

Introducing Channel Factory: for Scaled, Suitable, Inclusive video campaigns across Social Media

Growth Fronts - 2023



— UNSUITABLE CONTENT ERODES THE **IMPACT** OF HARD-WORKING ADS



Impact on All Tested Ads - Delta (Exposed – Control)
■ Ads in Standard Content ■ Ads in Unsuitable Content

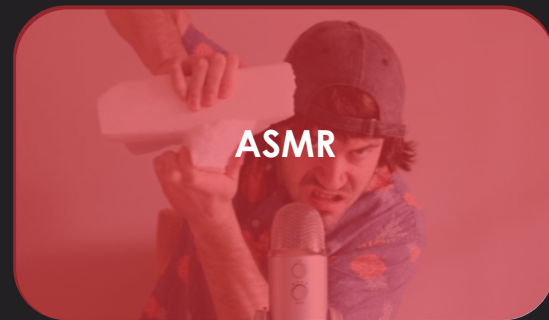


All Ads in standard content (control n=552; exposed n=540); all ads in unsuitable content (control n=1,078; exposed n=3,232)
↑ = statistically significant difference between exposed/control at >=90% confidence

— UNSUITABLE CONTENT LEADS TO
WASTED MEDIA **IMPRESSIONS**

28%

On average brands see 28%
of their media run against
misaligned content, meaning
they are not buying efficiently



— BRAND SAFETY INITIATIVES HAVE UNINTENDED CONSEQUENCES

1

BLOCK LISTS OVER BLOCK

Industry standard advertising practices can unfairly penalize content creators within various groups, including the LGBTQ+, BIPOC and API communities, as well as content relating to important aspects of the human experience, including social issues, mental health and wellness and identity.

2

INCLUSION LISTS AREN'T INCLUSIVE

Inclusion lists that are used to create creator 'lineups' on YouTube can be extremely helpful and high-performing for brands. But having inclusion lists that feature creators from all walks of life are important.

3

NEWS IS DEFUNDED

Brands are quick to block content associated with top news stories, which has a negative consequence that news and journalism are not funded

4

ALL CONTENT IS CREATED EQUAL

The internet democratizes all content. But that means that positivity and uplifting content is often seen as equal to negativity



— AND DIVERSE CREATORS AND AUDIENCES **HAVE BEEN EXCLUDED**

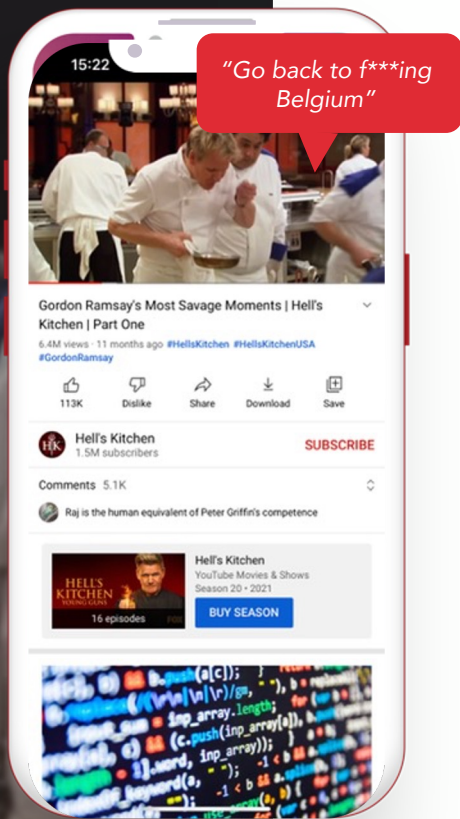
In legacy keyword-based methodologies Emmanuel Acho discussing with Barack Obama “How to Cure Racism” would be deemed “Unsuitable” and therefore blocked from both ad monetization and from being seen and heard



A close-up, slightly blurred photograph of a man's face on the left side, looking towards the right. He is holding a smartphone in his hands, which are visible on the right side of the frame. The background is a soft, out-of-focus light green color. The overall tone is professional and focused.

