CREATIVE BEST PRACTICES: VIDEO ADS
Agenda:

1. Background
2. Objectives & Methodology
3. Creative Best Practices
Advertisers are invested in digital video, on both Desktop and Mobile

**US DIGITAL VIDEO AD SPENDING, 2014 - 2019 (BILLIONS)**

- **YEAR**
  - 2014: $1.5B
  - 2015: $2.8B
  - 2016: $4.1B
  - 2017: $5.2B
  - 2018: $6.0B
  - 2019: $6.8B

- **Source:** eMarketer Q3 2015 State of Video Report
Consumers are also invested in digital video, especially in relation to traditional TV.

<table>
<thead>
<tr>
<th></th>
<th>INCREASE IN WEEKLY TIME SPENT, Q2 2014 - Q2 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mobile Video</td>
<td>36%</td>
</tr>
<tr>
<td>PC Video</td>
<td>7%</td>
</tr>
<tr>
<td>TV</td>
<td>-3%</td>
</tr>
</tbody>
</table>

Source: Nielsen Total Audience Report, Q2 2015
Video viewing is growing on smartphones and tablets

Increase in video watching in past year by device
(Top 2 Box: A lot/little more than a year ago)

55% **SMARTPHONE**
+60% HIGHER THAN PC/LAPTOP

48% **TABLET**
+40% HIGHER THAN PC/LAPTOP

34% **PC/LAPTOP**

Source: Yahoo Migration to Mobile Video, October 2015
The majority of video ads now run across multiple devices

US Digital Video Ad Impression Share

Mobile Only, 2%
PC Only, 40%
PC & Mobile, 10%
PC, Mobile, & OTT, 46%
PC & OTT, 2%

58% of video impressions were served cross-device

% of total campaigns served by Videology
Combining both PC and Mobile exposures led to increases in key brand metrics for the total campaign.

Overall Control vs. Overall Exposed

**Brand Metrics**

- **Aided Brand Awareness**: 85% (Control) vs. 92% (Exposed) (+8%)
- **Online Ad Awareness**: 47% (Control) vs. 61% (Exposed) (+30%)
- **Brand Favorability**: 65% (Control) vs. 74% (Exposed) (+14%)

Source: Yahoo Migration to Mobile Video, October 2015
Overall Control (n) = 991  Overall Exposed (n) = 369
Ad exposures across multiple devices is more effective than the same number of exposures on a single device.
Objective & Methodology

Video advertising is now a pillar of digital media campaigns. It is recognized as a growing type of digital advertising, and as a contributor to the decline of TV.

Yahoo partnered with Nielsen & Hunter Qualitative to collect insights related to different variables within the pre-roll and native video ad formats.

PRE/POST ONLINE SURVEY DESIGN
- N=13,600 (6,400 PC and 7,200 Mobile)
- Ages 18-54
- 50/50 Male/Female
**BEST PRACTICES**

**Larger Logos**

Logos in mobile video ads are generally small and visible for only a short time, but it’s important to make them large and clearly visible. Larger logos deliver higher brand metrics than smaller logos, and even more so for Millennials.

<table>
<thead>
<tr>
<th>% INCREASE: LARGE LOGOS VS. SMALL LOGOS</th>
<th>MOBILE</th>
<th>MOBILE (MILLENNIALS)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brand Familiarity Increase</td>
<td>+24%</td>
<td>+22%</td>
</tr>
<tr>
<td>Total Affinity Conversion</td>
<td>+17%</td>
<td>+25%</td>
</tr>
<tr>
<td>Purchase Intent Conversion</td>
<td>+9%</td>
<td>+55%</td>
</tr>
<tr>
<td>Brand Recommendation Increase</td>
<td>+33%</td>
<td>+56%</td>
</tr>
</tbody>
</table>

11.5x higher than on PC
CTA’s

Whether they are URLs or hashtags, be sure to include CTA’s in your video ads. Including CTA’s generated increases in lower-funnel metrics such as Purchase Intent and Brand Recommendation.

% INCREASE: CTA’S VS. NO CTA’S

<table>
<thead>
<tr>
<th>Metric</th>
<th>Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchase Intent Increase</td>
<td>+14%</td>
</tr>
<tr>
<td>Brand Recommendation Increase</td>
<td>+11%</td>
</tr>
</tbody>
</table>
BEST PRACTICES

Brand Anytime

Through visual brand imagery or verbal brand mentions, feel free to introduce the brand at any point in the video ad. Key brand metrics are not impacted whether the brand is introduced in the beginning, middle, or end of the video.

**VISUAL BRAND IMAGE**
(30 SEC. VIDEO)

- **First** 10 Seconds
- **Middle** 10 Seconds
- **Final** 10 Seconds

<table>
<thead>
<tr>
<th>Metric</th>
<th>First</th>
<th>Middle</th>
<th>Final</th>
</tr>
</thead>
<tbody>
<tr>
<td>AIDED BRAND RECALL</td>
<td>77%</td>
<td>78%</td>
<td>76%</td>
</tr>
<tr>
<td>BRAND FAMILIARITY INCREASE</td>
<td>20%</td>
<td>20%</td>
<td>22%</td>
</tr>
<tr>
<td>BRAND AFFINITY INCREASE</td>
<td>18%</td>
<td>18%</td>
<td>19%</td>
</tr>
<tr>
<td>PURCHASE INTENT CONVERSION</td>
<td>7%</td>
<td>7%</td>
<td>8%</td>
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Brand Anytime

Through visual brand imagery or verbal brand mentions, feel free to introduce the brand at any point in the video ad. Key brand metrics are not impacted whether the brand is introduced in the beginning, middle, or end of the video.

