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Predicting the use of Online Video Advertising through Marketing Neuropsychology

Effect of Emotionalized Online Video Content

Helsinki Metropolia University of Applied Sciences
Bachelor of Business Administration
International Business and Logistics
Thesis
7 November 2016
Abstract

One of the most effective and dominant types of advertising is online video, which can reach viewers across almost any kind of activity on the internet. Not only a popular method among marketers, but it is a biological fact that the human brain processes video significantly faster and more thoroughly than traditional methods such as still images or text. This thesis answers the research question why is emotionalized content in online video important to building a relationship between the company and the consumer.

Neuropsychological studies have shown that consumers often use our feelings before facts in decision making and we have several known biases which counter the logical path of thought very effectively.

While companies exploit these biases with their advertising (because it works), there has been a transition from repetitional memory-based advertising into emotion-based ads that create shared values with the viewer, and trigger empathy. Companies bring their brand closer to the consumer because viewers can subconsciously place themselves in the ad. Emotionalized content is an effective way to deepen the relationship between company and consumer.

As seen in the case studies, some companies even go beyond advertising a brand or product, and at the same time attempt to make a statement about contemporary issues. These usually have both positive and negative impacts, but is a great way to give a concrete demonstration about brand values, which play an important role in the consumer’s mind. To provide interactivity and further engagement, social media is not only a cost-effective and extremely important channel of advertising, but also a two-way channel where the consumers can publicly give feedback, which presents challenges to the marketing communications professionals.

Ultimately it is the intangible factors that forego the functional properties of a product or service, and online video is one of the most effective channels to deliver the emotionalized content to engage the consumer to the brand.

Keywords Online Video, Marketing, Psychology, Emotionalized Content
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1 Introduction

There are claims that today, online videos account for over 50% of all mobile traffic. 78% of people watch online videos every week and 55% of people watch online videos every day. The percentage of video in all mobile traffic is expected to go up almost ten percent every year.

81% of people feature video on their brand website.

52% of marketing professionals name video as the content with the best return-on-investment.¹

…and these are just numbers for 2015. While online video advertising itself is not a new phenomenon (as we know it, YouTube was born in 2005), it has cemented its place in the minds of marketers around the world.

However, the numbers do not explain the most important question: why. The old saying goes: a picture is worth a thousand words. According to Dr. James McQuivey of Forrester Research, a minute of video is worth 1,8 million words.² The human brain can process images 60,000 times faster than text. These might be the vital statistics behind the neuropsychology of marketing: how ads can generate feelings through emotionalized content, which can invoke associations to certain products or brands and therefore can lead to action based on consumer behavior theory.

While case studies show that today, even traditional businesses produce emotionalized content to promote company values beyond simple advertising of a product or service, online video is evolving very rapidly and in the last part, examples of upcoming social and technological developments are looked into more closely.

2 Current State

2.1 Basics of online video advertising

The bulk of online video ads are in the short clips seen everywhere: when visiting a webpage, when watching YouTube, when scrolling down the news feed on the social media platform of choice or when playing a favorite mobile game, chances are that an advertised video will appear, or at least a part of it.

In this instance one can define the key element which separates online videos from broadcasted TV advertisements: interactivity. Online video puts the viewer in the driver’s seat and gives options. The most common options are:

a) Close or skip the video at a certain point (does not apply to all videos)

b) Watch the advertisement all the way to the end and then, most importantly:

c) Choose to either close the video or follow the ad

Option C is where the advertiser (referred to as the owner of the ad in this thesis) wants the consumer to be. At that point the viewer is tempted to see more of the promoted content, or perhaps go to the online shop straight away. Ultimately, the measurement of a video ad’s success is the ratio between number of views and number of sales. Other objectives could be for example raising brand awareness, however, these are not the statistics companies are usually focused on (more on that later).

Another key element which separates online video from television is measurability. A TV ad campaign has its own statistics: number of viewers and number of sales. But with the content of today’s TV and the sheer excess of ads (passive ads, where the viewer has no control over the ads themselves), it is much more difficult to pinpoint the statistics.

Forrester Consulting conducted a survey\(^3\) for North American marketers who spend a minimum of $100,000 per year on paid search. The study reveals that according to these advertisers, the top three benefits of online advertising compared to offline advertising are:

1) More accurate targeting
2) Campaign measurability
3) More efficient marketing operations

Besides these rankings, the study reveals that compared to one year before, 71% of participating companies are more focused on driving direct revenue outcomes from online advertising.

In comparison to TV advertising, it is difficult to predict the return-on-investment since TV advertising relies heavily on broadcast times and it is also expensive:

![Figure 1. Calculation of a 30 second TV spot campaign for MTV, spread nation-wide, shown once during 5 popular programs. Estimated total: 28,200 €](image-url)

Note: the price is only for one-time-display for each program. To show the spot two times, the price would be approximately 56,400 €; five times 141,000 €; ten times 282,000 €.

Obviously, a 30-second TV ad should be properly planned, designed, constructed and edited by a professional crew, into which a considerable number of assets should be allocated. Determining the outcome of the campaign requires three statistics: number of
viewers (provided by the media network), effect on sales figures and the cost of campaign. However, these are inevitably long-term projects and it will take a significant amount of time to gather the data. And whichever the outcome is, the money is already spent anyway.

What if the same 30-second clip would be distributed exclusively online instead?

Now the owner has more possibilities, because there is no single media network by whose terms the advertising is done. The owner has many different channels to choose from. Referring to the marketing mix, or the 4 P's, the placement strategy can be much more precise. Because consumers who use social media give away terabytes of information about themselves, their interests (or likes), friends and connections, social media marketing tools can find and filter the target market all the way to an individual level. Therefore, the campaign budget can be lowered significantly for the distribution process.

Unlike with the television advertisement campaign, an online campaign is undoubtedly easier to execute step-by-step. Harnessing the power of social media, small test runs of the campaign could, and should, be audited with a smaller audience before going full-on. It is also an excellent way to get almost immediate feedback. It provides the owner an opportunity to make adjustments and get an initial understanding of the campaign’s general reception.

2.2 The Neuropsychology of Marketing

2.2.1 Feelings before Facts

Value is a key factor of a successful ad regardless of its form. Sure, marketers can take the quantity-over-quality approach of bombarding its message over and over again until it is stuck in the consumer’s mind, but does it establish much value for a single ad? Quite the opposite. When thinking of a jingle that is stuck in the viewer’s head or some annoying feature in an ad: It’s engineered to make the viewer memorize it through repetition. A single ad does not have much power in itself.

Psychological studies of consumer behavior show that often emotions are dominant over logic in decision making. Raj Raghunathan and Szu-Chi Huang from the University of
Texas conducted an experiment with two groups, who were presented with a choice: two types of chicken to choose from, one plump and healthy (natural), one thin and seemingly sickly (genetically modified). One group was informed that the natural chicken was healthy but less tasty, and the genetically modified chicken was more tasty but less healthy. Meanwhile, the other group was told the exact opposite information.

