The Power of Personalization
Why dynamic creative is the evolution that brand advertising needs

**The media landscape has changed –
so why is your ad creative strategy still the same?**

For advertisers, the marketplace has been transformed.

The pandemic has accelerated existing trends in advertising further towards digital channels. Media spending on social media platforms, online video content, connected TV and digital audio is increasing rapidly, while the market share of traditional channels such as newspapers, magazines and linear TV continues to decline.

Although brand advertisers are quick to recognize the growing influence of digital channels, many brands are failing to leverage the full potential of digital. By focusing too closely on cookie-based targeting and the easily-accessible metrics of digital ads, the role of creativity in generating engagement has been forgotten in many digital ad campaigns.

Rather than embracing the flexibility that digital channels offer, too many advertisers are still delivering ad creative that is static, repetitive and ultimately off-putting to potential customers.

A Million Ads, together with Attest, recently conducted consumer research* which revealed that **more than three-quarters of consumers are being turned-off by repetitive ads.** Despite this, many brand advertisers are continuing to devise and distribute campaigns using the same creative and media buying strategies that have been annoying consumers since the 1950s.

So, what's the alternative? Our research revealed that:

More than half (51.9%) of respondents say they are more likely to purchase a product or service after having seen or heard a personalized ad.

Wait a minute though – personalization? Doesn't that mean using personal data? Isn't that supposed to be a bad thing? And won't things like the demise of third-party cookies and increasing data privacy regulations stop brands from personalizing ad creatives anyway?

In this white paper, we'll examine how brands are developing highly successful personalized dynamic creative campaigns using privacy-compliant contextual data and opted-in data that consumers are happy to share – if the value exchange is right.
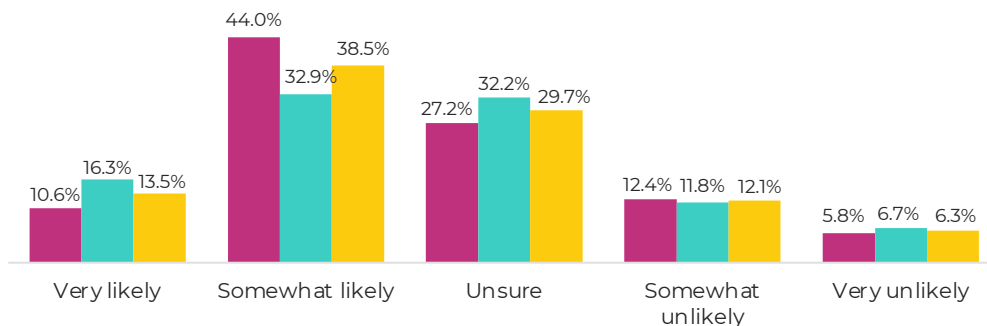
We'll also highlight the opportunities dynamic creative offers brands to produce better digital ads and improved ROI by tapping into the power of privacy-first personalization.

*In collaboration with research company Attest, A Million Ads interviewed 300 marketers (150 in the UK and 150 in the US) on their current perceptions and use of personalization and dynamic advertising. We also interviewed 2,000 consumers across the UK (1,000) and US (1,000) on their preference and use of personalized advertising. The stats referenced in the body of the report are aggregate numbers of UK & US responses.

How much more likely do you think you are to purchase a product or service after having seen or heard a personalized ad?

■ UK ■ US ■ Aggregate

Very likely: 10.6%, 16.3%, 13.5%
Somewhat likely: 44.0%, 32.9%, 38.5%
Unsure: 27.2%, 32.2%, 29.7%
Somewhat unlikely: 12.4%, 11.8%, 12.1%
Very unlikely: 5.8%, 6.7%, 6.3%

"It can really get on a consumer's nerves if they've seen the same ad on TV, then online while watching a video, and as a voice ad while listening to a podcast. It just becomes too much. Creative that allows an element of personalization naturally appeals to consumers. With audio especially, you have the ability to make sure that no two ads are the same. This is a huge benefit, especially if you're looking to deliver sequential messaging or tailor a message to the user depending where they are in the purchase funnel."

Emma Jensen,
Programmatic Director,
Digitas

"Frequency of message works to a certain point and then you need a creative refresh. It has been proven by various case studies that more personally relevant ads perform better than generic messages (those not tailored to time, place, or consumer behaviors)."

