 40% said they wouldn't watch it, which was the lowest failure rate of all the videos.



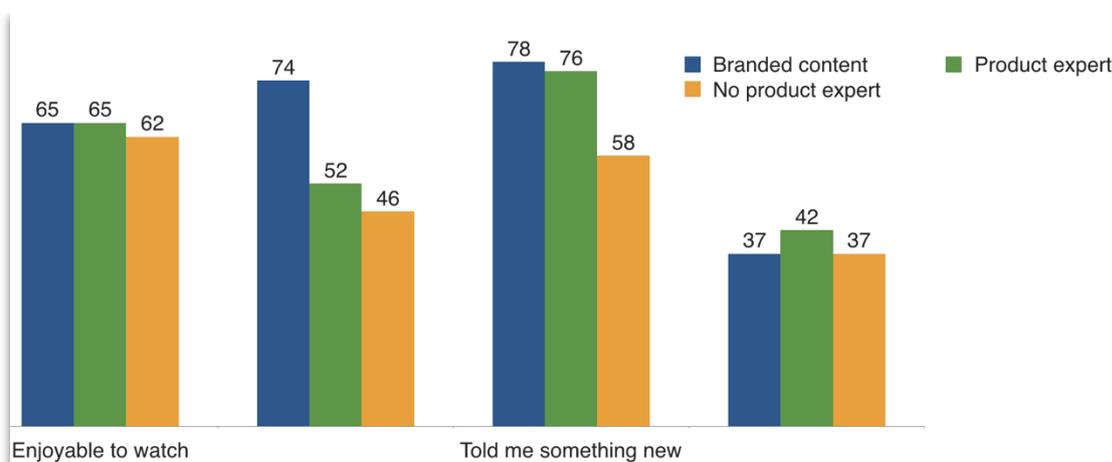
Mute content performed effectively, scoring near the top of all categories, and doing particularly well in 'told me something new' and 'gave a good feeling about the brand' categories. Meanwhile - again - the user generated content performed poorly compared to other styles of content production. It was the worst-performing style of

production in every category of assessment, from 'interesting' to 'gave a good feeling about the brand.'

This ran contrary to what, in some corners of the industry, has been perceived wisdom. For instance, online shopping content agency Criteek promoted user-generated content as the best video content marketing tool for 2017. But in this study, just 38% of users would take action after the customer review video, compared to 58% for the product only (mute) videos, and 52% for branded content. The Instagram style product-only mute advert also performed well on recognition, with 96% of people able to identify the product. Meanwhile, 22% said that their first impression of the customer reviewer was not positive, and 32% it wasn't interesting enough.

Branded content did well in the e-commerce jewelry advert. In a further test of branded content, three pieces of content for a vodka product were tested against each other. One with high end production values, one with a more stripped down, simple recipe approach with and expert, and one with a simple recipe and no expert.

The product expert video resulted in more people saying they would watch it. The video with no person in it performed least well. (This was interesting because the so-called 'hands and pans' style of video making without an in-vision expert is a standard trope of e-commerce video across the retail sector) and again, more people would click to buy with the branded content video.



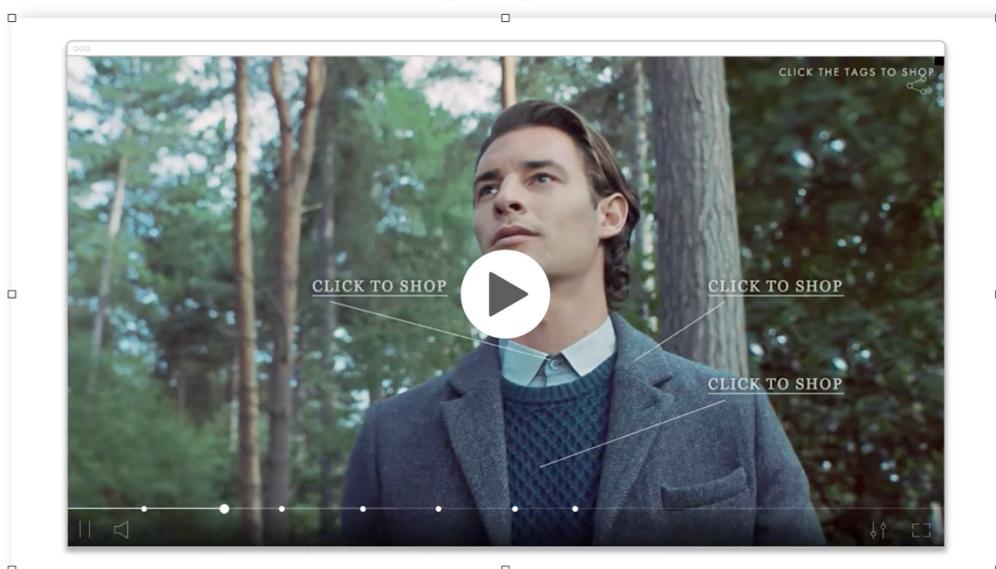
Searching the retailer's products online was the most popular next step to take after all the videos, rather than necessarily directly clicking to buy. This raises key questions

about how online retailers need to resolve their SEO<sup>104</sup> and PPC<sup>105</sup> strategies with their content distribution in order to make sure that they are winning search on terms likely to be inputted *after* people have viewed their informative content.

Next, the survey looked at a key question of content in e-commerce videos: how many items listed *within* any given video will optimize sales?

The standard industry practice is for a single video to list a single item for sale. But in reality, the survey discovered that the opposite approach – multi-item listing – may be more effective. In tests of two Ted Baker<sup>106</sup> edits, the clearly more successful choice was the one with multiple products.

## Multiple products



Shorter videos and multiple items were shown to sell better than single items in videos. Branded content is a more powerful sales tool than a traditional TV shopping-style. Listing price was shown statistically to not drive purchase in a video.

