



TikTok Drives Advertiser Brand Value Delivering Ad Recall and Strong Call to Action

Background

Over the past decade, as users continue to migrate to digital as one of their primary sources of information, entertainment and commerce have seen a behavioral shift not only by consumers but by networks and advertisers.

While digital media consumption continues to replace digital broadcast, the vacuum of media effectiveness left by TV standards had remained unchallenged.

However, the recent advent of full screen, sound-on content applications has given rise to a number of new user and advertising trends and has impacted cross-platform benchmarks across the funnel. In this piece, we will explore said trends and discuss what this could mean for advertisers at large.

In a number of studies that Ipsos recently concluded, the finding that TikTok users are more consistently engaged has been observed time and again. This has been attributed, repeatedly to the platform's sound-on, 100% full screen format and with the TikTok community consciousness that pushes for or drives authentic, relevant and inclusive content. Seeing TikTok as a native video platform, it is able to deliver ads to an audience that is more receptive, providing higher efficacy than TV and Digital.

Summary

With the introduction of TikTok advertising in the Kingdom of Saudi Arabia (KSA) and the United Arab Emirates (UAE) in 2020, we've seen efficacious ad impact results even more promising than those of TV advertising at its prime (in the mid-2000s) and even better than Digital Advertising today.

The findings of this study confirmed that TikTok delivered higher Ad recall, greater uplift in brand awareness, and an increase in purchase intent among TikTok users in both KSA and UAE in 2020.

For Ad recall, among TikTok user, the platform delivered 59% ad recall in KSA i.e. 1.23x higher than TV advertising and 1.84x higher than digital advertising. While in the UAE, TikTok delivered 55% Ad recall which adds up to 1.62x increase than digital advertising. It is important to note here that due to changing trends, there has been less testing on TV Ad Recall observations in the UAE since 2017.

For unaided brand awareness, TikTok delivered an uplift of +6.1%, i.e. 1.11x higher than TV advertising and 1.69x higher than digital advertising in KSA. Also, in the UAE TikTok delivered an uplift in unaided Brand Awareness of +6.2% i.e. 1.44x higher than TV advertising 1.94x digital advertising.

Finally, for intent to purchase (definitely), TikTok also delivered an Increase of +6.2% i.e. 1.13x higher than TV advertising and 2.21x higher than digital advertising in KSA. On the other hand, in the UAE, TikTok also delivered an increase on Purchase Intent of +10.10% i.e. 1.87x higher than TV advertising and 3.26x higher than digital advertising.



Ipsos Findings

Historically, TV has been the most popular and powerful channel for brand building, driven by advertising. However, Ad Recall via TV advertising has been steadily declining in both KSA and the UAE, indicating difficulty in catching and retaining viewer attention. Accordingly, the decline in Ad recall from 65% in KSA in 2014 to 48% in 2020 and from 76% to 66% in the UAE between 2014 and 2016 indicates the probability that, among other reasons, breaking through the clutter is getting increasingly difficult.

This trend isn't unique to the KSA and UAE markets either, as we've also seen a decline in Ad recall across all categories and all GRP levels in international markets as well.