HOW DO WE HELP:

**CHALLENGES THAT CHANNEL FACTORY ARE
WORKING TO SOLVE**



THE CHALLENGES CHANNEL FACTORY SOLVES FOR BRANDS

1

BRAND SUITABILITY

2

CONTEXTUAL TARGETING

3

LEAD-GEN PERFORMANCE

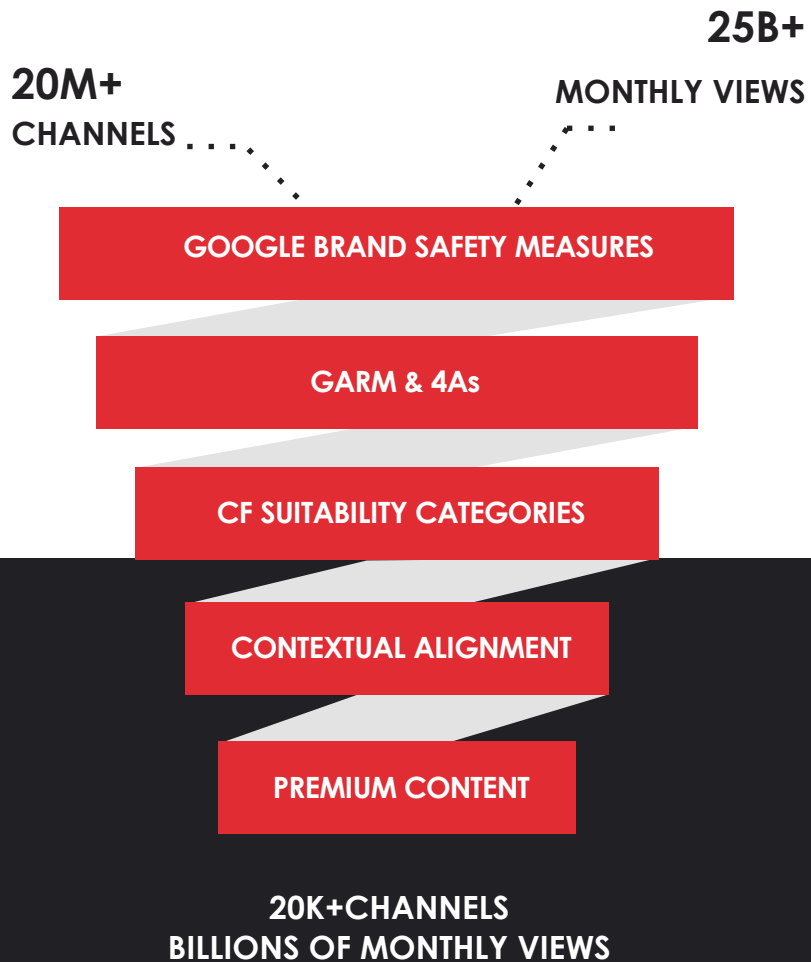
4

INCLUSION OF DIVERSE CREATORS aka
"CONSCIOUS ADVERTISING"



— EXPERT CURATION OF SUITABLE YOUTUBE CONTENT

- **GARM & 4As:** safety and suitability guidelines + 7 additional Channel Factory suitably content buckets to avoid
- **Keywords & Phrases:** Remove 10k words & phrases across 49+ languages to block unsafe content
- **Audio Transcripts:** Analyze millions of audio transcripts to ensure verbal content is suitable within a video
- **Trending Content:** Leverage viewership data like velocity, who is watching, when, view trends & subscribers
- **Content Quality:** Remove low quality content and any channels with fewer than 5k subscribers
- **Human Vetting:** Final human vetting process to confirm quality