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<sup>104</sup> SEO: search engine optimisation, the process of improving the online visibility of a site's address in search engines' unpaid results listings

<sup>105</sup> PPC: pay per click, the internet advertising model used to point traffic to websites, in which an advertiser pays a publisher when the advert is clicked.

<sup>106</sup> Videos produced and survey facilitated by digital agency Wirewax

The video showing ten Ted Baker items had a stronger call to action than the video with 1 item, as shown by the substantially higher click buy rate of 23% vs 15%. The

Ted Baker	Ted Baker 1 item	Ted Baker 10 items
Would watch all the video	40%	42%
Would click to buy	15%	23%

marginally higher view to completion of 42% vs 40% would not be the basis for substantial commercial decision-making around styles of video to create and list.

And the positive feeling towards the multiple item video was continued in every respect – more enjoyable to watch, a better feeling about the brand, more likely to tell something new and more likely to make people to talk about it. Since multiple item videos, in which more than one product or product category are specifically featured and price-listed for sale, are rare in the e-commerce world, perhaps because of the way e-commerce sites are structured around individual product listings, this is interesting food for commercial development. Pursuing e-commerce listing strategies, driven by content which featured multiple items, might be an interesting line of approach for commercial entities.

These results were born out by a second test, on two versions of an Iceland frozen food supermarket video, again pitching single items vs multiple items. Additionally, when a further version of the multi-item Iceland video was tested mute, it beat the same version with sound, by a striking 69% purchase rate against 49% - confirming the success of mute video previously shown in the jewelry shopping stage of the survey above. The relative strength of mute video would merit further specific investigation both academically and commercially, and especially in context of 51% of the survey audience saying that they watch online video mute. The author did not (yet) undertake any additional segmentations of the study around mute vs non mute video, so the information available is as yet incomplete on this point.

Then the final stage in the survey was to ask a relatively technical but also, in an e-commerce world, highly practical question - around the sequencing of the click to buy offer when a customer has decided to move forward. (It is of practical value, because once a subset of customers is minded to purchase, the brand needs to keep as close as possible to 100% of that group actually purchasing, and that is a function of the

purchase process from a user experience standpoint, one aspect of which is how the video terminates the purchase begins.). Two items were created, one where the customer was able to add to basket during the video without stopping it, and one where a click would take the customer direct to a buying page, without the video terminating. The test showed a very slight customer preference for add to basket, but at 14% vs 12% it may not be of sufficient statistical significance to be commercially or academically useful.

**(iv) Critical commentary on the contribution to knowledge of this output**

This published work goes to the core of question 3 of this research – namely around the ‘rules’ for content creation in e-commerce digital videos. From the literature review undertaken by the author, there is no apparent current peer project to this work, either in content or range.

This work presented some clear content insights around successful e-commerce video strategies. It builds on the studies made by Animoto and others (outlined in Section B above) with editorial colour about the impact of the content style itself, as well as the technical specifications such as length. In Chapter 5, the conclusions, there is a table setting out the ‘rules’ of e-commerce video derived from this project.

**(v) Limits of the research and further work needed**

The following areas of work could extend our knowledge of the topic, beyond what was achieved in this project.

Further thinking needs to be done on to what extent the report was able to filter out the specific elements of content production to extrapolate general points. The purpose of doing that would be to offer generalized advice around video structure and design, which might be of help to any commercial company seeking to advertise through online video. This was dealt with by a number of the key phases of the report having multiple points of testing. For instance, the test of number of items in the videos was run twice, first with the Ted Baker fashion video, and second with the Iceland foods video.

Real-world research on the topic can be undertaken. The problem with any theoretical market research study is that it does not mandate for the difference between what people say they will do in theory, and what they will *actually* do on a real site when (as in this case) it is real money at stake. Therefore a logical next stage in the research would be real-world A/B testing (the process of creating two videos with different edits and then testing them on real world audiences through a comparable selection of viewers, to ascertain which performs better, described above in section B1, Introduction) with e-commerce videos on actual shopping sites.

Filtering out and investigating any demographic anomalies is an area that needs more work. With respect to the Kitbag sequence of video choices, some as yet unexplained anomalies were found. The survey noted a demographic bias, whereby those age 35-54 would be more likely to click to buy than 18-25 or 65+ demographics. This is not explained in the data. There is substantial academic perspective in literature on the differential effect of general advertising on different demographics. Forehand et al (2003)<sup>107</sup> argued that viewers 'social self-schema' impacted their perception of - and response to - advertising. However, this was limited to where the individual related very precisely to a spokesperson in advertising content.

“In an advertising context, this research suggests that the use of spokespeople who share a social identity of the perceiver does not guarantee favorable response from consumers, even if the depiction of the spokesperson is positive. Specifically, it was found that in-group spokespeople influence consumer response to targeted advertising only to the extent that the consumer’s identity is salient, and this may require the confluence of several distinct social and contextual variables. In the absence of the combinatorial influence of social distinctiveness and identity primes, the presence of similar or dissimilar individuals in advertising appears to have limited effect on consumer evaluation of the spokesperson or the advertising.”

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<sup>107</sup> Forehand et al. Identity Salience and the Influence of Differential Activation of the Social Self-Schema on Advertising Response. *Journal of Applied Psychology* 2002, Vol. 87, No. 6, 1086–1099

Insofar as these demographic nuances might practically apply to e-commerce specifically in a real-world context, that is an interesting avenue of further enquiry which this author's work has not yet been able to contribute, because of the limited demographic separation in the samples in this study.

Further critique of the overall research context, and the need for future work, is found in the Conclusions section.

## **OUTPUT 6**

### **CREATING VIDEO IN VOLUME TO DRIVE E-COMMERCE**

*The final intellectual stage in answering the three questions at the core of this study, is in thinking about how to implement the analysis made in the research above around different styles of content production for e-commerce video. An example of real-world publication of video in volume to drive e-commerce is a set produced at MyProtein, in 2018, like [this](#).*

#### **(i) The author's outputs in context**

In respect of the overall topic of this PhD – the optimization of video content for e-commerce - the challenge here was very specifically in respect of the production methodology itself. Given the creation of a set of rules, how could e-commerce video be produced at sufficient scale to produce an ROI (return on investment) on individual product videos ?

