



Brand Effect of TrueView vs. Preroll

Meta analysis of 18 ad effectiveness experiments

Hamburg 2012

Management Summary

- 1 The TrueView format allows users to skip ads. Advertisers only pay per completed view based on an auction system (preroll: fixed CPM).
- 2 Overall brand impact of TrueView is lower than for preroll because 78% of views are skipped by the users.
- 3 Skipped views (= unpaid impressions) however still have a significant positive impact on brand metrics
- 4 This leads to TrueView being 2.8 times more effective than Preroll regarding brand uplift per paid contact.
- 5 Up to a bid of 0.04 € per completed view TrueView is more efficient than Preroll. After that Preroll becomes the more efficient format.

How TrueView works

In contrast to Standard Preroll, TrueView gives users the choice to skip the ad after 5 sec. TrueView is bought via a CPV auction. Only completed views are charged.

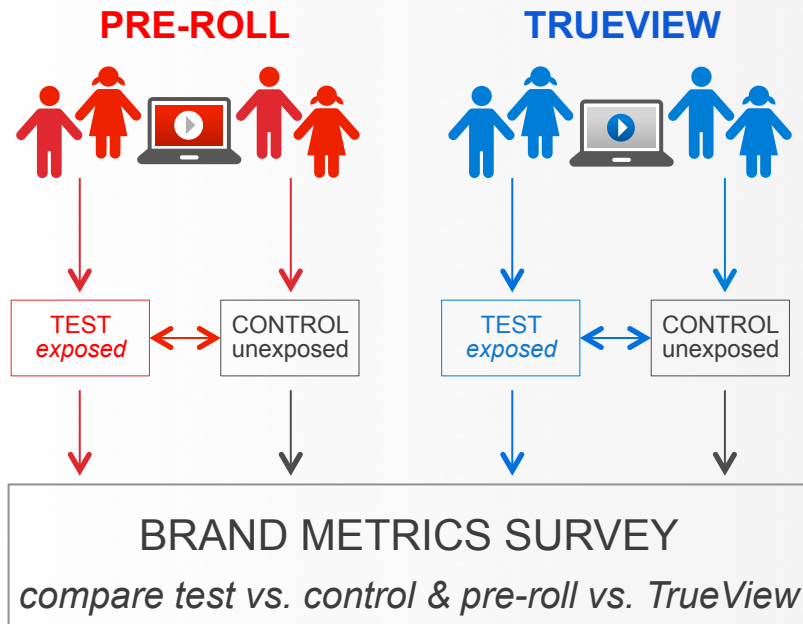
Online video ad formats on YouTube



Methodology

Brand impact of online video was analysed using randomized experiments. Each test campaign was displayed for 10 days within a panel of n = 10.000

Experimental study design



Each panelist is randomly assigned to either see **Prerolls** or **TrueView**.

By suppressing the campaign for 50% of the sample, control cells are generated.

This allows a direct comparison of KPI uplift between formats to understand which format works best for the brand.

The test campaigns



- Test campaigns were **served exclusively** to the participants of the GfK “connected life” panel
- Campaigns were served with a **maximum frequency** to each panelist
- Campaign duration was **10 days**
- **Surveys** took place **within 4 days** after the campaign