Both groups chose the natural chicken, but for different reasons. The other group valued health over taste, and the other group valued taste over health. Neither group justified their choice by how they felt about the chickens’ appearance, but felt compelled to justify their emotional preference with non-emotional reasons. Raghunathan calls this effect *post-hoc rationalization* where emotions are dominant and justifications are built to support the response.

In 1994, neuroscience professor Antonio Damasio published a groundbreaking book, *Descartes' Error*[^5], in which he goes through a series of case studies linking emotions to decision-making. The subjects of the case studies were people with damaged brains incapable of processing emotions. Damasio’s studies show that lack of emotions hinders the ability to make decisions. Therefore, the same principle of emotions over reason can be applied to buying decisions as well.

It might be logic that provides the primary brand awareness (consumer is actively looking for something and is surrounded by options, for example), but it is emotion that triggers the desired outcome: brand loyalty. To engage the consumer through triggered emotions provides the best value for a single ad. In short: most of the time, feelings overthrow facts inside the human brain. The right hemisphere of the brain overcomes the left.

### 2.2.2 Shortcuts

For simplification, one could compare meeting ads to meeting people. We determine likeability through our emotions and reason does not really have anything to do with it.

This sounds like civilized, educated individuals - are not as capable of making rational decisions as they might presume. According to David Arnott of Monash University\textsuperscript{6}, this is an accurate assumption. Time and time again the brain takes shortcuts and does not follow its logical path. These shortcuts are called \textit{cognitive biases}, also referred to as decision biases or judgement biases. Arnott explains that cognitive biases can be viewed as “predictable deviations from rationality”. Universal and yet individual, there are at least 37 different types of identified biases, such as:

- anchoring bias (first piece of information is dominant)
- bandwagon effect (adopting a belief from other group members)
- in-group bias (being a part of a group; feeling of exclusivity)
- choice-supportive bias (sympathizing your choice, deliberately disregarding its flaws; the same way we think of our pets)
- clustering illusion (also known as the casino illusion, the delusional ability to see patterns, probabilities red vs. black in roulette etc.)
- conservatism bias (firm belief towards prior evidence makes adopting new information slow)
- status quo bias (tendency to avoid changes and to stick with own preference)
- information bias (or \textit{too much information}, makes decision making more difficult; opposite of the status quo bias)
- ostrich effect (ignoring negative information by figuratively burying one’s head into sand, like an ostrich)
- outcome bias (does winning the lottery still make the preliminary gambling decision a smart decision?)
- overconfidence (unnecessary risk taking in daily life)
- placebo effect (probably the most famous bias; when a belief turns into a reality by illusion)
- pro-innovation bias (common bias for innovators, who overvalue their creation’s usefulness and undermine potential obstacles; think of start-ups)
- recency (the tendency of relying heavily on most recent data over past data; potentially dangerous in for example stock trading)

• saliency (the presumption of events in relation to most easily recognizable features; watching news of ISIS attacks on the other side of Europe makes people afraid to go outside, contrary of statistical probability of a terrorist strike here)
• selective perception (we see things we want to see; we believe things we want to believe)
• stereotyping (expectations without reality)
• survivorship bias (misjudgment through ignoring failures and focusing solely on accomplishments)
• zero-risk bias (preference of absolute elimination of risk even when alternative options produce a greater reduction in overall risk)
• loss aversion bias (the carpe diem bias; fear of limited availability, missing out on the opportunity)

There is even a bias for failing to recognize one’s own biases – called the blind-spot bias. It’s easier to recognize biases in other people, though.

2.2.3 Exploitable Biases

Out of the several known biases, there are a few key biases recommended for giving a marketing boost.

Referring to brand building, the *in-group bias* is used heavily, perhaps most noticeably in the luxury goods business. The ads are engineered to welcome the consumer into a specific group, which provides a feeling of exclusivity. Fragrances, cosmetics, alcohol, automobiles, clothing, jewelry, you can see examples everywhere. Using the in-group bias is not a trick anymore, and some companies are not even trying to hide it.
On the contrary, below is an example from Finland’s most famous watch manufacturer, who even adopted this bias as their slogan: #NotForEveryone

![Screenshot from Sarpaneva website](http://www.sarpanevawatches.com/en/home.php)

Figure 2. Screenshot from Sarpaneva’s website. Similar references can be found on Sarpaneva’s social media channels.

Exclusivity boosts desirability. Desirability boosts sales. Say that one is dreaming about a Bugatti Chiron: a 2.3-million-euro handmade hyper car. Logic cannot possibly explain the desire, since the same amount would buy you 50 middle-class cars which essentially do the same task. But Bugatti has announced that they will only make 500 Chirons, over 200 of which have already been sold – and yet not a single car has been delivered to a customer. Down payment is around a quarter of a million euros, and it can take years before actually acquiring the brand new car. For the desire of joining an exclusive club, there is no price (or any other barrier) too high. This extreme example can be easily downsized for a “normal” consumer, the effect remains the same. Hollywood actors presenting a new fragrance of shampoo product? The message is to be like him/her, without spending ludicrous amounts of money.

Another widely used tactic is the status quo bias: the less significant the decision the consumer has to make, the higher the probability of purchase. For example mobile network providers, electricity companies and insurance companies will often terminate the customer’s previous contracts free of charge, the only requirement is accepting the new offer. All-inclusive vacations? The decisions and micromanagement has already been

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done for the customer, for a single payment of the whole package. However, the status quo tactic is definitely not a guarantee of any actual savings for the customer – if taken the time and effort and do the micromanagement yourself, it is often possible to gain more for the same amount of money. With all the services at the consumer’s disposal today, many will gladly pay to simply avoid the hassle of micromanagement.

Figure 3. Screenshot from Apollomatkat\(^8\) – travel agency commercial on YouTube, promoting the all-inclusive, carefree style of vacation. This frame exemplifies the biases of status quo and in-group, with also a hint of the zero-risk bias.

The *loss aversion bias* is a common tactic for big franchises and retail groups. To avoid the displeasure of losing (or more specifically, missing out on an opportunity), consumers can be activated to take quicker action for purchasing. Typically, consumers are lured to a store by a single yet powerful promotion, because most consumers will then buy something else also – getting them physically inside the store is key. The psychological tactic is related to the same reason why most basic daily products (milk, for example) are always located at the far end of the grocery store – so consumers will pick up other goods on their way.

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Below is the most classic example, a typical Finnish hook which is almost guaranteed to fill up the store's parking spaces: coffee.

Figure 4. Screenshot from the Instagram post of a K-Market\(^9\) grocery store, promoting an offer of four packs of coffee for ten euros. Roughly translated, the caption says: “Attention! Cheap coffee! Offer valid only until today.”