A key factor in optimizing video for e-commerce, the core topic of this thesis, is simply: how is the video in question made practice and at the right cost level ?

In December 2017 the author worked with a leading e-commerce site on creating content at scale. Material was produced in a single shoot, intensively documented online by seven global social influencers, for daily social feeds in different countries over lengthy period for social media. The author was a freelance video content executive, who played a role in strategizing and implementing the shoot in December 2017, and part of a team which asked over 200 questions on camera to the YouTubers in order to create numerous, individual pieces of video content. A team of talented directors shot the videos.

The social media ambassadors (meaning high profile personalities on social media with substantial followings, in this case specifically in the editorial spaces of gym users and sports nutrition) were used from as far afield as Taiwan and the US. In general, the logistic cost of using *global* influencers is outweighed by two factors: (1) the cost-efficiency of a single location and production team for all video and (2) the incremental media value,

or in simple *parlance* free advertising, gained not only from social media posting of the video, but also from the ambassador/influencers' own posting on their own sites.

Over the course of two days, over 200 videos were produced. Any given ambassador was at the shoot for one day (a fact they documented extensively, moment by moment, on



Instagram to millions of followers) and their time fully utilized on set, either presenting videos, working out whilst being filmed, being photographed, or blogging. Any given camera team member was therefore productively employed for the entire period. The average cost of production of each video was a function of the efficiency of the operation.

Each ambassador was asked, in their own language, questions around lifestyle, workouts, nutrition and personal motivation, of which answers needed to be useable for short Instagram style films (which can be seen on the country-specific Instagram feeds of the brand). Each ambassador was also shot in action sequences.

In keeping with the strategy developed in the e-commerce study above (though that of course was by no means the only knowledge used by the team in devising the video) the videos were kept short (less than 30 seconds), subtitled, clearly branded and featuring credible experts, but not salespeople. Deliverables included montages in multiple formats (for different social platforms) from 16:9 to square (Instagram works best square as shown in various commercial studies<sup>108</sup>) seen on pay-per-click use. Then they were also delivered in portrait (in which Instagram story works best) and other formats, and in multiple languages with English subtitles, and subtitled into a third set of languages (such as German or Japanese) in which no ambassador was seen.

Each video was given a clear and consistent branding in terms of the graphics on the end frame (usually a brand slogan.) That was matched to the photographic assets which were

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<sup>108</sup> Square video vs Landscape video use, Brian Peters, Buffer Social, March 22, 2017. <https://blog.bufferapp.com/square-video-vs-landscape-video>

also played out on the websites, and indeed the photography was also shot in the same locations with the same talent. As well as generating cost efficiencies on the day, that also produced visible creative consistency across the published output.

A production of this kind is an operational challenge in the execution of e-commerce social video at scale - and at cost levels sufficiently controlled and transparent to facilitate individual videos which would potentially generate financial return on a standalone basis. This kind of e-commerce video for shopping sites is video content modeled and tailored - in terms of length, style, format, language and other factors - for the era of tens of thousands of individual units available. The purpose of a video is not just overall brand equity enhancement (meaning overall awareness raising, for long term consideration as with conventional TV advertising) but single-execution, real time sale. This is advertising that seeks to get customers to buy the product when viewing.

**(ii) Critical commentary on the contribution to knowledge of this output**

The operational efficiency, or return on investment of the shoot, is improved under this operating structure by two factors.

The co-location of matching photography/video shoots is a desirable, even necessary, element in the optimization of video for e-commerce. Since neither the users nor the social feeds differentiate video from photography, it makes sense to combine their production. This is why a number of e-commerce businesses are co-locating their photography, video and social content teams. On a fixed vs variable costs basis, leveraging the basic investment of bringing influencers to a single location and then generating dozens of assets in both video and photography with each on the same day is highly cost efficient. This is because to logistically make any shoot happen, a certain fixed cost in terms of location rental, transport, talent availability and equipment is made. Adding additional shoot elements once all those pieces are in place (variable cost) can be low. The approach also enables a creative synchronicity between the two output streams, meaning that they look the same on screen for an audience which does not necessarily distinguish between pictures that they are watching, and since photography and video both end up on both website and social channels. Having them match in terms of content, lighting and photographic grade was a big cost advantage.

Equally, dual leverage of influencers is highly optimal. The strength of the influencer model is that the ROI in e-commerce from corporate-generated video and photo assets is further enhanced by the additional content distributed by the influencers themselves on their own channels. French fitness influencer, Tibo Inshape, for instance, generated 104,000 likes on an Instagram picture of himself with the MyProtein brand in a factory, and a further 1.4m views on a YouTube video of his factory visit. Given that the in-house shoot is a sunk cost, this material would rank as 'earned media', meaning additional media value that was not paid for, in promotional terms.



### (iii) Critique of methodology and further work desirable in this area

Pursuant to that logic, further shoots could be undertaken with other brands, to drive the cost efficiencies of production and distribution further and harder, and pin any given content assets rigorously to specific e-commerce product lines. This would mean having a rigorous assignment of specific lines of video content to specific lines of product, at shoot stage, and therefore planning ahead the specific products that the brand would want to be marketing on any given day.

Increasing the number of international influencers would make sense as a path to optimisation of the video e-commerce shoot model. On comparable e-commerce shoots, it would make sense to deploy *all possible* influencers from whom there would be a potentially positive ROI, again re-leveraging the fixed cost of the basic production crew and location. This would mean that once the infrastructure, staff and equipment costs of the shoot had been covered, additional videos could be produced on a low-cost basis, simply by bringing in an additional 'influencer' to appear on screen.