### VERBAL BRAND MENTION (30 SEC. VIDEO)

- **First** 10 Seconds
- **Middle** 10 Seconds
- **Final** 10 Seconds

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<th>First 10 Seconds</th>
<th>Middle 10 Seconds</th>
<th>Final 10 Seconds</th>
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<td><strong>AIDED BRAND RECALL</strong></td>
<td>77%</td>
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Align Ad Tone with KPI’s To Reach Millennials

Employ different ad tones to drive Millennials down the purchase funnel. Use Comedic ads to make them familiar with the brand, Dramatic/Emotional ads to appeal to them, and Informational ads to drive the purchase.

% INCREASE: MILLENNIALS VS. TOTAL AUDIENCE

- Brand Familiarity Conversion
- Brand Affinity Conversion
- Purchase Intent Conversion
BEST PRACTICES

Mobile Alignment

Video ads must be optimized for screen alignment. We see that **Horizontal Landscape** and **Vertical Portrait** alignments generate higher increases in affinity and purchase intent.

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% INCREASE: HORIZONTAL LANDSCAPE vs. VERTICAL LANDSCAPE

- **Horizontal Landscape**: +20%
- **Vertical Landscape**: +33%

% INCREASE: VERTICAL PORTRAIT vs. VERTICAL LANDSCAPE

- **Vertical Portrait**: +80%
- **Vertical Landscape**: +100%

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Traditional horizontal landscape video are more efficient at driving top and bottom funnel metrics including purchase intent and brand familiarity.
Mobile Alignment

Horizontal is more effective at increasing familiarity and purchase intent when compared to the relatively newer vertical portrait ads.

% INCREASE: HORIZONTAL LANDSCAPE vs. VERTICAL PORTRAIT

<table>
<thead>
<tr>
<th></th>
<th>BRAND FAMILIARITY LIFT</th>
<th>PURCHASE INTENT LIFT</th>
</tr>
</thead>
<tbody>
<tr>
<td>HORIZONTAL LANDSCAPE VIDEO</td>
<td>+50%</td>
<td></td>
</tr>
<tr>
<td>VERTICAL PORTRAIT VIDEO</td>
<td></td>
<td>+100%</td>
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# BEST PRACTICES

## Traditional Ad Lengths For Pre-Roll

Continue to use: 15/30 ads in pre-roll formats as they drive higher aided recall, affinity, purchase intent, and recommendation than 5. Increases for affinity and recommendation are even higher for Millennials on Mobile.

<table>
<thead>
<tr>
<th>% INCREASE: 15/30 SECONDS vs. 5 SECONDS</th>
<th>TOTAL AUDIENCE</th>
<th>MILLENNIALS (MOBILE)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aided Brand Recall</td>
<td>+24%</td>
<td>+22%</td>
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<tr>
<td>Brand Affinity Conversion</td>
<td>+17%</td>
<td>+25%</td>
</tr>
<tr>
<td>Purchase Intent Conversion</td>
<td>+63%</td>
<td>+31%</td>
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<tr>
<td>Brand Recommendation Lift</td>
<td>+17%</td>
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- **+47%** for Mobile Millennials
- **+29%** for Mobile Millennials
BEST PRACTICES

15 Second Native Video Ads

:15 native video ads drive greater recall and purchase intent than longer video units, following the trend seen in general video advertising.
15 Second Native Video Ads

### Tip
Consumers were more likely to fixate on :15 ads on both PC and mobile.

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<tr>
<th>FIXATION PERCENTAGE</th>
<th>PC</th>
<th>MOBILE</th>
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<tbody>
<tr>
<td>15 Seconds</td>
<td>65%</td>
<td>90%</td>
</tr>
<tr>
<td>30 Seconds</td>
<td>59%</td>
<td>67%</td>
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**Percent Difference: :15 vs. :30**

- Aided Recall: +11%
- Purchase Increase: +28%
- Recommendation Increase: +25%
BEST PRACTICES

Auto Start Native Video Ads

Don’t be afraid to leverage auto-start ads when it comes to native, as it drives a slight increase in brand affinity and outperforms user-initiated ads in recall and fixation.

% INCREASE: AUTO-START vs. USER-INITIATED

- AIDED RECALL: +51%
- BRAND FAMILIARITY: +10%
- AFFINITY: +4%
**AUTOPLAY**

- 3 Seconds

- This Movie will Carry You Away
  Four young outsiders teleport to an alternate universe, which alters their physical form in shocking ways.
  Galaxy Tour Sponsored

- 7 Seconds

- This Movie will Carry You Away
  Four young outsiders teleport to an alternate universe, which alters their physical form in shocking ways.
  Galaxy Tour Sponsored

**USER INITIATED**

- 3 Seconds

- This Movie will Carry You Away
  Four young outsiders teleport to an alternate universe, which alters their physical form in shocking ways.
  Galaxy Tour Sponsored

- 7 Seconds

- This Movie will Carry You Away
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