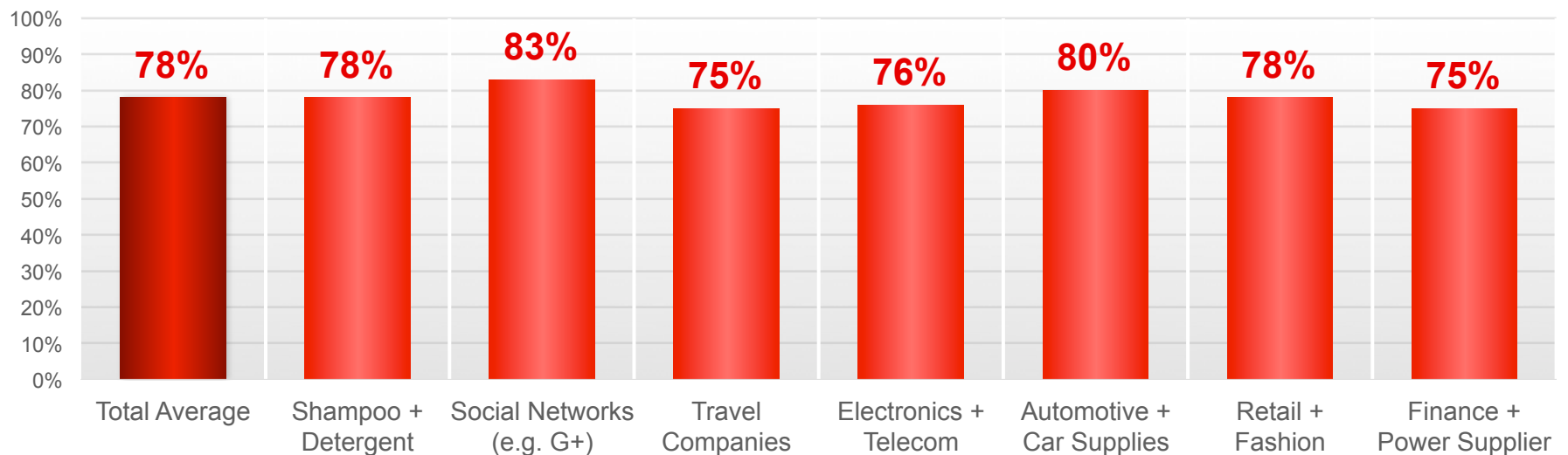


Consumer Insights from skipping

On average 78% of TrueView ads are skipped

Skip rate remains stable across industries – no matter the product

Skip rate per vertical (base: TrueView ads served)



People skip if they already know the ad

Reasons for skipping ads (stated)



65%

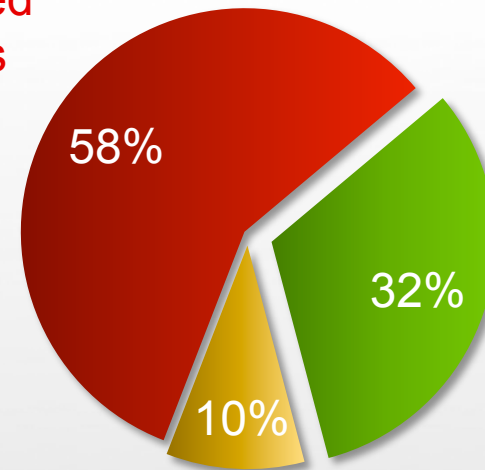
are skipping the video ad because they have already seen it

The first view is more likely to be completed

Skipping behaviour (subsample with up to 4 TrueView impressions)



skipped
all ads



watched
(at least)
1st ad

skipped 1st,
watched later



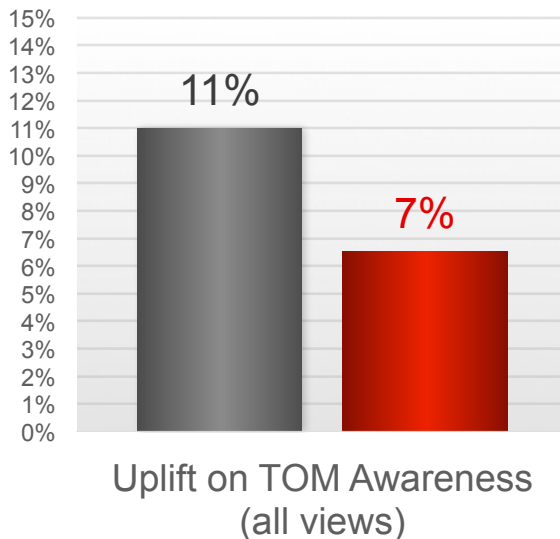
Brand impact of TrueView

Impact of TrueView vs. Preroll

Based on all served impressions preroll ads have a greater impact than TrueView ads.