Optimising e-commerce video shoot efficiencies by increasing product and offer specificity is a key potential benefit. Whist maintaining alertness to the limitations of brand integration

in video (see Output 1 above), focussing each video asset on a specific product or set of products (see Output 5 above, where multi-product videos were found in market research to be more effective than single-product videos) could be effective, because then it will effectively begin to create a clearly mandated asset for each product line, in each day/week of trading.

## **CHAPTER 5: SUMMARY FINDINGS OF THE CRITICAL COMMENTARY**

### **(i) Delivering answers to the key questions posed in this PhD**

Production of this PhD thesis by publication has sought to explore, *in tandem*, academic literature and commercially generated published output. In e-commerce video, we can see direct, real-time calculation of return on investment, not only in terms of engagement (views, retweets, downloads) but also *actual purchase*.

The PhD looked at three specific questions throughout, in both the literature review and the application of insights from it to the author's published work

- What are the drivers of success in any piece of branded content ?
- Is there a 'cliff-edge' in brand integration, after which additional prominence of the brand produces negative return in sales effectiveness ?
- What are the optimal styles of video content for e-commerce sales ?

A particular characteristic of this field as an area of intellectual discourse, however, is that the industry itself is moving fast. Therefore a follow-up chapter – the Postscript – explores future developments in the field, and how e-commerce video and the technology around it are likely to evolve.

The author's six published works, including the findings within two substantial market research surveys, have been assessed within the context of the research questions, with the aim of contributing intellectual insight into the topic as well as offering practical 'how-to advice' which exists currently with only scant coverage of the topic. A broad range of four real-world productions has fleshed out the journey from brand integration in video content in general, through to the mechanistic process of mass-producing video content at price points and content lengths suitable for global e-commerce.

Three specific findings come out of the combined study and practice that the author has undertaken. In respect of each, it is concluded that the author's work is a contribution to overall knowledge of the topic.

### ***Increased brand integration and results are not always positively correlated***

First, the author has shown that the impacts of brand integration are *not always* positively tuned to the *level* of branding. Brand integration can be judged to need a level of sophistication and sensitivity to the audience that goes beyond any facile direct positive equation of greater quantity constituting inexorable growth in quality. The commercial works discussed (the *Purdey's* and *Magners* commercials) also showed anecdotally that brand engagement is notably high even when branding is of *lower* prominence.

### ***There is a cliff edge in brand integration and we can measure it***

Second, the author has demonstrated and calibrated the brand integration 'cliff edge.' There is a direct drop-off point for brand integration in any given project, beyond which (as in the example of the oil company sponsoring environmental content) return on investment may actually be *negatively* correlated with additional brand inclusion. Producers of content, and brands commissioning it, ought to be mindful of this point. The investment implications from carrying out test productions to benchmark where precisely that point might be, for any given market or piece of content, need urgent attention.

### ***There is a knowable set of rules in e-commerce video content***

Third, the author has produced a set of rules for e-commerce video which are more nuanced and detailed than any other yet carried out. The survey, outlined in Chapter 4, output 5, produced a set of findings for the industry, some already part of industry practice, (such as that short videos work better,) and some absolutely *not* intuitive or standard industry practice (such as that multiple products in a single video do better than single products.)

These findings are summarized overleaf as a guide for the practitioner to the author's research.

E-COMMERCE VIDEO CONTENT RULES	
CATEGORY	FINDING
Length of video	<p><b>Short videos work best</b></p> <p>Shorter videos (15 seconds) result in more people buying Longer videos (90 seconds) generate more engagement</p> <p><b>If someone is a first time visitor to the brand, play them a long video</b></p> <p><b>If they are a repeat visitor, play them a short video, even though people will find it less informative and less entertaining</b></p>
Inclusion of price	<p><b>Video without price has most appeal</b>, scoring higher on both view to completion and click-to-buy than videos with price in middle or price at end</p>
Presenting styles	<p><b>User generated content rated consistently poorly on all measures</b>, including click to buy</p> <p>Presenter driven sales content rated poorly</p> <p>Animation rated well on feeling about the brand and relevance but not that well on click-to-buy</p>
Content / storytelling styles	<p><b>Content must be engaging, say something new, be relatable, not be over branded or over sales-y and have pace and humour.</b></p> <p><b>Branded content works better than hard sell.</b></p> <p>Videos with branded content and feature content had higher viewing figures and a stronger message to buy. Branded content was the best sales tool, followed by feature content, and it also generated the best engagement and view to completion. Product only (mute) also performed well, especially in the short, Instagram format, and especially in encouraging people to take action. 96% of customers were able to identify the products being advertised in these videos, which was the highest score. Customer reviewer again performed very poorly.</p>
Testing high end branded content against simple menu	<p><b>Branded content with style and content also works better than recipe items.</b></p> <p>The branded content performed best on good feeling about the brand and driving click-to-buy.</p>

video with expert	However the video with the expert giving the menu advice had a higher view to completion, but very low click to buy. Therefore judge what outcome you are looking for and choose the video format accordingly. Think twice before using how-to/recipe items to sell products.
Single vs Multiple products	<b>Multiple items in a video works well.</b> Videos with multiple products scored higher on view to completion, enjoyment, good feeling about the brand and 'told me something new' than videos with single products, and significantly higher on click-to-buy
Mute vs with sound	<b>Mute videos performed consistently well, and often better than videos with sound as the narrative</b>
Demographic targetting	35-54 year olds would be in general more likely to click to buy after watching a video than 18-25 or 65+
Add to basket during video vs click to buy at the end	<b>Wait until the video ends before offering click to buy.</b>

## (ii) **Research limitations & further work**

Huang and Yu (2016)<sup>109</sup> argued that a shift is taking place in the media, in terms of market power from top-down, owner-controlled mass media to new, more consumer-driven personalized media for consumers. The author's work absolutely supports this argument. This is reflected in the media specifically designed for e-commerce, with interactivity in its DNA (indeed all e-commerce video must by its nature be interactive, in order to become e-commerce-capable) and personalization in its marketing logic (since the closer you tie the proposition to the individual customer, the more likely they are to embrace it.)