— DEEPER CONTEXTUAL TARGETING

CHANNELFACTORY TARGETING

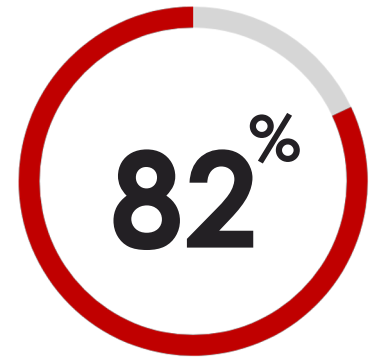
HISTORICAL BID & PERFORMANCE TARGETING

TRENDING CONTENT TARGETING

MULTI-LANGUAGE KEYWORD AND SEMANTIC ANALYSIS TARGETING

Eg. Kitchen knife vs weapon

VIDEO/CHANNEL LEVEL CONTEXTUAL MATCH



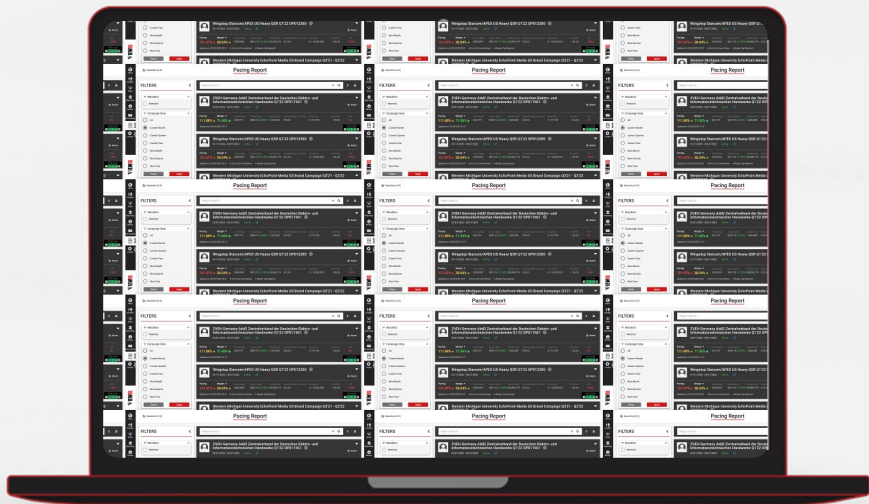
of marketers think appearing next to unsuitable content impacts a brand's reputation¹



¹ The IAB Europe Guide to Brand Safety & Suitability

GUARANTEED OUTCOMES ACTIVATION

REMOVING THE COMPLEXITY OF AUCTION



Channel Factory manages your campaign and delivers better performance than on the open auction

FEATURES:

- Hitting multiple campaign priorities and KPIs no matter how the market or auction dynamics change
 - Guaranteed CPV/CPM
 - 100% delivery of units
 - Performance benchmark of choice: View Rate, Video Completion Rate, Cost-Per-Acquisition, etc.
 - In-Demo Guarantee, verified by 3P measurement
- Real-time campaign optimizations to drives performance
- Guaranteed suitability on YouTube and transparent, detailed insights and reporting that can be accessed anytime on ViewIQ



— CONSCIOUS MEDIA IS THE CORE OF OUR BUSINESS

Introducing The Conscious Advertising Program: This program, with its suite of seven advertiser applications, is designed to redress “**block-lists that over-block**” and “**inclusion lists that aren’t inclusive**” to help create a better more equitable digital ecosystem for brands, creators, platforms and consumers



DIVERSITY



NEWS



POSITIVITY

60%

Of consumers would prefer to buy from brands who are committed to making online environments diverse and inclusive