GRPs Across Markets from 2010 - 2020

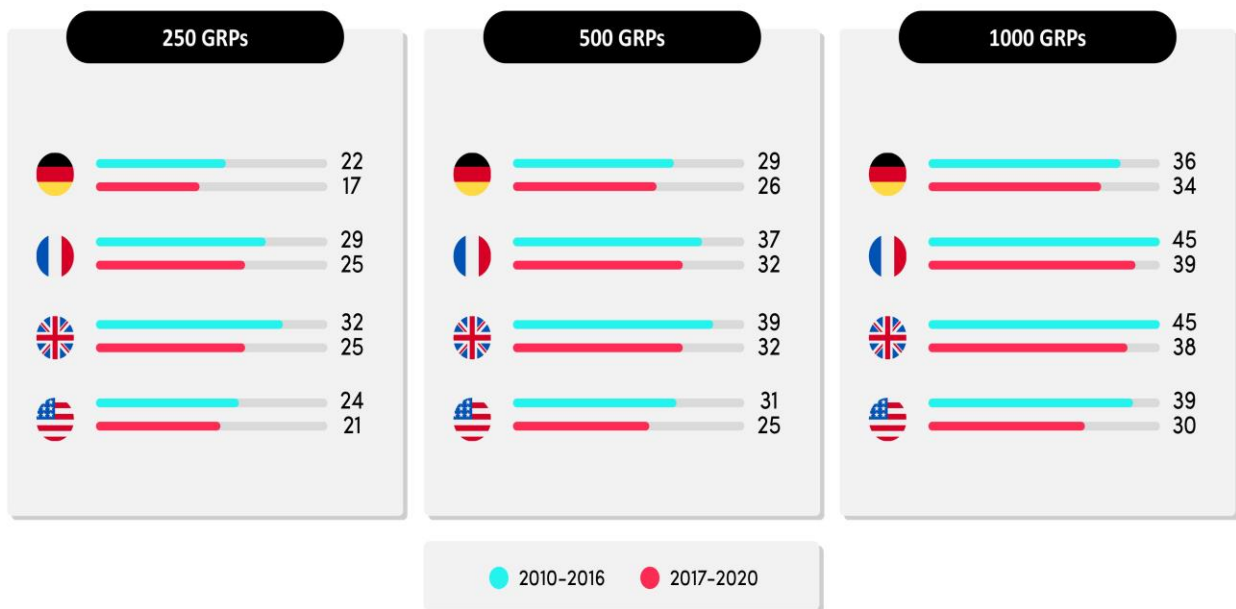


Figure 1.1 GRPs Across Markets from 2010-2020

With more and more users moving online, advertisers have followed and started shifting a greater percentage of their budget towards digital advertising. Yet, even with digital advertising driving brand building today, its capabilities have not been up to par with TV. Keeping in mind that 5 years ago, Ad recall on TV in KSA was 58% and at 66% in the UAE. Meanwhile, even today, Digital remains at 32% in KSA and at 34% in UAE (2020).

Ad Recall KSA - TV vs Digital Norms

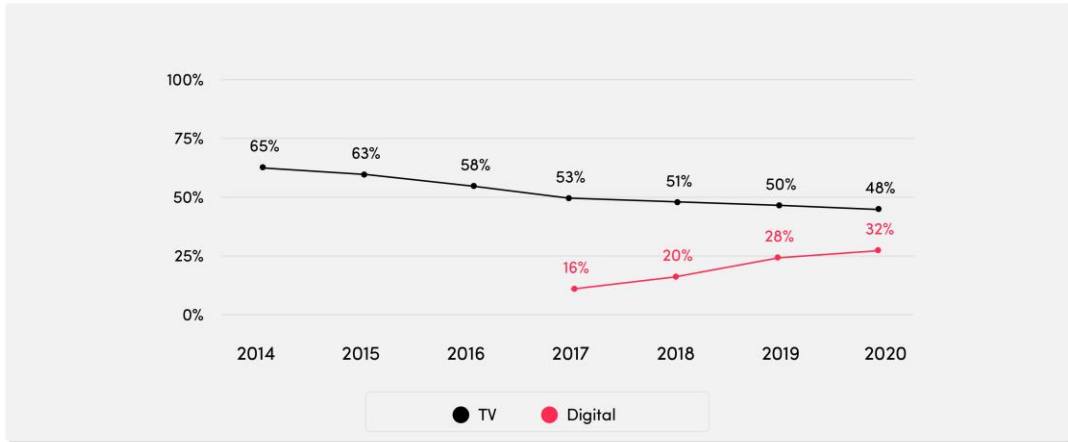


Figure 1.2 Ad Recall KSA TV vs Digital Norms 2014-2020

Ad Recall UAE - TV vs Digital Norms

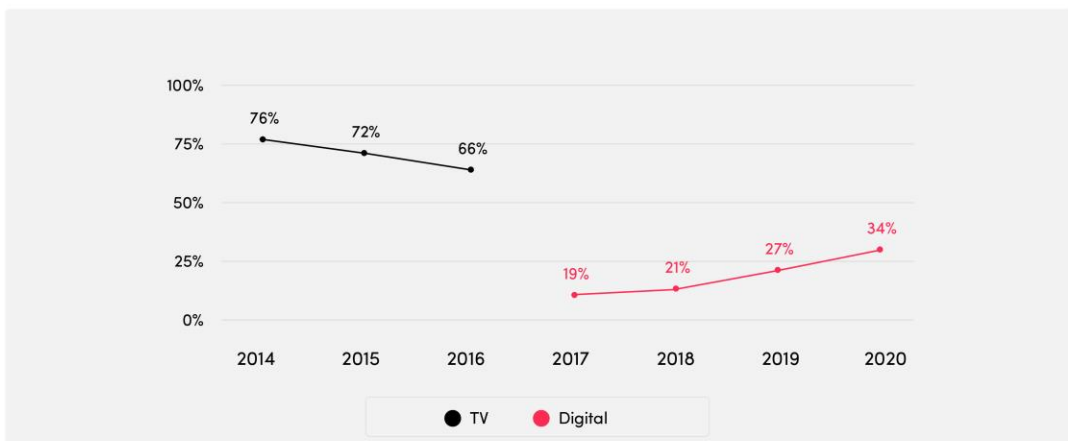


Figure 1.3 Ad Recall UAE TV vs Digital Norms 2014-2020



TikTok Ad recall is better than TV and digital.