Substantial evidence exists in this author's study to support the contention that individualization delivers results - from the engagement driven by mass-appeal social video like the *Purdey's* commercial, right through to the day-by-day output of e-commerce-specific social video for *MyProtein*.

But Huang and Yu also suggested that within the literature was a lack of consensus on social commerce concepts and implementation mechanisms which might prevent the nascent industry from reaching its full potential. Further work in this space should focus on the following key areas, a number of which have already been set in train through the author's work.

### ***Work with actual branded content programming to develop further findings***

First, brand integration should be tested in a statistically robust methodology around actual – rather than theoretical – content. The potential weakness of the author's Oxford Ask The Audience study outlined in Chapter 4, output 1 above around brand integration and the 'cliff edge', was that it was testing *theoretical* constructs of content and gauging audience responses as if they would necessarily be re-iterated in the real world. To follow up the study with testing of *actual* programmes on audiences would remove the risk of a disparity between people's perception of what they might like to watch, and the reality of what they actually will watch.

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<sup>109</sup> Huang Z., Yu W.Y. (2016) Bringing E-commerce to Social Networks. In: Nah FH., Tan CH. (eds) HCI in Business, Government, and Organizations: e-commerce and Innovation. HCIBGO 2016. Lecture Notes in Computer Science, vol 9751. Springer, Cham

### ***Filter out the risk of distribution bias***

Second, study of audience responses to programmes actually distributed with multiple different versions of brand integration would be even more robust. An audience might behave differently from the laboratory of market research, in the context of the ‘noise’ of real advertising and real content choices rather than abstract ones. User testing the responses would further filter out the risk that transmission itself can influence perception. In other words, watching a show on my laptop in my own time might create a different response from watching it on German TV at 11pm. This segmental testing could be achievable, for instance in Germany, where channels have regional transmissions, such that the same basic programme could go out in different regions at the same time but with clearly differentiated levels of branding. Then market research data, including for instance real time site visits of e-commerce sales, could be matched to the different regional transmissions. This would be attractive and useful research and would build directly on the author’s work in Output 1, around brand integration.

### ***Focus tests by using multiple alternatives***

Third, A/B testing of e-commerce video versions is vital. A similar logic to the deconstruction of the methodology in Output 1, the survey titled *Ask the Audience*, can be applied to the e-commerce study made in Output 5 above, where differentiated versions of the same video were tested in market research. The logical and valuable next stage of the author’s existing work would be to run the test *for real* on e-commerce sites in A/B testing, and assess the *actual* shopper response to different versions of the video, in order to extrapolate stronger data on the more successful versions. Amongst the variables to test, probably the critical one in terms of production and implementation would be lengths of videos. Doing so would test correlation of running time and sales value (as Krisnan and Sitaraman examined, 2013).<sup>110</sup> This work is highly achievable in light of the iterative nature of e-commerce businesses.

### ***Filter out product category risk by using many categories***

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<sup>110</sup> Video Stream Quality Impacts Viewer Behavior: inferring Causality Using Quasi-Experimental Designs. IEEE/ACM Transactions on Networking, Krishnan and Sitaraman, Dec 2013

Fourth, to extend that logic, A/B testing should then be done at a scale of *many* different products and videos. Again, this is very practicable as a follow up to the author's survey work as outlined in the e-commerce survey, Output 5. Working with a large e-commerce group or groups, one could run such tests again across multiple, or even hundreds of, brands. A substantial A/B testing process, benchmarking multiple lines of enquiry from video length (short/medium/long) to style of presentation (mute/not mute and so forth) would then yield more robust rules round which lengths and styles in general tended in the real world to result in higher sales. This would be a further direct opportunity to test the notion (Aldiri et al 2008<sup>111</sup>) that visual use of faces in photography and video both drive trust and therefore e-commerce sales.

### ***Test in real time***

Fifth, testing needs to move into the real-time environment. The author's studies (Outputs 1 and 5) were not real time, and their robustness suffers as a result. Pursuing both the academic logic and the actual direction of current commercial travel in e-commerce, an optimized system of multi-level A/B testing in real time could be run not as an academic experiment, but as a permanent, real-time process of video optimization. Here the changing patterns of success in length, style and content of not only individual videos, but also e-commerce videos *as a whole* across the internet would be measured, and re-optimised on a constant basis. Social video sites are already using internet-wide analytics sites such as Tubular to track trends in hashtags. Here, semantic presentations are attracting the highest engagement ("You won't believe this happened...") Extending that approach to a more rigorous iterative testing in the specific field of shopping video, is achievable, and will bring commercial benefits at scale. The author has already been part of some projects with elements of this work. In the Postscript below there is further detail on changes in the industry which are already driving this work.

### ***Automate the testing***

Sixth, once iterative testing at scale is delivered, it is not a large leap to introduce automated, real-time testing and multi-versioning/personalization. This is likely to be 1-2

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<sup>111</sup> The human face of e-business: Engendering consumer initial trust through the use of images of sales personnel on e-commerce web sites. Author Aldiri, K et al, International Journal of e-Business Research, 2008, Vol.4(4), pp.58-78

years away (see Chapter 6 below for detail on the evolutions taking place in the industry) but is a technical innovation which is being targeted by many e-commerce businesses as they seek ever-closer personalization of their marketing spend. To answer the question of what will optimize video for e-commerce, artificial Intelligence may be a tool to deliver automated video editing according to precision demographics. Which videos, and sections of videos are performing, and therefore which targeted edits for each demographic segment are appropriate? This level of real time editorial interaction between the content maker and the end user is not long away. In the Postscript below there is further detail on changes in the industry here.