Nicole Amodeo,
Global Head of Addressable
Creative, MediaCom

Listen up: the difference with digital ads

According to figures from eMarketer, worldwide ad spending on traditional channels declined by 15.7% in 2020. By contrast, digital ad spending increased by 12.7% last year, despite the widespread impacts of the pandemic.

When it comes to ad campaign creative, however, too many advertisers are failing to leverage the full potential of digital channels. Unlike traditional channels such as linear TV and print publications, digital channels allow marketers to draw on a range of data sources to inform and personalize their messaging and creative.

Let's consider for example the rise of digital audio as a media channel, and the new opportunities it creates for advertisers and their campaigns.

amillionads

During the pandemic and subsequent lockdowns, digital audio grew in popularity with listeners. This behavioral shift included increased usage of smart speakers and smart TVs, plus increased usage at unusual times of day, e.g. weekday listening began to resemble weekend usage. Podcasts also experienced a sharp spike in popularity, as long-form audio engagement became easier for listeners to consume at a time of their choosing.

[eMarketer estimates](#) that digital audio accounted for 11% of total media time per day for US adults last year and will account for 11.7% in 2021 (on average, 1 hour 34 minutes per day). This year is predicted to mark a major milestone between traditional radio and digital audio: 50.8% of US adults' total audio time will be spent listening via digital services, representing the first-time digital audio has surpassed traditional radio in time spent.

As things stand, advertising spend is under-represented in digital audio, compared to other digital channels, representing a big opportunity for brands. What's more, when it comes to audio advertising, brands can look back at decades of traditional radio to find out what listeners do and don't like from audio ads.
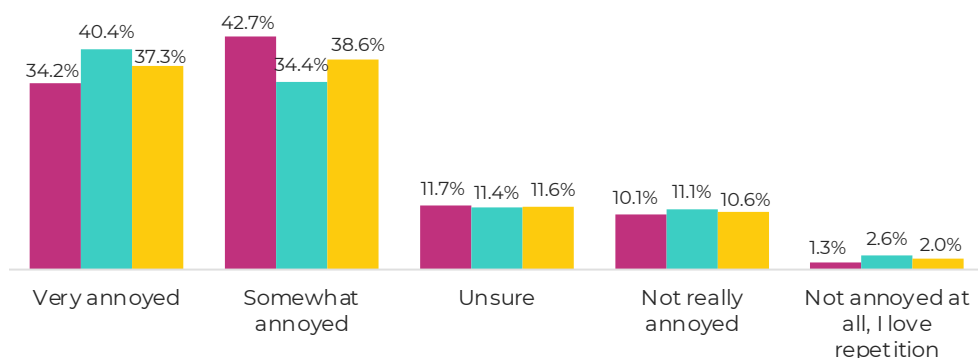
Studies have shown consistently that **the thing consumers dislike most in relation to advertising is over-repetition of the same ad**. Our own research on the subject found that **75.8% of respondents are 'very annoyed' or 'somewhat annoyed' by seeing or hearing the same ad many times over**. Unfortunately, popular methods of frequency-capping digital display and video ads rely on the use of third-party cookies and will soon become impossible.

At A Million Ads, we recommend that brands avoid ad fatigue in a different way: **each time a consumer is served a digital ad, elements of the creative change enough to keep it engaging and interesting.** Contextual and first-party data can also be used to personalize the creative in interesting and engaging ways without ever having to compromise on data privacy.

It's time for brands to tap the full potential of their digital ad spending through privacy-compliant personalization.

How annoyed does it make you feel when seeing or hearing exactly the same ad many times over?

■ UK ■ US ■ Aggregate

	Very annoyed	Somewhat annoyed	Unsure	Not really annoyed	Not annoyed at all, I love repetition
UK	34.2%	42.7%	11.7%	10.1%	1.3%
US	40.4%	34.4%	11.4%	11.1%	2.6%
Aggregate	37.3%	38.6%	11.6%	10.6%	2.0%

"Digital audio has become a really important media channel over the past 12 months. During the lockdown, clients that relied on channels like out-of-home and print had to look elsewhere to plug the holes in their media plan. Digital audio became critical in helping our clients achieve reach that had been lost elsewhere."