(Headroom) Uplift on top of mind awareness

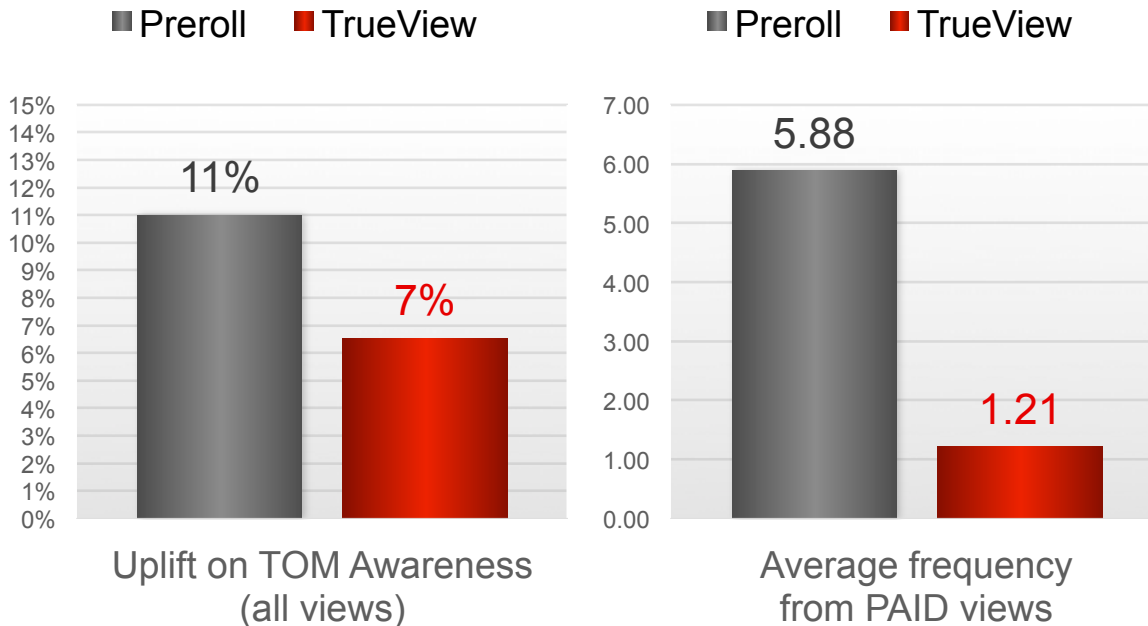
■ Preroll ■ TrueView



Impact of TrueView vs. Preroll

Given the 78% skip rate for TrueView the average frequency from paid contacts is much lower than for preroll.

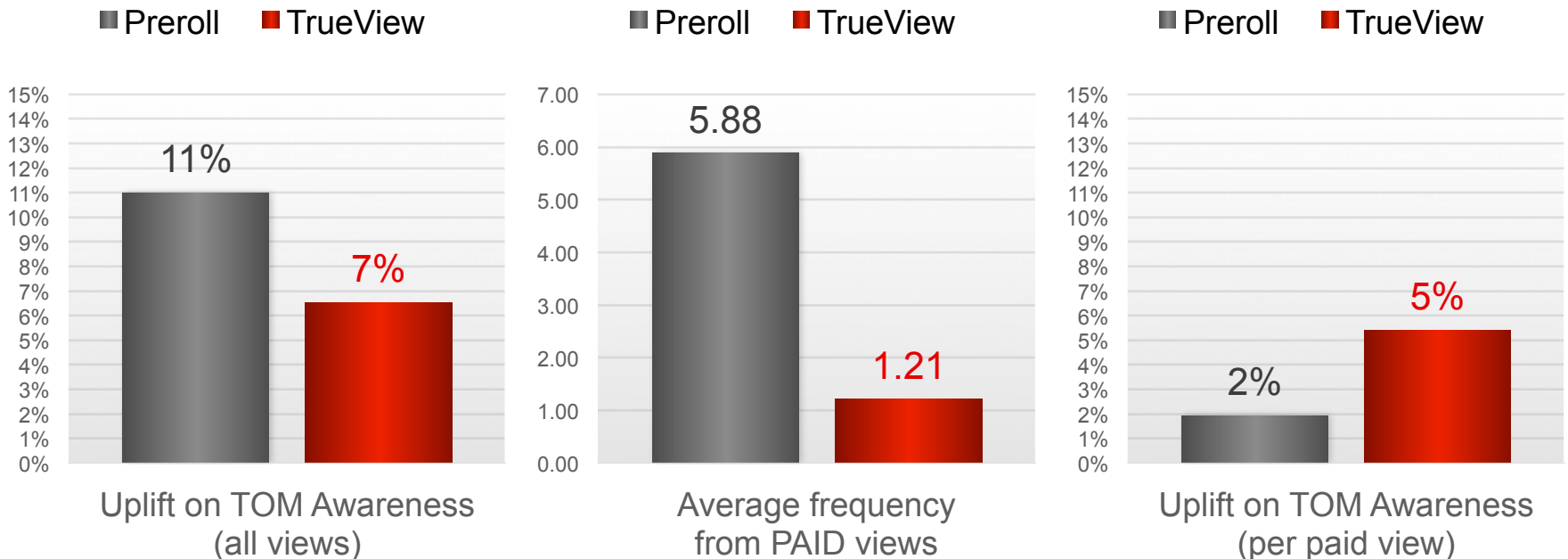
Brand Impact vs. average frequency of paid ads