### ***Investigate the psychology of viewing***

Seventh, stepping from the practical considerations of commercial optimization to the intellectual interest of understanding the dynamics of video utilization, whilst there is much in the current academic literature about the psychology of Facebook and Instagram usage, there needs to be more study of specifically how users interact with e-commerce video. Both from an upload and viewing perspective (for instance on Instagram and its role in perceptions of body image<sup>112</sup>, or on unpicking the subjective nature of photography in Instagram<sup>113</sup>) there is a lack of research on the particular psychology of e-commerce video *per se*. It would be instructive to undertake detailed study of the effect and responses of the individual to viewing different styles of social e-commerce video, with a view to better understanding which styles should be tested more widely?. Should they, for instance either focus or not, on individuals making presentations (like in shopping TV) or in more anodyne product-focused content styles? We can only A/B test what we have first made, so there will always be a role for creativity.

### ***Greater demographic segmentation is necessary***

Eighth, in the author's research, and particularly both in the Oxford and formal e-commerce studies, nuggets of demographic differentiation in terms of audience responses

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<sup>112</sup> Instagram Unfiltered: Exploring Associations of Body Image Satisfaction, Instagram #Selfie Posting, and Negative Romantic Relationship Outcomes. Ridgway and Clifton, CYBERPSYCHOLOGY, BEHAVIOR, AND SOCIAL NETWORKING Volume 19, Number 1, 2016

<sup>113</sup> Social media photography: construing subjectivity in Instagram images. MIChele ZAPPAVIGNA University of New South Wales, Sydney, Australia. Visual Communication 2016 Vol. 15(3) 271–292

emerged. For instance, in the study into brand integration (Output 1) it was discovered that young people in Hong Kong are less tolerant of branding in TV programmes than their parents. And in the e-commerce video study (Output 5) it was found that women were more likely to take action after viewing a video. As they stand, these findings around variable response according to demography are of limited tangible value, because they were not rigorously tested for, and each segment was not sufficient in sample size to be of statistical significance. However, if a survey were constructed which directly tested for each demographic segment in sufficient sample sizes for each to be statistically robust, then powerful information for the e-commerce and production industries could emerge, around which audiences to target with which kind of video. This could (and no doubt will) be played back into the personalization strategies as per point 5 above.

### ***Test the sociology of social sharing in a video context***

Ninth, as the market and user base move, so there will be a constant need for further research into the impact of social sharing on e-commerce. E-commerce is growing rapidly, social media is growing rapidly, and e-commerce video is not only more aligned to social media, but is also more experiential. A 2017 report by marketing consultancy Ovum outlined a “seemingly insatiable need for people to showcase their participation in activities and experiences on social media,” so that...<sup>114</sup>

By 2026, many consumers will want retailers to provide an environment where shopping is an event experience in its own right. This will translate into interactive, highly engaging online and real-world retail environments where augmented reality (AR) plays a key role. The provision of distinct and tangible shopping experiences, online and real-world, will become a key means to enhance and differentiate a brand’s value proposition.

In conclusion, as was stated at the beginning of this critical commentary, e-commerce video is a substantial, global commercial opportunity. E-commerce is a fast-growing, global, multi-trillion dollar market. A content revolution (the switch from broadcast content production to niche and even personalized viewing) and an industrial revolution in platforms (from broadcast to digital) are taking place at the same time.

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<sup>114</sup> Ovum report. The future of E-commerce: The Road to 2026  
Published April 2017. pp 4

The academic literature has analytical tools to examine some of the landscape, for instance some effective thinking around the definition and role of social commerce (Wang and Zhang, 2012)<sup>115</sup>, the value of social commerce networks (Stephen and Toubia, 2010)<sup>116</sup> around charisma (Cocker and Cronin, 2017<sup>117</sup>) and around the value of self-image in social video usage. However, it has not kept pace with the *rate* of industrial change. The author's work has sought to fill in some of the attendant gaps, especially around the nuancing of editorial choices to optimize sales in an e-commerce environment.

The author has made a critical commentary on his works published 2013-18 to investigate the impact on customer engagement and purchase decisions of differentiated editorial approaches in brand-funded digital video content.

It has been argued here that he has made some useful contributions to a field which itself has barely begun. He has added detail, substance and nuance to work around optimization of e-commerce. There remains far more work yet to be done. But the particular condition of this industry, and its attendant field of academic study, is that that work *will* be done. In this fast-paced, iterative ecology, there is just too strong a commercial incentive for any stone to be left unturned.

The final chapter, a Postscript, looks at some of the technologies that will be capable of deployment in future development of the exciting genre of e-commerce video.

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<sup>115</sup> Wang, C., Zhang, P.: The evolution of social commerce: the people, management, technology, and information dimensions. *Commun. Assoc. Inf. Syst.* **31**, 1–23 (2012)

<sup>116</sup> Deriving Value from Social Commerce Networks, *Journal of Marketing* April 2010. Andrew Stephen and Olivier Toubia.

<sup>117</sup> Cocker, H., & Cronin, J. (2017). Charismatic authority and the YouTuber: Unpacking the new cults of personality. *Marketing Theory*, 147059311769202.

## **CHAPTER 6: POSTSCRIPT: THE FUTURE DEVELOPMENT OF E-COMMERCE VIDEO**

### **(i) An industry in rapid evolution**

E-commerce video has not paused to allow this study to occur – in fact it is in fast forward on an almost daily basis.

This Postscript chapter focuses on designing the optimal styles of content production and distribution for e-commerce video going forward in the near future. And for that, it is helpful to understand the editorial conclusions of this study (Chapter 5, above) and three points about the market it will sit within.

First, e-commerce video will be located in a market that is ever more targeted and data-driven. Whilst the global digital advertising market is expected to reach 268 billion Euros by 2021,<sup>118</sup> it will also change in the character and specificity of customer interactions. As Scott Galloway writes (2017)<sup>119</sup>: “The ability to leverage multiple data points to provide a contextual view of consumers will drive the evolution of predictive analytics, giving retailers models that will help them determine consumers’ likely future actions and needs. This will not be a perfect process by 2026, but it will certainly be instrumental in reducing the risk in R&D for new product development.” As that user-targeting continues, enhanced user data will drive further integration between e-commerce and content into the next decade, and further focusing of the content creation on an individually (as opposed to collectively) targeted level.

