

PMGUIDE

2016 PERFORMANCE MARKETING GUIDE

Video

IN ASSOCIATION WITH

Teads  .tv

The latest [IAB & PwC Ad Spend index](#) shows that in the UK alone, annual digital advertising budgets have reached a staggering £8.6 billion.

Display advertising accounts for £3.3 billion of this, with online video now taking a 23% chunk of that pie; placing it in close competition with digital stalwarts like content marketing and banner advertising.

Alongside social media, video is arguably one of the most promising and exciting formats to talk about. This is especially when considering its ties to 'native' advertising, and subsequent ability to bypass the ad blockers through a natural integration with the content it accompanies.

Video advertising continues to dig deep into budgets previously allocated to 'conventional' display ads and there are plenty of places for that money to go.

Where it's found

Many publishers have their own unique places for video advertisements to sit, although broadly speaking, advertisers usually have to choose between two options:

In-stream video – Occupying the full video player is the linear video ad, which tends to fit into the same window as the content selected by the user. Playback commences either pre, mid or post-'roll', i.e. before, during or after the clip is played.

Outstream video – Inventory of the non-linear variety includes overlays which play simultaneously with a piece of content, but without disrupting its playback.

Outstream video, the newest recruit for the IAB Ad Spend Report, has seen impressive growth over the past year. Representing 21% of the [UK's digital video ecosystem](#) (doubling year on year) this 'new kid' in the video advertising town is taking its stand in the line-up of the most sought-after formats.

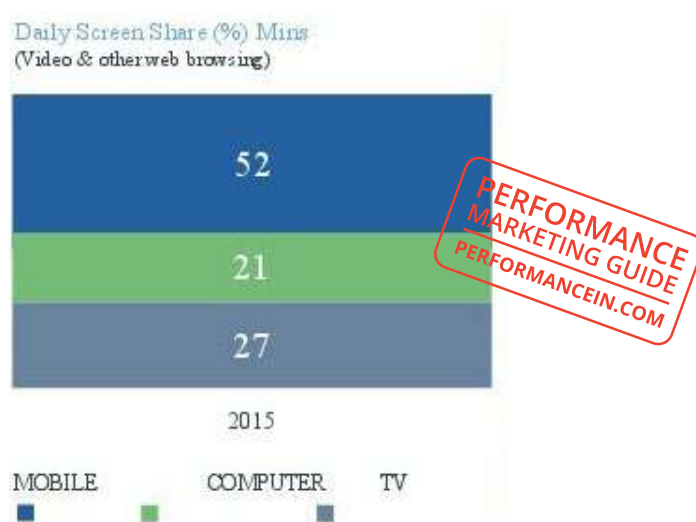
Part of the drive for the growth of outstream is down to the importance of the environment in which it is being viewed. Faced with a demand among advertisers for inventory that is intrinsically part of the user's journey throughout a site, publishers are working hard to develop formats that form part of the overall experience on offer, or the content they host.

Mobile-driven

Many things go into crafting a great video advertising campaign. In 2016, one of the main considerations for succeeding in online video, is to truly understand the mobile opportunity.

Over half of all online video views now take place on mobile devices, [according to sharethrough](#), and in 2016 Facebook is expected to sell over \$700 million worth of mobile video ads, all of which will come from 'native video' products such as outstream and in-feed.

We now live in a smartphone-driven society, consuming more online media on our mobile devices than ever before. According to Millward Brown, mobile screen share is also higher than TV and desktop computers combined.



The shift towards mobile devices means digital experiences are becoming increasingly more personal and intimate, making it paramount that advertising is as engaging and user friendly as possible.

Brands need to focus on solutions and explore the ways in which they can leverage the opportunity video brings to the table. There's still a huge proportion of online material that is repurposed TV advertising. This seems ludicrous considering Teads' own research showing that [70% of advertisers](#) plan to increase their online video budgets over the next two years.

Users will continue to filter out advertising through ad blockers if those serving it continue to deliver non-relevant and pervasive formats.

No longer can brands expect the 16:9 widescreen product to work seamlessly across every single device. Recently, though, we have seen the development of vertical and square video formats from brands; two formats which provide great impact for mobile screens.

Location, location, location

The second big consideration relates to where the user is positioned – this at a time when channels like SEO and display are making moves towards local targeting, thus moving away from the one-size-fits-all approach.

The rapid rise of mobile usage has generated a new set of signals for the media planner to utilise in order to drive effectiveness for their clients, and one of these has been the location of the user.

New technology means that brands can now apply a range of geo-location solutions to create hyper local targeting opportunities within video.

The idea of location-based outstream is still nascent, but messages regarding its importance will become evermore prevalent over the coming year.

Video measurement

When launching any video effort, attention should be paid to how success is interpreted.

TV has long been measured and transacted using the gross rating point (GRP) tool. However, with its increasingly sophisticated targeting and distribution techniques, developing a comparable universal measurement system for areas like online video is a challenge the industry is still grappling with.

The problem is, digital has brought a wealth of insights that have altered the way in which we measure our online campaigns. Digital drives interactions, engagement and social sharing in a way linear TV cannot. GRP cannot clarify the difference between exposure that is forced or not forced. This makes determining the level of viewability for a video ad very difficult.

Rather than expecting digital to slot into the traditional GRP measurement guidelines, we could, instead, bring TV into a digital, cross-screen measurement environment, providing the opportunity to track and measure a true multi-device campaign.

Recently, [comScore merged with Rentrak](#) to launch a syndicated cross-platform measurement tool that provides metrics on combined linear and digital audiences.

As an industry we need to simplify the digital measurement ecosystem and consolidate the number of providers for audience and viewability verification. We're moving into a people-based targeting ecosystem, whereby the ad effectiveness will be tracked from online to in-store, creating a truly valuable marketplace.

You can have a go at calculating your own GRP and impressions on the [Teads website](#).

Select your target audience,
enter your budget.

1 Target Audience
All 13+

2 Budget
100,000

3 Choose format
All

CALCULATE YOUR GRP AND IMPRESSIONS

Success in a cross-media world

With the multi-device era now firmly upon us, it truly is an exciting time for video advertisers and publishers alike. The creative power that video holds is pushing the boundaries of the advertising ecosystem. But we have to concentrate on the capabilities behind these tools in order to succeed.

Gone are the days of a two-screen, 'living room' environment. By 2018 the average user will own up to four devices which are in use 18 hours a day.

This can make tracking consumer behavior a challenge. For example, when users log into 'walled garden' apps, such as YouTube, Facebook or Snapchat, it creates data blind spots for marketers and limits the consumer behavior insights they can glean. Furthermore, unless users log into common services, such as their regular email account across all devices, it can be difficult to link a specific user to each and every device they own.

Still, solving the cross-device tracking conundrum will be worth it. Advertisers can target individuals as they check their smartphone in the morning, log on to their desktop during working hours, and then access content via a tablet in front of the TV at night. It offers advertisers and consumers a real storytelling experience.

Top tips for video advertising

It can seem like there's a lot to remember with video advertising, so here are a few points to bear in mind:

- 1. Engage; don't enrage** – Advertising must engage and not enrage the user. Picking a skippable format provides the vital power of choice.
- 2. Create compelling content** – Ad formats and lengths need to reflect the devices on which they are served. For instance, ads on mobile should be shorter and take the vertical or square form to fit with the screen. Teads recommends that tablet ads should not exceed 15 seconds, and desktop should work to a timescale of 30 seconds.
- 3. Think mobile first** – With smartphones becoming the UK's most popular device for getting online, advertisers need to maximise this crucial channel. For the brands that don't, there's every chance their competitors will.

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