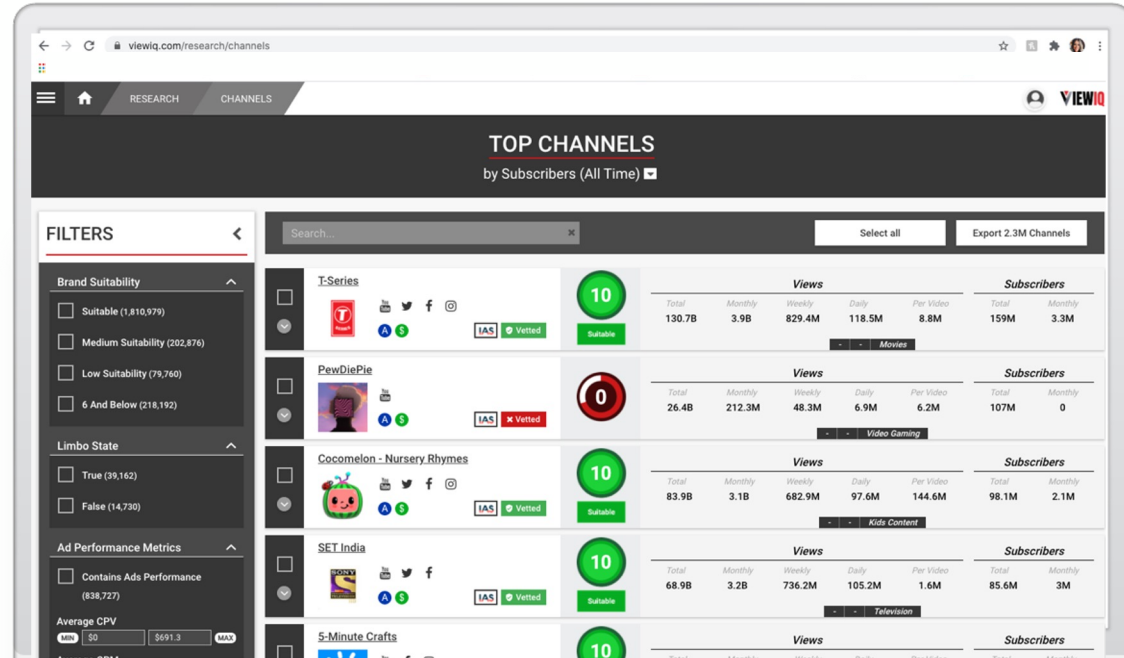




WHAT ENABLES THESE CAPABILITIES



Channel Factory's ViewIQ platform is proprietary technology that analyzes all of YouTube in real-time through creator data, audio transcripts, performance data, and human review filters enabling brands to deliver ads in the right content at the right price.



BUILD — ANALYZE — REVIEW — RESEARCH

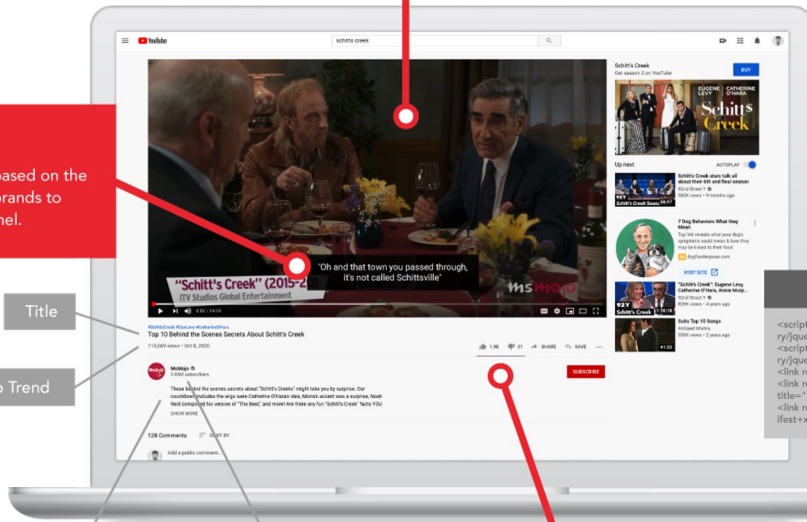
USING DATA TO BUILD SUITABILITY

Content & Creator Quality

Filter for the quality of the content and the validity of the creator. Target only high production-value content from creators with real audiences.

Audio Transcripts

Audio-transcripts allow you to select content based on the video's audio-track. This extra depth enables brands to selectively target the suitable videos in a channel.



Title

Viewership Trend

Description

Subscriber Count

Keywords

Metadata Analysis

```
<script type="text/javascript" src="includes/js/jquery/jquery.js?ver=1.12.4"></script>
<script type="text/javascript" src="includes/js/jquery/jquery-migrate.min.js?ver=1.4.1"></script>
<link rel="https://api.w.org/" href="/"/>
<link rel="EditURI" type="application/rsd+xml" title="RSD" href="/xmlrpc.php?rsd"/>
<link rel="wfwmanifest" type="application/wfwmanifest+xml" href="includes/wfwmanifest.xml"/>
```

Tags

Sentiment Analysis

Sentiment analysis helps understand whether a video is positive using the positive and negative ratio of likes/dislikes of content. 90%+ ration of positive to negative content.



— THE CHANNEL FACTORY DATA ADVANTAGE

Standard YTMP Capabilities



- Expanded access to YouTube API to gain metadata and channel data

Exclusive Channel Factory Capabilities

Channel Factory Proprietary Data

- Millions of video transcriptions and sentiment analysis in 49 languages

Proprietary Buying Engine

- Historical data and proprietary buying engine deliver efficiency and deep channel knowledge on CPM/CPV/VTR

Conscious Advertising

- Conscious and diverse channel data ensures inclusivity and enables brands to align with a more Conscious strategy



- IAS dual brand safety offered pre-bid and post campaign for verification



- Comscore 3rd party predictive audience targeting in a cookie-free environment



- Behavioral seed set of 3M+ opt-in global panel with device & seed data network



- KidSAFE and COPPA certified enabling brands to reach or exclude kid targets

— THE CHANNEL FACTORY PARTNER ADVANTAGE

As a specialist in social media platforms we are a Google certified YouTube Measurement Program (YTMP) partner; exclusive provider of ComScore Predictive Audiences on YouTube; and active members of many industry leading organizations including GARM, the WFA's Global Alliance for Responsible Media; BRIDGE; and the ANA's Alliance for Inclusive and Multicultural Marketing