Second, however, successful e-commerce video will *still* be about clever content creation – storytelling and provenance. At present, the e-commerce industry, insofar as it is written about at all, is often portrayed in the literature as a relentlessly mechanistic process of price and logistics optimization, without any overt role for creativity in presentation or content. “Amazon the destroyer,” “World domination” is how Galloway (2017) describes the growth of Amazon as a macro process driven by physical infrastructure and aggressive deployment of investment capital, rather than success driven by creative content or

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<sup>118</sup> “World Advertising and TDaas Market 2017-2021: Google and Facebook Generate 90% of their Revenues from Monetisation of Personal Data.” *PR Newswire*, 30 Nov. 2017.

<sup>119</sup> *The Four: The hidden DNA of Amazon, Apple, Facebook and Google*, published by Portfolio Penguin 2017, pp.

marketing innovation. Amazon, he says, asks the question: “What can we do that gives us an advantage that’s hugely expensive, and that no one else can afford ?”

But e-commerce video is *not* all about macro investment. It is about skillful content creation and distribution. Return on investment in digital advertising is always higher when the compelling nature of content causes higher click through than the simple asset price of the pay-per-click economy it is operating in.

Except in terms of the costly but potentially game-changing introduction of artificial intelligence (Ai) into the creation of e-commerce video (see below), e-commerce video success lies in working to achieve better results with *less* money – the highest possible Return on Investment, rather than the highest possible investment *per se*. And that, again, is where findings such as those in Chapter 5 will be useful.

Third in this list of environmental factors for the development of e-commerce video in the near future, the way this genre of content creation will evolve in the next half decade will be closely tied to the technology that surrounds and supports it. Digital marketing, data analytics, evolving production technologies and the impact of artificial intelligence in iterative approaches to video editing will each determine the growth of the genre, and each is dealt with in a short section below.

## **(ii) Evolution of the surrounding digital marketing ecology**

E-commerce video is fuel for digital marketing – and *vice versa*. The digital marketing ecology, as a whole, deploys data in a new wave of technical solutions put in place over the past decade to both optimize returns on investment, and make them as real-time and transparent as possible. E-commerce video is part of that ecology and successful content must fit seamlessly within its key processes.

This is - above all - the era of real time. RTB (real time bidding)<sup>120</sup> enables advertising inventory to be bought on a per-impression basis, through programmatic instantaneous auction. That is the underpinning of Google’s AdWords proposition, which is a principle advertising outlet for almost every small business in the developed world. Within that

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<sup>120</sup> In Real Time Bidding, advertising inventory is bought on a per-impression basis, through programmatic instantaneous auction

leads generation ecology, re-targeting<sup>121</sup> enables marketers to recognize and respond to repeat visitors to sites, and serve them content more likely to encourage purchase – such as video. And within those basic pillars of the industrial process of real time leads generation, functionalities such as ad exchanges, DSPs (Demand Side Platforms)<sup>122</sup>, SSPs (Supply Side Platforms)<sup>123</sup>, highly-targeted PPC<sup>124</sup> models and sequential more exotic tools allow precision purchase of advertising tools aimed at micro-categorised audiences and individuals. E-commerce video is one tool that can work across these technologies, and is being shaped by them.

E-commerce video is therefore becoming more *individual-specific*. Digital advertising is an ecology built on the principle, ultimately, of marketing to specific individuals - a fundamental shift from broadcast advertising, which targets only broad demographics and regions, and this goes some way to explaining the migration of revenues between platforms (see above statistics).

Even when the individuals are not identified, they can be profiled anyway – as for instance in the case of Facebook marketing solutions’ provision to customers of audiences of ‘lookalike’ individuals, carefully selected and targeted to be exactly the same demographically as existing customers whose data is anonymously supplied by the brand to Facebook in expectation of new, like-minded targets.

And this environment is both the commercial and intellectual underpinning of the parallel growth in e-commerce video. In the author’s outputs, Chapter 4 explored case studies in the bulk production of value of editorial and marketing video where organic engagement was running at large scale with audiences of like-minded individuals.

In the near future, bulk *individualized* video production will be the norm.

### **(iii) Evolving mass production technologies for e-commerce video**

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<sup>121</sup> In Retargeting, or behavioural retargeting, online advertising is targeted to consumers based on their previous site visits. Retargeting tags users with a pixel within the target webpage, which puts a cookie in their browser - through which the advertiser is able to show display ads to that user elsewhere on the internet via an ad exchange.

<sup>122</sup> Demand Side Platforms enable advertisers who are buying digital inventory to manage multiple ad exchange accounts simultaneously. This enables them to optimise based on set key performance indicators like effective cost per click.

<sup>123</sup> Supply Side Platforms enable publishers to optimise the sale of their advertising inventory

<sup>124</sup> Pay per click

Given the nature of that fast-moving, data-driven, real-time, social media-integrated environment outlined above, how the e-commerce video itself is optimally produced is also inevitably changing.

This paradoxical challenge - of implementing individualised video production but *at scale* - is a matter of existential commercial significance. For any given piece of content, its commercial efficacy and ROI will be a function not only of its quality, but also of how much it costs to individualise, make and distribute.

Within the production industry a number of production companies are now offering this kind of mass-produced short form video production, with differing degrees of individualization achievable. Gen Video<sup>125</sup> approaches the problem from the perspective of Amazon-based businesses being able to license promotional videos to drive their own sales. Wirewax<sup>126</sup> offers interactive video for shopping. Animoto offers a platform for self-created shoppable video creation from templates.