The effect of loss aversion can be triggered after the purchase as well. For example, if the price of the movie ticket is already paid but the first ten minutes of it are most displeasing, is the viewer going to stick around and endure the remaining two hours?

\(^9\) https://www.instagram.com/p/8IgfJirA_5/?taken-by=kminkivaari
2.2.4 Instant Gratification

With modern technology and the mindset of a modern, busy consumer, patience is something that should not be tested by marketers – when we want something, we want it now.

Steve Bradt\(^{10}\) from Harvard explains that through functional magnetic resonance imaging (or fMRI), researchers were able to determine that the satisfaction of receiving something instantly is caused by the same part of the brain which triggers the cognitive biases – the right hemisphere, or the emotional brain. Test consumers were given a choice of receiving $10 immediately, or $11 tomorrow. The left brain would advise to exercise patience and receive the larger profit, but the right brain would tempt towards instant gratification.

The simple explanation for this would be that the logical left brain is forward-looking, while the right brain operates instantly and momentarily. The closer the “prize”, the stronger the right brain’s influence. In this case, if the $10 bill was literally within reach, should it be taken or left to “grow” for another day? All we know is that the temptation is strong.

This applies to sales as well. Even though the product in question might be a long-term deal, for example a subscription of some sort, providing the instant gratification for the customer can effectively seal the deal. In marketing, utilizing key words like “instant”, “fast” or product promises such as “lose 5 kilograms in 5 weeks” can trigger the midbrain, which is the center for pleasure and also for emotional reward.

To summarize, the use of instant gratification is a proven method of buying persuasion and competition-wise absolutely vital.

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2.2.5 Shared Values

In the age of increased attention to corporate social responsibility (or CSR), the recipe for brand success is in creating shared values (or CSV) with the consumer and the community. This has always been the case with NPO’s, but the commercial companies of today like to bring them forward for marketing purposes as well.

Value for money, safety, health, environment, sustainability, innovation, technology, accessibility, elegance, these are some examples of values which can be used to define the brand itself.

Michael E. Porter and Mark R. Kramer of Harvard University make a strong statement regarding the effects of creating shared values: “Not all profit is equal. Profits involving a social purpose represent a higher form of capitalism—one that will enable society to advance more rapidly while allowing companies to grow even more. The result is a positive cycle of company and community prosperity, which leads to profits that endure.”

The key difference between CSR and CSV is that CSR is usually not related to the business itself, but plays a role in society. Kramer explains that while CSR is perceived as a cost center (taking resources from the business and investing those resources into good corporate deeds), CSV is more of a profit center (integrating social and environmental impact into the business, which is used to drive economic value). It is mostly used for improving reputation and image and is difficult to maintain in the long run. On the contrary, CSV is unique to each company and leverages specific assets and expertise to create economy value by creating social value. Porter and Kramer uses the following comparison as an example: purchasing fair trade (CSR) versus transforming procurement to increase quality and yield (CSV).

In their study, Yevgen Panchenko and Maryna Kiriakova of Kyiv National University of Economics summarize the implementation of CSV in multinational companies. The

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MNCs' problems were external pressure and increased attention towards companies' interests and the impact of their activities. This forced MNCs to invest into philanthropic initiatives often viewed as costly to them.

According to the study, the solution was the concept of CSV introduced by Porter and Kramer with emphasis on the mutual dependence between corporations and society, claiming that pursuing company policies at the expense of the other is a dangerous path. Instead, actions were taken to implement the creating shared value strategy. For example Nestle, under debate regarding global issues such as fresh water and human rights, created the Nescafe Plan coffee cooperative which encourages female coffee growers in Kenya to take up leadership roles in farming while promoting gender equality and women’s education.

However, CSV is irrelevant if no one knows about it. That is the reason it is promoted in advertising.

Figure 5. The most watched YouTube ad in Finland in 2015, according to Kauppalehti. Posti (or Finnish Post), created a video insert showcasing its services which improve the everyday life of people. The idea is to promote Posti’s services to the community, and to educate that there is much more value involved in Posti’s activities than mere transportation of goods around the country.

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According to Porter and Kramer, the concept of shared values blurs the line between for-profit and non-profit organizations. This is a very good marketing approach to transform a company’s image from a faceless, tasteless corporation to a company that cares about the community and environment. Showcasing shared values and efforts allocated to these causes are a great way to trigger emotional activity and empathy. The ad itself goes beyond the traditional go-buy-this-now consumer activation (which rely mostly on memory through repetition), and into something much more meaningful.
2.3 Neuropsychological Video Processing

2.3.1 Cognitive Functions

So far it is determined that given a limited time frame (usually between five and thirty seconds), a written or illustrated advertisement is no match for a video insert in terms of generating emotions and triggering the human memory, conscious or sub-conscious. But what happens in the brain during those valuable seconds?

Liraz Margalit from Psychology Today\(^\text{16}\) explains that video processing is about 60,000 times faster compared to text processing (as Dr. James McQuivey referred in the introduction), and people are aware of that. Thus, people tend to “choose the easier route”. Furthermore, we are hardwired to avoid demanding cognitive strain if possible so most likely we will choose to watch a video than read about it.

Reading is active, Margalit says. That means that we use energy and cognitive functions to read and process the text and create images and thoughts in our mind and the real activity is keeping our focus on the task at hand. It is very much manual labor compared to watching – and the emotional side is definitely not so easily triggered. Reading is more about thinking which means that the cognitive processors especially in the left brain are working hard.

Looking at still images is somewhere in between reading and watching video. The eyes analyze pixels, sends the “raw data” to the brain (the visual cortex in the back of the brain, to be exact), which breaks down the image for different processors into shapes, angles, colors, faces etc. and then reconstructs the “bigger picture” in the mind. Sure, the brain processes images faster (“one image = thousand words”) but it still requires activity from the viewer, to a degree.

MIT neuroscientists have researched that the human brain can process entire images that the eye sees for as little as 13 milliseconds\textsuperscript{17}. Some previous studies have suggested a minimum time of 100 milliseconds. According to Mary Potter, the senior author of the study, this indicates that the human vision is constantly trying to find concepts while the brain is processing the data and trying to understand what we are looking at.

The speed of the cognitive processing is necessary because the human eye shifts its gaze three times per second. Potter explains: “The job of the eyes is not only to get the information into the brain, but to allow the brain to think about it rapidly enough to know what you should look at next. So in general we’re calibrating our eyes so they move around just as often as possible consistent with understanding what we’re seeing.”

Processing an image could be referred to as smashing a bottle to the back of the head. Processing video, however, would be more like smashing 30 bottles per second to the back of the head.

Watching video is therefore passive, quite a “brainless” activity from the viewer’s perspective. It requires much less concentration and is more of an automated process. Here, the right brain will most likely assume control and all the receptors connected to feelings and emotions are standing by to make the viewer feel something – and to get emotionally attached.