PARTNERS & MEMBERSHIPS



— OUR EXCLUSIVE OPPORTUNITIES



Brings 3rd Party Predictive Audiences to YouTube inventory, ensuring brand's ads run against the right content and reach the right audience, all in a cookie-free environment

- 1,800+ behavioral audience segments like Cord Cutters, Young Moms, F25-54
- In-Demo Audience Guarantee
- Compliance like 18+, 21+



Channel Science provides streamlined brand safety, suitability, and performance from pre-bid through verification

- Dual safety layer
- The most brand safe advertisers



SUCCESS STORIES



STARBUCKS CASE STUDY

Channel Factory Safety & Suitability Guardrails, Scale, Performance



Campaign Spotlights:

“Do You” New Year 2021 Winter Retail: Highest overall view rate to date with a 57.07% VR! (Starbucks 2020 benchmarks: 49% VR)

Spring 2021 New Beverages:

Focus was on the top two devices for overall view and click performance – Mobile and TV Screens, which drove 70% of all views for Spring.

Summer Retail Awareness:

Conscious Voices activation – finding creators, communities and conversations within the AA community. This placement delivered a **62.05% VR overall!**

Starbucks 50th Anniversary: Conscious Voices was also a part of the Brand August campaign, this time focusing on **LatinX, AAPI, AA and LGBTQ+ communities** on YouTube. To date this placement is driving a **59.11% VR!**

Campaign Delivery:

57.07%

TrueView View Rate

0.15%

CTR (v)

51.76%

TrueView View Rate

0.21%

CTR (v)

56.48%

TrueView View Rate

0.41%

CTR (v)

58.06%

TrueView View Rate

0.25%

CTR (v)



↑ +10M

Over 10,376,440 store visits
driven by Channel Factory
YouTube Activations



INVISALIGN CASE STUDY



Channel Factory Safety & Suitability Guardrails, Scale, Performance

Brand Objective:

- With Reach and Awareness being a key performance metric for Invisalign, we delivered strongly in 2021 - serving Invisalign ads to over **430 million Unique Users** in total:
 - **Adults: 167,842,642 Uniques**
 - **Moms: 157,595,845 Uniques**
 - **Teens: 122,094,250 Uniques**

KPI Delivery:

- Channel Factory performed consistently at or above Google's VCR benchmark (80-90%) throughout the year, with the highest completion rates in Q1 and Q4:
 - Q1: 93.03% VCR
 - Q4: 91% VCR

Optimizations that Drive Performance:

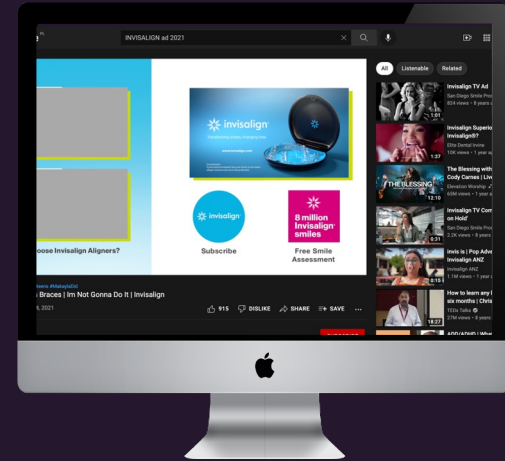
- Invisalign was quick to adapt their creative throughout the year to respond to ongoing changes with the COVID-19 pandemic.

For example, earlier in 2021 the Adults campaigns ran "Virtual Teacher" creatives to resonate with the experience of virtual schooling - then, later on in Q3 and Q4 they transitioned to an "In-Person Teacher" creative as students returned to school!

- This drove improvements in the campaign as a result, including upticks in VCR as mentioned above!

Audience Insights:

- Across all three audiences (Adults, Teens, and Moms), we saw delivery on many high-quality suitable channels fit for Invisalign's audience such as DisneyMusicVEVO, MrBeast Gaming, and Dhar Mann, while also serving on various traditional TV avenues via YouTube TV (such as ESPN, FX, and Food Network)!



↑ +93%

Video Completion Rates
beating VCR Benchmarks



THANK YOU