Low cost tools for self creation include Moovly<sup>127</sup> and Wochit<sup>128</sup> offer low cost creation of video advertising from an existing library of digital assets. Moovly functions on a subscription business model with 500,000 assets available, and then an upsell to higher-value video and graphics tools. Meanwhile production 'dating sites' such as Genero<sup>129</sup>, Olapic<sup>130</sup>, Movidiam<sup>131</sup> and Vidsy<sup>132</sup> use technology to match clients to independent videographers. Within that category, Refuel<sup>133</sup> have additionally deployed AI technology to update underperforming adverts. Taking that idea forward, Persado<sup>134</sup> offers AI-generated headlines, images and language. And Jivox<sup>135</sup> offers dynamic video advert selection according to whether, for instance, men or women are viewing the content.

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<sup>125</sup> <http://gen.video>

<sup>126</sup> <https://www.wirewax.com/#home-page>

<sup>127</sup> <https://www.moovly.com>

<sup>128</sup> <https://www.wochit.com/company/>

<sup>129</sup> <https://genero.com><https://genero.com>

<sup>130</sup> <http://www.olapic.com>

<sup>131</sup> <https://www.movidiam.com/>

<sup>132</sup> <http://www.vidsy.co>

<sup>133</sup> <https://www.refuel4.com/>

<sup>134</sup> <https://persado.com>

<sup>135</sup> <https://www.jivox.com/showcase/>

This multiplicity of models in e-commerce video production throws up interesting challenges for brands and producers alike. For advertisers, on some new platforms, the core brand assets are actually distributed to third party videographers with whom they will have no contractual relationship. Commercials producer Martin Riley<sup>136</sup> argues that this “poses issues like copyright and brand safety.”<sup>137</sup> He asked, in an interview: “Which brand really wants un-identified producers having access to its core marketing assets ? How can that be reconciled with, for instance, actors’ contracts ?” Meanwhile the new models also pose matching copyright issues for videographers: “Producers need to be prepared to relinquish ownership of any generated footage uploaded to the platform - even if it is not chosen for a live job - to the owners of the platform. And they need to work on a 'per film' basis - rather than time - which is outside of any union rates.”

Producing multiple versions of e-commerce videos sit within a wider ecology of personalised and individually-served content seen across digital marketing. UK digital advertising executive Rob Lawrence<sup>138</sup> argues that:

“The skill is to make an infinite number of targeted videos out of a limited number of creative assets. If you can infinitely reduce the cost of creation you can win search. There are an infinite number of *Peppa Pig* edits on YouTube made in real time by an AI [artificial intelligence] that is hooked into inbound search that is trained to win searches for Peppa Pig. You could do that for any video and any product. At Razorfish [a digital agency] we invented the library-based approach to dynamic ad serving. We would serve up an ad with the right product at the right time for the right person with dynamic pricing within set parameters. Where are you based ? What are your characteristics ? There is nothing new in dynamic ad serving. What is new is the ability for the machine to learn at scale and at pace what people will respond to, and adjust itself.”

Implementing that kind of real time personalisation and adjustment in e-commerce video is the new frontier.

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<sup>136</sup> The author has worked with Martin Riley on online video production via his commercials company, Missile Digital Studios

<sup>137</sup> Martin Riley, Managing Director of commercials production businesses Lion Eyes and The Den, interviewed January 2018

<sup>138</sup> Interviewed February 2018

#### (iv) **Iterative e-commerce video and Artificial Intelligence**

As shown in the section above, optimisation of video content for e-commerce is now part of the in-flux, 'real-time' world of online advertising distribution which facilitates it. E-commerce companies are testing multiple video edits - per product, in a single day - on their sites, to benchmark which are the most effective. This means trying different versions of videos on analogous audiences or individuals, to ascertain which edits perform best in terms of click-through or sales. This is known as iterative testing.

The technique, standard to the digital marketing industry, typically works as follows. A specific offer of Facebook to marketers, and the root driver of value in its substantial economic success, is that targeted advertising is facilitated. The advertiser can use Facebook's tools (seen [here](#)<sup>139</sup>) to select a Custom audience, or a lookalike audience (which resembles one of the existing customers provided by the advertiser) supplied by Facebook. Users then target customers by location (including whether they have recently visited, or are currently there,) age or sex, interests, language and other factors. Targeting<sup>140</sup> then allows multiversioning, so that companies can create tests live in the market place, where two different versions of the same video are played to analogous audiences, demographics and geographies, in order to benchmark which is the most effective. Otherwise known as A/B testing, this standard industry tool is one of the key competitive advantages of online advertising versus more traditional TV advertising, where the high fixed cost of producing a version of an advert, clearing it with regulators and transmitting it on TV, precludes multi-versioning in most cases.

The challenge is to do that in e-commerce video - to make kind of iterative testing of multiple content edits happen at scale but cost-effectively, and produce enough versions to truly individualise the content and optimise the customer response on an aggregated level of all possible individual viewers.

In Chapter 4 the author presented how he tested 9 alternative video edits. Now in a real-world context, iterative testing can be carried out with not nine, but *thousands* of versions

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<sup>139</sup> Facebook Know Your Audience page – guide to purchase of targeted advertising  
<https://www.facebook.com/business/products/ads/ad-targeting>

<sup>140</sup> Animoto guide to A/B testing on Facebook. <https://animoto.com/blog/business/ab-testing-video-setting-up-test-facebook/>

of a video - simultaneously, all generated by Artificial Intelligence from a simple set of assets.

There are a number of startup companies now doing exactly that. For instance, in a campaign for a pizza company, a London agency took image recognition AI to the pizza market in general<sup>141</sup> and analysed which colour and content of images was generating the highest customer response – was it meat, sliced pizza, dessert, packaging, and so forth ? They then took client assets, such as the logo in six different colour schemes, and a range of pictures of the food. The Ai then used what it termed ‘computational creativity’ to produce thousands of versions of the adverts (in a matter of minutes) and those assets had a lower cost per thousand impressions than the human-created version.

That approach to iterative video creation, one dimension of the future of e-commerce video, completes this review of the commercial landscape as it evolves into the future, and therefore this PhD by publication as a whole.

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<sup>141</sup> Source: agency presentation April 2018

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