2.3.2 The Mirror Neuron Mechanism

Margalit introduces the concept of the mirror neuron mechanism, a key neurological activity of emotions – empathy, to be precise.

A mirror neuron is a neuron that fires completely automatically not only when we perform actions on our own, but also when we observe others perform actions. The mirror neurons mediate the information from the neural receptors to the right brain – where emotions are triggered. The basic idea is that the mirror neuron converts the information as the viewer would be part of it, even though one is only watching from the sidelines. Thus, it is possible to feel empathy without any physical involvement in the action. When witnessing someone hitting their toe on a piece of furniture, the viewer knows exactly how

the person feels and can more or less relate to the agony. This same phenomenon works with both pleasure and pain.

The mirror neurons also work on elements seen on a screen. Margalit claims that there is no difference between what is seen in real life and what is seen in a cinema, for example. Whether it is seeing a character lose a loved one or seeing a hero beat a villain, the mirror neurons convert the incoming transmission as the viewer would be part of it, and that’s what makes people feel emotions at the cinema and empathy for characters.

Using fMRI, neuroscientists from Research Center Jülich, Germany, have confirmed that mirror neuron mechanism is involved in feeling empathy\(^\text{18}\) by studying face-to-face interaction. Put simply, recognizing facial expressions of other people triggers the mechanism and gives the ability to feel empathy.

After acknowledging the mechanism, video advertising makes much more sense. A typical example would be Veikkaus, the national lottery and game company of Finland. Veikkaus advertises every week (or even daily) about their upcoming jackpot-prizes, whether the game is classic Lotto or Eurojackpot, or smaller lottery games with a lower barrier of entry.

Figure 6. Screenshot from a Lotto YouTube spot by Veikkaus. The slogan translates: “dreaming is already half of the prize”. The spot shows ordinary Finnish people with their troubles, hopes and dreams. Whether it is coping with everyday struggles, dreaming of a new apartment, or a fancy sports car, all Finns have the ability to dream and so we have our “national hobby”, Lotto-lottery. Everyday life without dreams is all grey and boring, and dreamers never lose, claims Veikkaus with this ad.

Veikkaus has made the advertisement above somewhat complex, since the 50 seconds is packed with many different people in many different situations. The idea is that since the lottery is national, the ad should appeal to as many people as possible. While consumers cannot emphasize everyone, probably there is at least one or two situations shown in the video which anyone can relate to. These feelings of empathy are triggered by the mirror neurons which places the viewers in the exact same situations.

Veikkaus also knows how to play the game backwards. Sometimes the grand prize is so outrageous for the average consumer, it can’t really be advertised in a rational way. For example, the Eurojackpot, a similar type of lottery as Lotto, but played all around Europe simultaneously. The mathematical chance of winning is ever as slim as in Lotto, but the grand prize can reach up to 90 million euros. This number is so astronomical, that Veikkaus launched a different kind of campaign.

In this advertisement, an elderly, almost cartoon-like American billionaire (called Orson Lockwood III) makes fun of the European Jackpot-lottery, claiming that the prizes are tiny and not worth the time or effort. A Finnish consumer cannot possibly see him/herself in a similar situation, living in a mansion with servants and butlers, going around telling everyone how insanely wealthy they are – a Finn simply would not act in such a manner. That’s why consumers cannot relate to the rich elderly gentleman, and that’s exactly the point of the ad. This strange, incomprehensible behavior makes for a great contrast compared to the earlier Lotto-advertisement, because the possible Eurojackpot rewards are from another league. The viewer is not supposed to feel empathy towards the character, nor picture him/herself into his situation.

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Figure 7. Veikkaus Eurojackpot -advertisement\textsuperscript{20} introducing Orson Lockwood III, an “obscenely rich” man who laughs at people who want to participate in a lottery with so small prizes (from his perspective). The mirror neuron mechanism will not trigger any empathy movement for this character. The ad’s slogan goes: “An obscene amount more than you’ll ever need”.

Figure 8. Unicef Sweden\textsuperscript{21} addresses the issue of social media and charity work. The older brother Rahim, 10 years old, explains that he fears that one day he will get sick.

\textsuperscript{20} Veikkaus, 2016. Eurojackpot: My name is Orson Lockwood III. Available at: https://www.youtube.com/watch?v=7z9xT6JUZsl (Accessed: 30 October 2016).

like his mother did, and he wonders who will then look out for his younger brother. He believes that everything will be all right, because the number of likes on Unicef Sweden’s Facebook page is increasing.

Speaking of empathy, Unicef Sweden has a clever way of utilizing empathy to promote its charity work with a video insert. While most of consumers cannot relate to the poor young brothers who have no access to medical services, most can relate to the phenomenon of collecting *likes* on social media “for a good cause”, although it rarely has any effect in real life. Unicef Sweden reminds the viewers that liking things on social media is not a sufficient action to help people in need.
2.4 Case studies

In this section, we will look more deeply into five examples of popular YouTube commercials shown in Finland between 2014 and 2016.

2.4.1 “Josephine” by Felix ketchup / Orkla Foods

In January 2016, Orkla Foods launched an advertisement for its Felix ketchup, a well-known brand and product in Finland. Felix’s slogan translates roughly to: “Felix knows the Finns’ taste”.

The 45-second clip shows a young Finnish woman, Josephine, who tells about things she enjoys, like autumn colors, Finnish countryside and most of all, fishing. She tells that it’s not about actually getting fish, but the feeling and state of mind that finds while doing it. She also refers to being a Finn by using phrases like “us Finns…”. Sounds like any typical young woman with a hobby.

But this particular ad is different: Josephine is dark-skinned.
After the ad was published, a group of people soon declared publicly a downright boycott for all Felix products. Yet another racist phenomenon was born. It seems a certain type of people with somewhat racist tendencies (and a low barrier for social media use) could not possibly tolerate the idea of a dark-skinned woman representing Finns. The results could be seen on Facebook, Twitter and several discussion forums quickly, with claims such as: Felix has embarrassed itself and humiliated “real Finns”, very inappropriate use of the n-word, Felix can go f--- themselves, no Felix product will be bought to our household ever again, etc.…

In this age of social media, some people have a tendency of saying horrible things in the name of free speech and gaining attention; things they probably wouldn’t say to anyone’s face. Why is this?

Keith Wilcox, assistant professor of marketing at the Columbia University and Andrew T. Stephen, assistant professor of business administration and Katz Fellow in marketing at the University of Pittsburgh published a study on social media behavior. The study claims that social media users who are focused on their close friends (or group members) often experience a momentary increase in self-esteem, which reduces self-control. People associated with groups of strong opinions (in this case, prejudice and downright racism). According to the study, feeding these ideas with supportive posts, tweets and likes, makes the authors feel better about themselves and also the fellow idealists. There is a social type of need which is being fulfilled by social network activity. These needs can be traced to emotional instability, so basically the activities’ purpose is to “repair well-being after negative emotional experiences”.

