

# From Test to Triumph

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Unveiling Snapchat's True Advertising Impact with Incrementality Experiments

## From Test to Triumph: Unveiling Snapchat's True Advertising Impact with Incrementality Experiments

Meta study across seven brands in Norway and Denmark showcases that Snapchat is effective at driving incremental business

#### Purpose

- In a complex media landscape with a big need for robust measurement to establish priorities for advertisers, this piece of research is set out to:
  - Study the effectiveness of using Snapchat as a marketing channel
  - Provide inspiration for how to measure the true value of digital media

### Context

- Digital media consumption and digital media spending has been growing steadily for many years
- Broader MMM results show, that digital media as a whole is now a larger marketing driver than offline media
- Social media has seen the largest increase in share of media-driven sales during the past five years
- Based on this, it is important to get more granular insights into the effectiveness of each channel within "Social media"

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### Findings

- ✓ Snapchat provides a great return on the media investment
- ✓ Across the cases, the results show that Snapchat adds an incremental contribution on the total sales of around 3% to 7%
- ✓ Snapchat's % of the budget can easily be increased for many advertisers
- Snapchat can be an integral part of the media mix, showing strong performance at spending levels up to 25% of the campaign budget
- Snapchat has a significant spill-over effect on other channels, especially on Search
- The spill-over effect adds up to +30% to the Snapchat effect, on top of what can be measured in-platform



### Measurement



- To identify Snapchat's incremental effect, we applied **Geographical Experiments**. Using a geographically based test and control group ensures that any nationwide factors (e.g., national TV campaigns, big promotions or holidays), which potentially could bias the results, are accounted for in the analysis
- This study covers 7 experiments conducted across Denmark and Norway in the period from October 2022 until March 2023. The study was designed to provide Snapchat with a broad range of cases across a diverse selection of advertisers in different industries

### Reflections

- 1. Meta-studies are considered the strongest possible measure of evidence-making within the research industry
- 2. To provide a broad range of cases across a diverse selection of advertisers, a holistic approach was applied to increase the likelihood of having comparable proof points that resemble as many ads as possible
- 3. As many circumstances vary across advertisers, including CLV and Profit-margins, media effectiveness should always be case-specific
- The findings highlight the risk imposed on advertisers that rely too heavily on misleading attribution models such as last-click. Having a holistic and incremental approach to measurement is important – now more than ever

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The geographical experiment helped us uncover and get a clear picture of the true effect of our Snapchat investments. Snapchat has been part of our media mix previously without us knowing exactly how much it contributed to sales – thus, this was a fantastic way to confirm that Snapchat as a media platform is indeed very effective in driving sales"

Christian Linnestad, Head of Performance Marketing **KOMPLETT**\*

The geo-lift study provided us with valuable insights into the true impact of our Snapchat investments on our skincare line No7. This project has effectively confirmed that Snapchat is an effective media platform for driving skincare product sales. These findings validate the importance of Snapchat as a strategic marketing channel and reinforce its integral role within our overall media mix for taking a position within skincare, but also for promoting specific skincare products"

Karine Blystad, Marketing Manager





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