Impact of TrueView vs. Preroll

Based on all paid impressions TrueView ads are 2.8x more effective than pre-rolls.

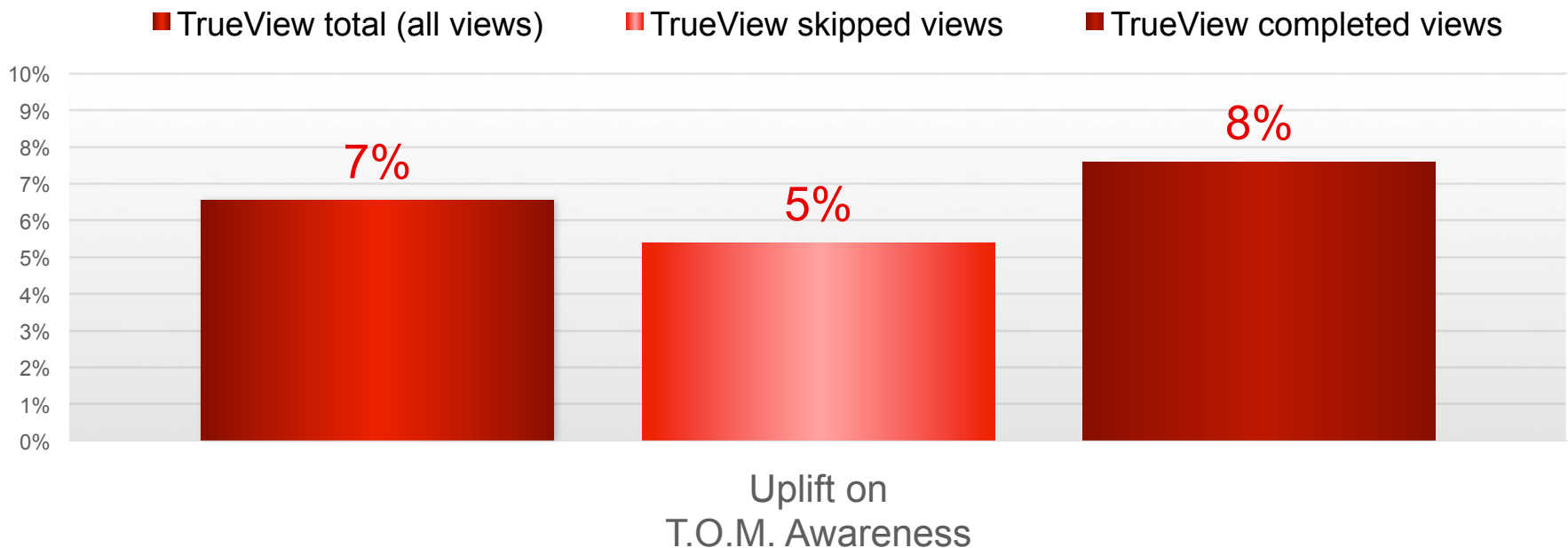
(Headroom) Uplift on top of mind awareness



TrueView impact: free vs. paid impressions

Total TrueView impact is at 7% uplift. A significant impact share comes from skipped views which are not paid for by the advertiser.