The fact that one of the original insult/boycott tweets against Orkla Foods was posted by a founding member of the Rajat kiinni! -group, a notorious right-wing social media group

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with very strong disapproval of immigration and taking in refugees, supports the claims by Wilcox and Stephen.

It can be determined that for a certain group of individuals the ad in question has indeed created a negative emotional experience, to put it mildly. Furthermore, for this group, the idea of the commercial is perceived as repulsive. Unfortunately for the public majority, the channel of repairing well-being is offensive use of social media.

One could argue that the timing for such a commercial is bad, since immigration, discrimination of refugees and right-wing group activities have been a hot topic in Finland for years. On the other hand, isn’t now the best time by all means to promote solidarity and compassion?

One person from Orkla Foods decided to take a stand:

Figure 10. Screenshot from a public Twitter conversation between Orkla Foods Finland and three upset consumers. Rough translation:
Consumer 1: “How, Orkla Foods, are you going to support yourself and your families (referring to a previous tweet insulting Felix and declaring a boycott)?” Consumer 2 replies: “I switched brands… no Felix products to this household neither!”. Orkla Foods replies to everyone: “We don’t mind!”. Consumer 3 replies in the end: “When you are more interested in politics rather than sales then good bye (...)

Orkla Foods Finland’s tweet was posted by Emma Vironmäki, the company’s communications and CSR manager. In an MTV news interview, she explains that when the original insult/boycott tweet was posted on late Saturday night, she initially thought it might be better to ignore such foul comments, but on Monday morning after feeling “horns growing from her forehead”, she decided to take action on behalf of the company, and dismiss these acts of racism. With only three words, Orkla Foods declared they would not be bothered by people boycotting their products on prejudicial purposes. Emma claimed afterwards that she didn’t care if she would lose her job over that tweet, but she was determined that such behavior should not be tolerated.

This caused yet another social media storm, with people taking sides for and against Orkla Foods. Many wondered, why on earth a food company would hang on to their values while at the same time a boycott is spreading.

After the incident, the negative comments kept on coming but on the other hand a large group of people expressed their support towards Orkla Foods and the Felix brand, and because of exponential “growth” (meaning shares, likes, retweets, media coverage etc.) the tables of social media were turned in favor of Orkla Foods. People posted pictures of Felix ketchup bottles and other products in their homes and in their refrigerators to show their support.

Another marketing campaign and a slogan was born:

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Orkla Foods continue to use the slogan, and has for example printed t-shirts for promotional purposes, and as a reminder of the incident.

2.4.2 Cause and effect

It is established that advertisement indeed provoke feelings among consumers, but what exactly happens in the brain during this process?

Referring to chapter 2.3.1 Cognitive Functions: First the senses pick up the activity what happens in the outside world. An image is processed in the back of the brain, or in the visual cortex, which breaks down the shapes, angles, colors, faces etc. With video, the processing is exponentially faster, the brain receives a substantial amount of information,

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but it also filters at the same time. That’s why video is a good channel for delivering content-rich messages, but subtle details will be lost. Motion picture grabs the viewer’s focus more effectively than still images, because more data from different receptors (or senses) is simultaneously sent to the visual cortex and cognitive functions are working harder.

Using a video showing a sad short story, Paul J. Zak of Claremont Graduate University, Center for Neuroeconomics Studies and Department of Economics, explains in a study\(^\text{26}\) that during this process, two interesting neurochemicals are produced: cortisol and oxytocin. Cortisol (also known as “stress hormone”) encourages us to focus on what’s happening – this is linked to distress. Oxytocin, on the other hand, is linked to caring, empathy and connection (which links to the mirror neuron mechanism). In the study, the combination of these two neurochemicals caused the test subjects to feel empathy and were willing to donate money in charitable purposes. This mechanism can be used for less noble purposes as well. Zak says: “Our results show why puppies and babies are in toilet paper commercials. This research suggests that advertisers use images that cause our brains to release oxytocin to build trust in a product or brand, and hence increase sales.”

The same logic of increased sales also applies to social media: the likelihood of liking, commenting and sharing the clip is increased via release of oxytocin.

2.4.3 “Engineer speaks about sex” by Helen

In 2015, the Helsinki Energy Company changed its name to a more modern Helen. The company is owned by the city of Helsinki. Related to this rebranding, they launched a campaign with André Wickström, a popular Finnish comedian. For this series of ads, a fictional character was created: Yrjö Uusivirta, a stereotypical engineer and “a new face for a major corporation”. Unlike the actor Wickström, Yrjö is not at all a showman, but a man of science, math and calculations. Speaking in so-called “rally-English”, he tries to tell the viewers fun facts about electricity, how its consumed, where it comes from and

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how it’s made. In these ads, the showcase never goes as planned since Yrjö has a tendency for major side railing and usually ends up arguing with a very embarrassed director, an American who cannot comprehend what’s going on in the engineer’s mind.

Figure 12. Screenshot from Helen’s sitcom ad “Engineer speaks about sex”. The purpose of the ad was to humor the audience with a presentation that goes steadily into pure awkwardness – so that eventually talking about sex is turned into actual information about gathering and re-circulating “waste heat” that is produced by households. In the end, some facts and figures are shown about how much energy the human body produces in an hour.

According to Kauppalehti, this particular ad was the fourth most watched YouTube-commercial in Finland in early 2015. The ads were so popular that Helen turned the campaign into a three-episode online sitcom, called the Yrjö show. The show received positive feedback, with many people wondering, how come no one has made decent comedy from awkward situations in the workplace before? The show was inevitably compared to The Office, a hugely popular TV-show with a sort of similar idea.

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Sanna Jääskeläinen, Helen’s communications manager, stated in a Kauppalehti interview\textsuperscript{29} that they wanted to send a different kind of message through social media channels and that traditional advertisement would not have been very effective with the rebranding process. The ultimate goal was to strengthen the Helen brand outside of the capital area, since it is one of the largest electricity companies in the country. \textit{The Yrjö Show} was first more of a sideshow related to the main campaign, but after gaining popularity became the headline of the process. The ad campaign has won several media awards ever since.

\textit{The Yrjö Show} was created by the advertising agency N2. According to the copywriter Pertti Pällijeff, all scenes were scripted but there is always room for improvisation for professionals such as Wickström and starring comedian guests such as Ali Jahangiri and Stan Saanila. The beginning point was that people are not interested in typical messages made by energy companies, so they created another kind of approach through comedy. While Finnish energy companies are perceived as boring, Helen wanted to make themselves more “hip and cool”.