Lisa McAllister,
Planning Business Director,
mSix

"The podcast market has thrived over the past 12 months and continues to represent a serious opportunity for advertisers. During the pandemic, we saw a 31% growth in the number of brands working with us and a 184% increase in brands spending $140,000 or more on campaigns. We also saw a whopping 670% increase in programmatic advertising spend in podcasting. Things are moving fast."

Joe Copeman,
Global SVP Sales,
Acast

"As more and more media becomes addressable, audio is a particularly powerful channel for creative relevance based on location, environment and listening context. I expect more budgets to shift into this space to take advantage of the addressability of media and messaging for better outcomes."

Nicole Amodeo,
Global Head of Addressable
Creative, MediaCom

Consumers leave the door open to personalized ads

Despite the tightening restrictions around the use of customer data, there is still plenty of opportunity for marketers to access and leverage a wide range of contextual and privacy-compliant data to inform and personalize dynamic ad creative. Our recent survey suggests that there is good reason for brands to do exactly that.

The research revealed that the majority of consumers (53.3%) actively prefer personalized ads, relevant to their current context, over generic ads.

Personalized advertising can be based on an individual's personal data (such as name, age, gender or personal interests) but more commonly, the vast majority of personalized brand campaigns that we work on at A Million Ads, are based on 'contextual' factors, e.g. what is the weather like where you are right now? The fact that it's raining in your location is not personal to you, but it's highly relevant to your situation at that moment.

amillionads

Acknowledging the real-time local weather conditions, or the day of the week, time of day, or any other contextual data point in your ad creative gives it an extra level of relevance and cut-through with consumers. Even a small amount of personalization is enough to make an ad significantly more effective than standard, generic creative.

It's often assumed that consumers would prefer not to share their personal data. Our survey suggests something quite different. According to our research, a significant majority of consumers are willing to share their personal data in return for a better value exchange from advertisers.
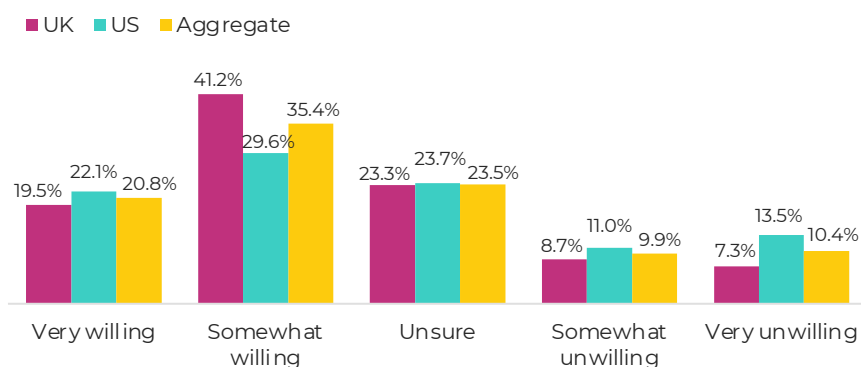
Our research revealed that 20.8% of consumers are 'very willing' and 35.4% are 'somewhat willing' for advertisers to use their data to personalize ads and offers – if it keeps content free and their data anonymous.

The findings suggest much more goodwill around personalization among consumers than many marketers may have expected. We also asked consumers: "What data points would you be happy to share for personalized ads and offers?"

The survey showed that the majority of consumers are willing to share personal data points such as gender (61.2% of respondents) and age (55.6%), in return for personalized ads and offers. What's more, a significant minority remain willing to share data points such as occupation (30.9%), browsing behavior (26.3%), name (23.7%) and household income (18.8%).

For brands, continuing access to this sort of data (and other forms of contextual data such as footfall or traffic data, government census data or local event information) is key to unlocking the power of personalization.

How willing are you for advertisers to use your data to personalize ads and offers, if it keeps content free and your data anonymous?