With TikTok advertising being introduced in 2020 in both KSA and UAE, we've been able to compare Ad recall using the same methodology against different mediums i.e. TV and Digital. What we found is that TikTok did much better than either benchmark in Ad recall, a top of the marketing funnel metric.

The study demonstrated that in 2020 in KSA, TikTok delivered 59% Ad recall among users, which was 1.23x that of TV advertising at 48% and 1.84x that of Digital Advertising at 32%. And in spite of less monitoring of TV Ad recall, we also found a similar trend of increase in the UAE in 2020, with TikTok delivering 55% Ad recall which was 1.62x that of Digital Advertising at 34%.

KSA Ad Recall by Platform (2020)

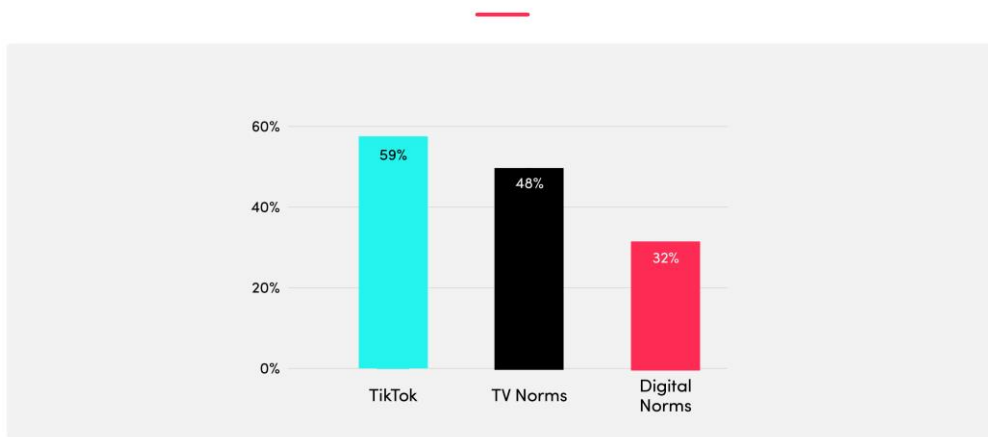


Figure 1.4 Ad Recall KSA by Platform

UAE Ad Recall by Channel (2020)

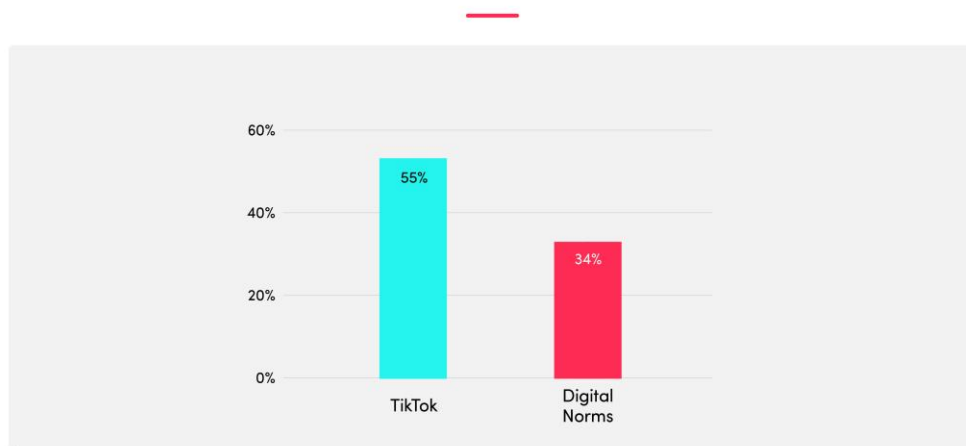


Figure 1.5 Ad Recall UAE by Channel



TikTok is helping the brands to increase attention.