Why is humor a good choice for building brand awareness, and advertising in general? Graeme Galloway of La Trobe University, Bendigo, reports in an issue of \textit{Psychology & Marketing}\textsuperscript{30} that from the billions of dollars spent on national advertising yearly (in America), as much as 30\% is used on the placement of humorous ads. It is common knowledge that people like ads that are humorous and that they influence our senses of attention, comprehension, persuasion, attitude, memory and compassion (or liking). For most consumers, a funny ad is more involving and engaging than a non-humorous ad.

Humor is also a great way to “distract” the viewer with a brief moment of entertainment, instead of for example counter-argument. This leaves the viewer with probably more positive associations with the brand of product in question.

Galloway also refers to the incongruity-resolution humor in comparison to nonsense humor, concluding that incongruity advertising is more likable. This means that ads which


may be funny but not connected to the brand or products are not very successful. Incon-
gruity, a mismatch between an element in the ad and an intentional disturbance to the
viewer’s cognitive system, instead guides the viewer out of the traditional realm of humor
but still connects to the product or brand despite its absurdities.

The Yrjö Show does exactly that, because the creators were bold enough to use incon-
gruity as the choice of humor. Its main character is a funny person with a slightly twisted
sense of humor, who works for a seemingly boring, unimaginative corporation. These
two factors seem unrelated on first sight, but yet they relate. This is an important state-
ment from Helen that they did more than just changed their name to something more
trendy.

Some brands and institutions with an old-fashioned or downright boring reputation some-
times use seemingly desperate measures to “liven up” their brand, and it is certainly not
an easy task for marketers and designers to create an effective campaign to turn things
around. Based on the popularity alone of Helen’s campaign, they have earned their
prizes.

2.4.4 Episode 3: Sexual harassment

However, the campaign was not entirely fun and games. One episode of Yrjö Show was
about sexual harassment in workplaces. In the episode, Yrjö behaves badly around other
colleagues and makes rather questionable remarks of other people, thinking that he him-
self is only “acting normally” and doing nothing wrong. On the contrary: he thinks he’s
being funny. He also makes remarks referring to “payed women” – or prostitution.

While the purpose of the ad was to raise awareness that sexual harassment is wrong
and unacceptable, still Helen received an objection from the Finnish Chamber of Com-
merce’s ethical council of advertising. In the objection\(^{31}\), the council states that the style
of advertising is based on the normalization of sexual harassment. While the council
recognizes Helen’s *bona fide*, the execution has been contrary to good taste. Even
though the entertaining ad itself is not selling anything, the video is still made in a mar-
keting and brand advertisement purpose, so it is not granted any varying freedoms.

at: http://kauppakamari.fi/statement-archive/men-192016-seksuaalisen-hairinnan-esittaminen-
The ethical council has indeed been keeping a close eye on the bigger Finnish brands. In July 2016, Rovio was under review for its video ad of *Angry Birds 2*-mobile game, where live-looking pigs were being bombarded by exploding birds on a beach. The council pointed out the question whether actual animals were harmed during the filming, although Rovio got the all clear after establishing that most pigs were 100% animated and no live animals were harmed in any way. The use of real looking animals was for boosting ad effectiveness, but it was still treading on the border of advertising ethics.

2.4.5 “Revenge” by Supercell

In 2015, the second most watched YouTube ad in Finland was made by Supercell, a well-known Finnish mobile game company. In fact, it was the most watched YouTube ad in the world that year. Supercell is used as a prime example of a startup company that skyrocketing in just a couple of years. Founded in 2010, the company was acquired by the Chinese giant Tencent for 8,6 billion USD in 2016. Supercell’s top products are mobile games such as *Clash of Clans, Hay Day* and *Boom Beach*.

*Clash of Clans* is considered the most significant of these. According to Nathan McAlone in *Business Insider*, it generates an incredible 1,56 million dollars in revenue every single day, over 40% more than the runner-up mobile game. The game generates revenue through its so-called “freemium” game model, where the game itself is free to download and play, but in-game purchases provide the player with significant benefits. The hook is in the players’ impatience, as McAlone explains.

The ad in question was very ambitious and unheard of from a Finnish developer, because it was aired during the Super Bowl in February 2015. While the Super Bowl had

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118.5 million viewers, the cost of a 30-second ad was a whopping 4.5 million dollars. “Revenge” being a full minute clip, the ad cost nine million dollars\(^{35}\).

The ad is a combination of A-list Hollywood superstar charisma and the struggle of everyday life. The setting is in a coffee shop, where Liam Neeson, aka. “AngryNeeson52”, has just lost a battle in *Clash of Clans* against “BigBuffetBoy85” and he sure is not happy about it. He assumes the persona of one of his most famous movie roles, retired CIA operative Bryan Mills from *Taken*. He makes some no-nonsense threats to the other player using the quotes from the movie. The ad is a showcase of how a simple game can ignite such intense rivalry.

![Clash of Clans: Revenge (Official Super Bowl TV Commercial)](image)

Figure 13. Screenshot from Supercell’s “Revenge” Super Bowl commercial\(^{36}\) starring Liam Neeson as an angry player who swears to avenge his defeat in the mobile game.

The appeal of the ad is created by several elements:

a) Celebrity marketing is an effective but expensive tactic for creating brand associations. They do not need to be world-famous, only known for the target audience. But since the subject is a globally distributed mobile game, a seasoned international Hollywood star is a good choice. More importantly, the actor is not

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a simple endorser of the product (which is considered a bit outdated and too obvious) but is able to bring so much more into the one minute clip. In another perspective: would the ad be effective if instead Neeson was just holding his phone, smiling to the camera and said “download this game now”? Celebrity marketing is risky, because if the advertisement is ineffective, the expensive celebrity partnership will have gone to waste. High risk, high reward.

b) Incongruity (to a degree): for a regular consumer, it might seem absurd that such a megastar would spend his time playing a simple game in a coffee shop. Furthermore, that he would get so profoundly angry because of losing a battle. These oddities are the hook that grabs the viewer’s attention, and paves the road for the ad’s message to go right through the consumer’s brain into processing.

c) Mirror neurons: Everybody knows what losing feels like, and for especially competitive personas, it turns the neural systems on angry-mode. Since the viewer can overcome the incongruity of the ad and believe that even a Hollywood star could be playing the game just like anybody else, the viewer is able to place their self in the actor’s position and reflect on his feelings. Disappointment, anger, revenge, these are powerful but non-complicated feeling which can be easily empathized.

d) Humor: While the ad itself is in no way cheerful or happy, the irony is. In the movie Taken, Neeson’s character makes similar death threats to the kidnappers of his daughter, whereas in Supercell’s ad no one is in actual danger. And yet Neeson is capable of replicating similar facial expressions and voice tones in a completely different setting, so even if the viewer is not familiar with the movie, Neeson’s intentions do not remain unclear.
3 Why is emotionalized content in online video important to building a relationship between the company and the consumer?