■ UK ■ US ■ Aggregate

	Very willing	Somewhat willing	Unsure	Somewhat unwilling	Very unwilling
UK	19.5%	41.2%	23.3%	8.7%	7.3%
US	22.1%	29.6%	23.7%	11.0%	13.5%
Aggregate	20.8%	35.4%	23.5%	9.9%	10.4%

"I think the pandemic has led to a greater understanding of the importance of addressable creative and the impact it can have on ROI. Our own in-house metrics show clearly that addressable creative performs better than non-addressable. If you couple a message that's relevant to an individual person, but also the context that they're experiencing at that moment, it carries more weight."
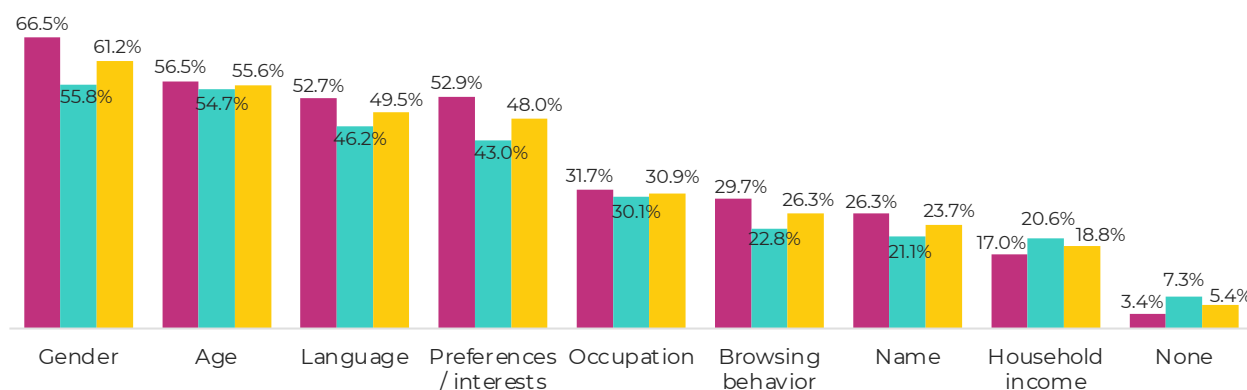
Simon Reip,
Head of Digital, J3

amillionads

What data points would you be happy to share for personalized ads and offers?

■ UK ■ US ■ Aggregate

	Gender	Age	Language	Preferences / interests	Occupation	Browsing behavior	Name	Household income	None
UK	66.5%	56.5%	52.7%	52.9%	31.7%	29.7%	26.3%	17.0%	3.4%
US	55.8%	54.7%	46.2%	43.0%	30.1%	22.8%	21.1%	20.6%	7.3%
Aggregate	61.2%	55.6%	49.5%	48.0%	30.9%	26.3%	23.7%	18.8%	5.4%

Dynamic by default

With dynamic ads, the creative can be informed and influenced by a range of current data points, including location, demographics, environmental data such as time of day or weather, and campaign information around special offers or promotions.

Dynamic ads enable brands to adapt their creative in real-time to things that consumers are experiencing – for example, a supermarket promoting barbecue food as a heatwave begins, or a fresh beer as a celebratory drink when your favorite football team scores.

Dynamic personalized creative works by better emulating human behavior. In normal conversation, you would tailor your tone and language to the individual characteristics of the person you were speaking to. Likewise, you would take various contextual factors into account, e.g. your surroundings, the time of day or the day of the week.

amillionads

This flexibility is especially useful as we gradually emerge from COVID-19 restrictions and the rules change regularly. For example, the call-to-action of a restaurant chain's ad campaign could be switched between online delivery and in-store dining as needed, without having to rework the creative from scratch. The same goes for a travel brand looking to promote different locations for holidays, based on international changing regulations. Dynamic advertising enables brands to react to the changing situation at a global and regional level and adapt their messaging accordingly.

Dynamic creative has already been widely used in relation to online display advertising. Thanks to the evolution of the ad tech landscape, more brands are now utilizing dynamic creative to personalize more immersive and emotive forms of advertising, such as audio and video. **Online video ads have supported dynamic creative for some time and now and through podcasts, smart speakers and apps like Spotify and Pandora, digital audio has joined the party.**

Advertisers are now increasingly rolling their audio and video advertising approaches into one strategy. Brands can instantly adjust elements such as voice-overs, script lines and imagery based on contextual clues and data signals, which makes the creative more engaging to its target audience and more flexible to brands.

We have seen how quick reactions to events can make or break brands, and how dynamic advertising gives them the edge when the unexpected happens, or in times of uncertainty when we need to plan for the unplanned.