As we look at top of the funnel metrics, we also notice that TikTok delivers much better results at uplifting Brand Awareness. In both unaided and aided brand awareness, TikTok delivered an average uplift of 6.10% and 10.20% respectively, which is higher than both TV and Digital. Uplift on unaided brand awareness for TikTok was 1.1x that of the uplift seen on TV (5.50%) and if we look at aided awareness the uplift on TikTok is 1.04x higher than what we see on TV (9.80%). If we compare with digital, Tik Tok uplift is 1.69x higher on unaided awareness and 1.96x higher on aided awareness

In the UAE, in particular, it was observed that unaided brand awareness uplift is delivered best on TikTok at +6.20%, while TV delivers +4.3% and Digital delivers +3.20% only. When we compare it with aided branded awareness, we see TikTok and TV are closer to par with +7.20% and +7.60%, while Digital remains below at a modest +4.20%. In the UAE, it is particularly challenging to use TV as a medium to build brand awareness, as most advertisers have gone fully digital and tracking Ad recall via TV campaigns was discontinued in 2017.

**Unaided and Aided Net Uplift and Brand Awareness
TikTok vs TV vs Digital in KSA**

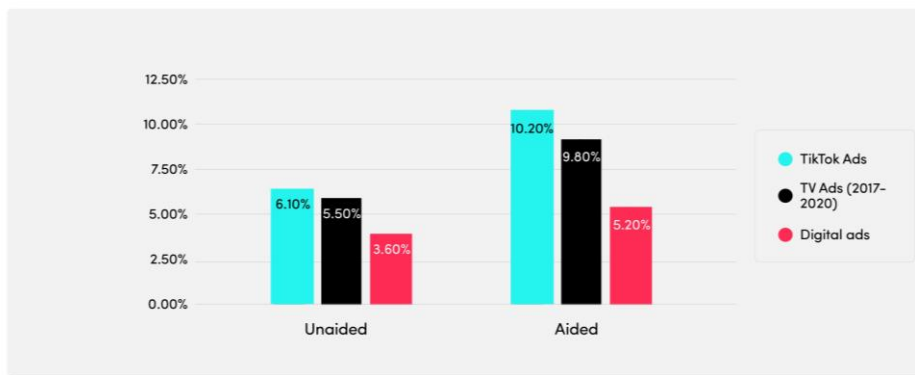


Figure 1.6 Unaided and Aided Net Uplift and Brand Awareness TikTok vs TV vs Digital in KSA

**Unaided and Aided Net Uplift and Brand Awareness
TikTok vs TV vs Digital in UAE**

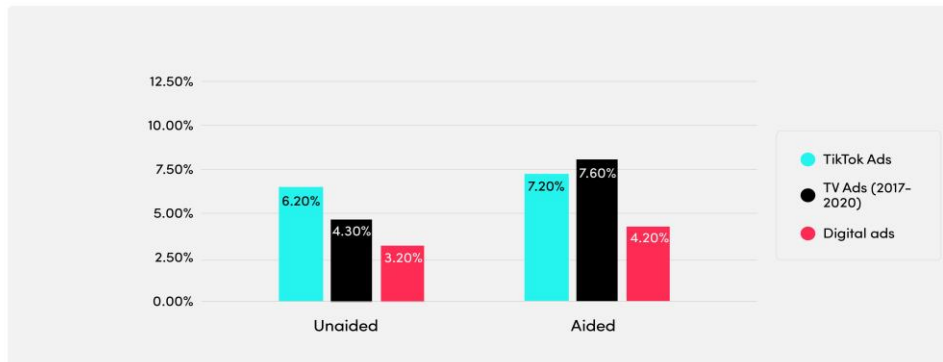


Figure 1.7 Unaided and Aided Net Uplift and Brand Awareness TikTok vs TV vs Digital in UAE



TikTok is effective and better in increasing purchase intent.

As we look at the middle of the marketing funnel to purchase intent, we notice that TikTok is currently the best marketing channel setting unprecedented benchmarks. Purchase intent is extremely important to advertisers as it is an even better indication on how likely it is that your target audience will be buying your product. It is an action that will drive a surge within your business' bottom line.

That said, TikTok has delivered the highest net uplift in purchase intent in both KSA and UAE. Purchase intent definitely saw an increase of +6.20% in KSA, which is 1.13x more than that of TV at 5.50%, and 2.21x more than digital at 2.80%.

Purchase intent also definitely saw an increase of +10.1% in UAE, which is 1.87x more than that of TV at 5.40%, and 3.26x more than digital at 3.10%.