3.1.1 Intangible Factors

Nowadays, the focus is not on the product or service itself, because there are so many choices in each category. Instead, the focus is on the relationship between the consumer and the brand, the values they share and the emotions that are communicated to engage the consumer.

Domenico Consoli of the University of Urbino refers to emotions as a universal language in his article, regardless of time, place or culture. Emotions are an immediate response to the set of stimuli perceived with a cognitive assessment as the conduit in between. Consoli divides purchasing behavior into two needs:

a) Functional needs, which are satisfied by the functions of the product and;

b) Emotional needs, which are satisfied by the psychological aspects of product ownership

Consoli supports the feelings-before-facts approach, since he claims that for the consumer, desires are more important than needs for providing consumer pleasure.

Because the available products are so similar, the intangible factors created by mental images, emotions and resulting brand associations are the methods of diversification.

While Consoli is not specifically referring to video marketing, logically these effects would be magnified using video, since it works very well with our perception and cognitive processing. While consumers have less time and interest towards reading, visual cues are the channel of choice.

3.1.2 Application of Theory for Different Brand Categories

A large study of Belgian TV commercials was conducted in order to establish whether emotionalized advertising content had a similar effect on brand evaluations in different categories\(^{38}\). The study supported the established claim that ad-evoked feelings exert a substantial influence on brand attitudes, with correlation that positive ad-evoked feelings lead to the liking of the ad, which leads to a favorable attitude towards the brand.

Meanwhile, the study shows that positive ad-evoked feelings work better with fun (hedonic/experiential) products and services rather than functional (utilitarian) ones.

This outcome implies that there are no product-specific category limitations to the effect of ad-evoked feelings, but for best results the method should be emphasized with products that have hedonic/experiential motives.

4 Predictions of Upcoming Phenomina

Based on the gathered information, the following section introduces relevant upcoming trends and what to expect from online video advertising in the near future.

4.1.1 Internet Is the New TV

Many factors have contributed to the rising popularity of watching internet-provided content instead of television. These factors include access to wireless technology, connections, devices, service providers and the culture of on-demand content which consumers have grown not only to prefer, but to expect. Consumers don’t want to be bound anymore by television network schedules (except for maybe the news or other live broadcasts) but would rather choose what, when and where. This on-demand style of service providers can be related to the concept of instant gratification, which, in theory, should prepare the consumer to be more receptive and focused on the content at hand.

Internet is becoming the new TV since an increasing number of brands are producing content in an episodic fashion and on regular timeframe.

Speaking of live broadcasts, the popularity of online services such as Periscope by Twitter or Facebook Live, companies can interact with their audience in real time. At the same time, the viewers will experience a sense of urgency since they know they will not be able to follow the same broadcast in real time again. There is certainly a demand for these services, since a survey made by Twitter and ResearchNow\(^{39}\) shows that 82% of Twitter users watch video content on Twitter, and 90% of views are with mobile devices. More importantly, 70% of people who watch video on Twitter, usually do not search for a specific video but discover them on the platform. This is a huge window of opportunity for any marketer since the content “finds its own way” to reach the target audience (through algorithms).

4.1.2 Every Company Is a Media Company

While it would be easy and simple to label companies the traditional way – Mercedes-Benz makes cars, Pepsi makes drinks, IKEA sells furniture, WWF preserves wildlife etc. – it is not the whole story anymore. Because online media presence has grown in importance, numerous companies are producing video content and uploading it online for people to share and more companies are joining in on the trend. It may or may not be convenient for all industries, but ignoring this phenomenon could be dangerous to the business.

Journalists have a saying that out of all the questions such as what, where, when and how, the most important question is why. As seen from case studies and statistics of most popular video commercials, companies have indeed found their why and are actively promoting it. It defines the company and deepens the relationship between the company and their customer. While the viewers’ cognitive functions are working hard and possibly the mirror neuron mechanism triggers feelings of empathy, the ad-evoked feelings may lead to more positive brand attitudes regardless of company or industry.

4.1.3 Every Employee Is a Content Producer

Some time ago, posting social media content about your workplace was not very popular. It was even forbidden in some companies. Traditionally, not much thought was put into how the working community is displayed to an external viewer, and all content producing activities were centralized to the marketing and communications department (or person).

This has changed dramatically. As an example, even the Finnish tax administration is producing online video content, through Snapchat[^40].

However, the change has been probably most visible in the recruitment business. Today, employees are encouraged to share their pictures, videos or any content about their work and working community. This has two main advantages:

a) It’s a great way to attract new talent. When the potential applicant realizes that the content is coming from within the workplace community, it’s automatically a bit more meaningful compared to traditional ways of company communications. If a potential applicant is wondering why should he/she apply, the best possible source of information and motivation comes from the workers themselves. Here we come back to the first arguments of this study about video vs. traditional advertising, where the ultimate goal would be to send the strongest possible message in the most easily consumable way.

Ongig, a software company specialized in video recruiting made a study on how much time an applicant will use on different kinds of job ads before making a decision[^41]:

Figure 14. Ongig’s chart indicating the difference in time spent by applicant on average: 55 seconds on a traditional text job ad, more than triple the amount of time on a video job ad and when the applicant plays the video, almost five times as much. Ideally, the applicant will experience some degree of engagement towards the employer even before starting the application process.

The same phenomenon can be seen in recruitment posts than with other advertising: producers know that the applicants use only a limited amount of time and effort to go through each post, so online video is an effective tool to make the most out of that time window.

b) It’s motivational for the employees, who are now not only workers, but brand ambassadors. Through employee-created content, companies have a channel for building the company brand not limited to products, values or other external factors, but also internal matters such as employee motivation, their own interpretations of company goals and an attractive working community. Obviously not everyone wants to be a brand ambassador and it cannot be forced, but for many extroverts being one of the faces of the company is an attractive thought. The viewers empathize people, not faceless companies.
4.1.4 Sales and Marketing Departments Working Hand in Hand

If not already utilized, the sales people should be asking the marketing people for video material to boost sales. With current video production technology, the material can be easily targeted for a specific customer so there is no need to put all effort into a universal one-for-all video sales pitch.

Since the current online marketing trend is to deliver the message in a crisp, compact and effortless fashion (and to avoid spamming), the video would surpass traditional email, text and still brochures exponentially in terms of effectiveness and memorization.

4.1.5 Embedding Technology Brings the Video to Us

One of the most requested features of email clients is the ability to embed videos directly to the message. The procedure is simple: the target audience would receive an email message with just a subject and very little actual text, and as soon as the message opens the video playback starts. It could be the very same video message that is on your website or social media channel, but conveniently delivered to your target market's mailbox.

The question is, should companies do this?