During the pandemic, for example, mouthwash brand Listerine used dynamic creative versioning to appeal to frazzled buyers facing endless Zoom meetings and home schooling, by striking an empathetic tone.

Its audio campaign opened by asking for "just 30 seconds of your day to focus on you," before remixing a custom-read script based on the day of the week, age of the listener, weather report, location, device type and local lockdown status, to construct a message that emphasized or played down elements like walks in the park, germ-killing and breakfasts skipped under pressure.

Let's look at some other examples of brand advertisers embracing the concept of 'dynamic by default'…

"Most people don't realize how personalized and varied digital ads can be, without the use of personal data. If you hear an ad that includes the name of your area, for example, you immediately listen to it because it just became relevant to you. It can help grab the consumer's attention for the 10-15 seconds you need to convey your brand message."

Joseph Taylor,
Reservation Business Director,
mSix

"There are lots of data points that we can trigger, even after the phasing out of third-party cookies. Contextual advertising in combination with dynamic creative allows brands to be in front of consumers at the right moments with the right message."

Simon Reip,
Head of Digital,
J3

amillionads

A Million Ads
client case studies

Under Armour

As part of Under Armour's Spring/Summer 2021 footwear launch, the brand wanted to drive awareness and purchase intent for its hero product, the Flow Velociti Wind trainer.

Digitas (activating for Under Armour) partnered with A Million Ads to take the creative to the next level by developing personalized dynamic creatives across both digital audio and video, to create a unified AV strategy, deliver a synergy across formats, and showcase the importance of media connectiveness.

As Emma Jensen, Director of Programmatic at Digitas, commented: "The campaign was an incredible success. We generated a total of 46,080 possible ad variants for the dynamic audio campaign and 4,320 variants for the video ad. A brand effectiveness study run via Attest also showed that out of those respondents that noticed the personalization in the audio ad, 64% had an overall positive brand perception of Under Armour and 81% said they'd consider buying the Flow Velociti Wind trainer. For the dynamic video, we delivered 70% brand favorability and 75% purchase intent."

Warner Music

A Million Ads partnered with Warner Music to create a dynamic, personalized digital audio ad to promote music artist Ashnikko's new single 'Cry', featuring Grimes.

The ad used real-time data, such as day of week and weather, to contextualize the content and tap into various personal moments in the listener's life during lockdown, helping to increase relevancy and cut through the noise.

The dynamic approach turned the ad into a conversation, allowing Ashnikko to speak to her fans in a personal way. Various script lines on rotation ensured the ad stayed fresh and kept ad fatigue at bay.

The campaign generated 252 possible ad variants and drove a 1.24% click-through rate to the song on Spotify, which was 4X higher than the average generic music ad the client had run so far. Watch the campaign video here.

eBay

A Million Ads teamed up with eBay to create a dynamic, personalized national US campaign, showcasing eBay's partnership with small businesses during the COVID-19 pandemic, allowing listeners to hear how they could continue to support small businesses on eBay during a difficult time.

The campaign utilized time-of-day and day-of-week data, as well as location data to give the ad more contextual relevance and cut through the noise. The ad also used rotation to feature different small businesses within each city the listener was located in, to keep the ad fresh and memorable.

The dynamic campaign drove a 49% increase in positive brand affinity, as well as a 19% uplift in purchase intent. We also saw a 58% increase in respondents strongly agreeing that eBay supports small businesses.

Privacy-first personalization, better ads, improved results – all within reach

"The advertising marketplace has changed forever, requiring advertisers to build a new respect-based relationship with consumers. Bludgeoning your audience with repetitive messaging is a tactic that should be consigned to the past.

Instead, brands should leverage the power of personalization through dynamic creative that adapts to the real-time context of their target audience to boost relevance, engagement and results. Our survey revealed that a clear majority of consumers want personalized ads and are willing to share the information brands need to make it happen – if the value exchange is right.

Today, personalization at scale is more accessible, more affordable and more achievable than ever before. A Million Ads partners with brands and agencies to deliver dynamic creative campaigns that generate increased engagement and improved ROI.

If you would like to boost the impact of your media spending, embrace the potential of dynamic creative and get in touch now."

Steve Dunlop
Founder and CEO
A Million Ads