Net Uplift in Purchase Intent TikTok vs Digital in KSA

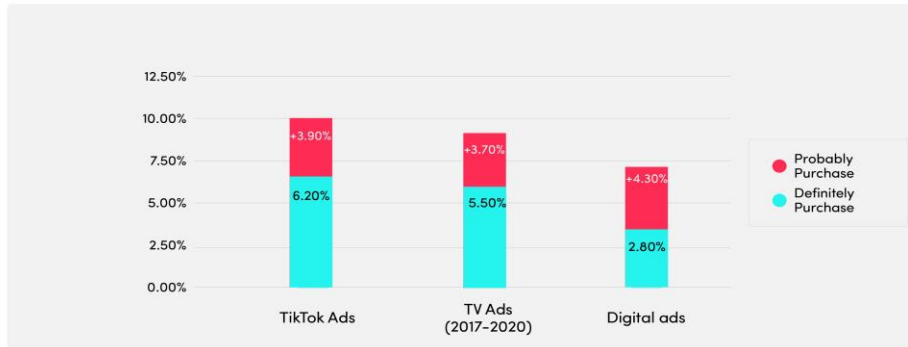


Figure 1.8 Net Uplift in Purchase Intent TikTok vs Digital in KSA

Net Uplift in Purchase Intent TikTok vs Digital in UAE

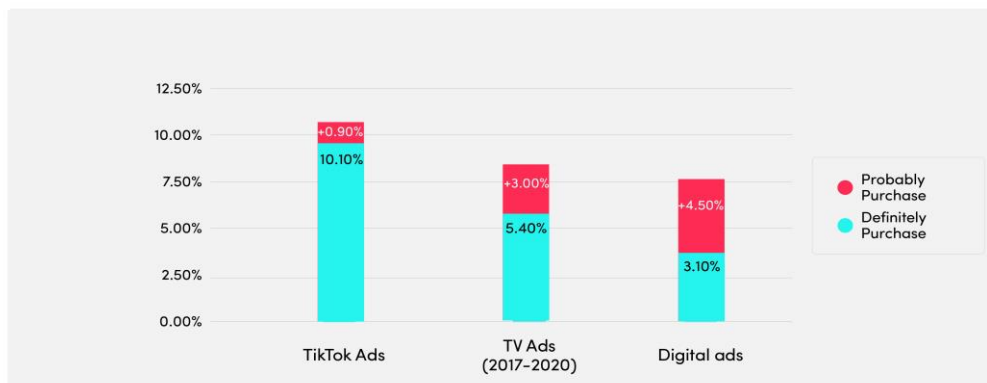


Figure 1.9 Net Uplift in Purchase Intent TikTok vs Digital in UAE



Rationale/Hypothesis

The findings of this study offer some indication as to why TikTok has been able to deliver on Ad recall, brand uplift and purchase intent better than TV and Digital among its users. We can suppose that this is largely, thanks to the short form video format, in which TikTok delivers its video and ads content in a sound on, full-screen format with minimal distractions.

We may also assume that when media is extremely cluttered, targeting broad segments at any given time while giving the viewer freedom to hop channels and, in some cases even providers, makes it less likely for them to skip or even feel interrupted by ad content. TikTok's "For You" page feed integrates ads with organic and creator content seamlessly and allows ads to target viewers based on many of their demographic and topical interests.

Even on digital platforms that are suited to longer form video, there is a higher likelihood of users skipping or removing ad content. Similarly, many other digital platforms, which may or may not be video native, are not optimized for full screen and are not sound on by default either. Comparatively, ad units also tend to be smaller and play at fixed intervals interrupting the viewers' activity. However, it may be considered for other digital platforms - that are not native video - that users are browsing with lower attention, through long social feeds, that are not optimized for video ads and tend to be text heavy and image based, with sound off as well.

Implications of the Study

For many decades, TV offered brand advertising penetration that was unmatched and even with the shift to digital the same level of efficacy had not been reached. This study confirms that TikTok can provide better efficacy than TV for brand awareness, definite intent to purchase and ad recall.

Moreover, the way that TikTok is formatted to engage lean-in user behavior - with audio on and 100% full screen for media consumption - creates an opportunity for more efficient advertising results across the funnel.

Methodology

Ipsos conducted a meta-analysis of 35 Ipsos brand lift studies, built on campaigns based in KSA and 22 studies built on campaigns based in the UAE that ran from August 2020 to January 2021. These campaigns represented advertisers in beauty, lifestyle, food and beverage, FMCGs, telecom, electronics, luxury goods, and government and civil services.

To benchmark TikTok's performance, we compared their results to Ipsos' TV norms in KSA and UAE.

It is important to note that Ipsos' digital norms were also referenced for the purpose of this study. Ipsos digital norms comprise of campaigns which are top spenders (top 30%) on digital campaigns, promoted on leading platforms.