At least three arguments go against this idea.

a) There is a fundamental problem with taking your video away from your website or other owned channel directly to the consumer: where are they supposed to go next? If the viewer does not like the content, does not have time or for any reason is not immediately engaged, most likely the message will be archived and forgotten (probably deleted to save mailbox space). Compared to for example thumbnail-guiding to your website’s landing page, there is a huge missed opportunity right there. Keeping the video on your owned channels makes it a more permanent resource, instead of reaching out in random email servers.

b) UI and UX issues: though technically video-embedded-emails would improve user experience (a whole new level for recruitment possibilities, for example), email is personal, and most people prefer to keep it as clean as possible. A
video that auto-plays on opening the message can feel intrusive and cheap, and the probability of instant deletion and marking as spam is high. While consumers have grown accustomed to for example pre-roll ads in online videos, most would prefer to be in the driver’s seat within their personal email clients. There is a risk that may recipients dislike this kind of user experience, and would be tempted to block the sender altogether.

c) File size and connection: many popular email clients (especially business-oriented) already have limitations for maximum sizes of messages, where even pictures are not downloaded without the user’s permission, and videos are large files. Additionally, a substantial amount of mail is made, sent, received and read with mobile devices which rely on cellular mobile networks. Video files sent over this network would probably reach the limitations rather quickly in terms of upload and download speed, accessibility and storage space consumption on the devices (although the video file itself would not be transferred via email, the streaming link takes more space than conventional email in all cases).

4.1.6 Video Analytics Will Provide Contextually Relevant Videos

It is no secret that for example some email clients such as Yahoo scan email messages looking for certain keywords. A software algorithm then associates these words with relevant ads and these are then presented to the user. These are called personalized ads. If a person writes an email to a friend talking about Berlin, chances are an ad for cheap flights at the edge of the page will appear at some point. Ad engines on websites and social media work the same way.

While text recognition is nothing new, video recognition is not yet so sophisticated, but relies more on search and viewing history (YouTube) and for example hashtags. The logical next step is improved analytical software which processes the video for relevant

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associations and provides the viewer other videos of similar content. This tool is extremely useful for highly targeted marketing and provides many opportunities for successful ad placement.

4.1.7 Interactive Video

Interactive videos have yet to take off in the mainstream media, but we are not far away. There are certain technological obstacles for this, such as limitations of current video player software. Josh Speyer, the CEO at AerServ, explains that while advertisers are looking for new ways to leverage video, the technology is still emerging, field testing is low and the mobile video market is fragmented and lacking standardization. Also, the sheer amount of vendors and devices is a hindering factor.

The possibility to interact makes the video even more attention-grabbing and engaging, but also more practical; marketers may use for example questionnaires within the video in order to provide the viewer the most relevant content. Clicking an item (a pair of shoes, for example) in a video could lead directly to the online store. The use of cameras for virtual fitting rooms are already used in some stores, but we are probably not far off in using home electronics in a similar way.

This is also related to automated personalization of video, which for example Facebook already utilizes. In Facebook, the system keeps track of the users’ “friendships” and at some point, creates a unique video collage of a specific relationship, history, photos etc. This automation probably will be also used in direct marketing, with personalized video ads.

Let’s say that analytics by Puma or Adidas have collected information based on my internet activity that I’m a man and I like football, and sometimes I browse online catalogs and stores for new football boots. Imagine if I would come across a video with my name in it, showcasing some brand-new football gear, I would most likely be very entertained, but also interested and immediately engaged to the brand in question. Here, the mirror

43 Speyer, J., 2015. Mobile video ads are poised to explode—So what’s holding it back?, 21 Oc
neuron mechanism would be unnecessary since marketing automation software has already placed myself into the ad in question. This would be another example of ad-evoked feelings that would lead to an improved attitude towards the brand.
4.1.8 VR / AR in advertising

Virtual reality and augmented reality is potentially going to play a big part in advertising once the amount of content goes up and price of technology and devices go down. It will play a part so big, the industry is estimated to be worth 120 billion USD by 2020, according to Tim Merel from Digi-Capital\textsuperscript{44}.

The growing focus on AR/VR supports the theory of engagement through emotions: even with the best videos, the viewer is still a spectator, while with VR, the viewer is there. This would be the next best thing after being physically present and attending.

According to Victoria Buchanan\textsuperscript{45}, creative director at ad agency Tribal Worldwide, people don’t trust in broadcasted ads like they used to do, but want to see, try and feel before they buy. This is crucial for evoking engagement.

However, it is not without problems. VR experience is very much personal and ultimately cannot be shared, so companies would need to find a way to multiply their content coverage. One way is to upload 360° video content on social media, but the clear majority of viewers won’t have the appropriate equipment for the experience, because of current prices and availability.

Another point of view is that deep down the VR experience is about escaping from everyday reality, and many advertisements could ruin the experience. It is difficult imagining household goods advertised through VR. Another risk of VR advertising is that consumers will not forget bad experiences the same way they would forget a bad TV commercial. “Watching badly conceived VR can make you feel sick for the rest of the day,” says Patrick Milling Smith, co-founder of Vrse.works\textsuperscript{46}.

4.1.9 Multi-Channel Distribution of Content

While this thesis has had an emphasis on the biggest player in the market, YouTube, it certainly is not the only one. YouTube can be seen as a very commercial but entertaining channel, while service providers such as LinkedIn and Twitter are seen as more professional and Facebook as more personal.

Platform dependency should be avoided by companies who produce online video content, but at this point it would be foolish to ignore the service provider with the biggest number of viewers, and it would be difficult to migrate the viewers to another channel en masse. Limiting accessibility can be a hindering factor for ad success, and effectively rules out the advantages of instant gratification.
5 Conclusion

Neuropsychological studies have had a considerable impact on online video advertising development, combining elements such as visual cues for grabbing attention, emotionalized content for consumer engagement, online distribution for accessibility and social media for interactivity. A significant amount of background research and studies are available for tailoring ads to affect specific neuropsychological functions such as cognitive biases, emotions and empathy. Studies show that the consumer decision making process is more involved with emotions than logic, which provides opportunities for advertisers.

Since modern distribution channels and social media provide consumers the ability to publicly interact and communicate with the company, more emphasis has been given to brand building and image improvement with tools such as creating shared value, or CSV. As seen in case studies, the direct feedback can be very polarized and sometimes hard decisions must be made between shared value integrity and potential losses.

Emotionalized content is an effective method of CSV and promoting company values. Emotionalized content also deepens the relationship between company and consumer, since emotions are involved. If the ad-evoked emotions are positive for the targeted consumer, this may result in an improved brand attitude.

While surveys have implied no business or industry dependent limitations to the application of this theory, the effects are generally more pronounced with products or services with hedonic/experiential motives compared to functional ones.

While the popularity of online video advertising has been growing exponentially, the market has been increasingly fragmented because of the growing number of vendors, service providers, tech developers and mobile device manufacturers.
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