(Headroom) Uplift on top of mind awareness





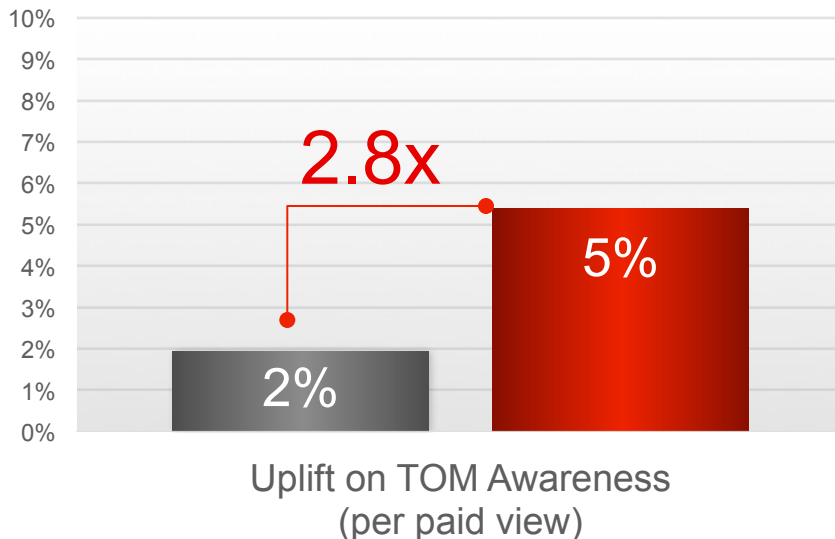
Efficiency comparison

TrueView efficiency analysis

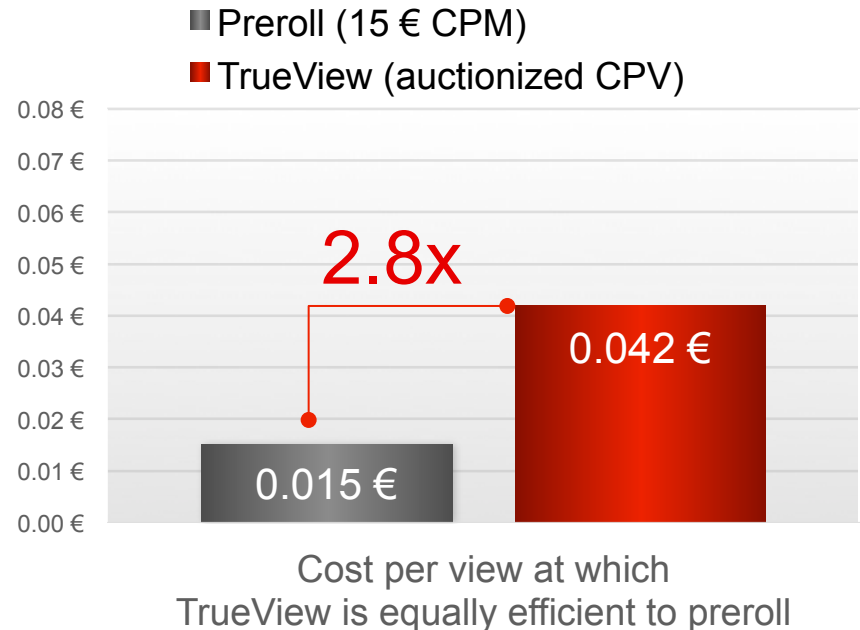
Preroll CPM is at 15 € (= CPV of 0.015 €). TrueView has a 2.8 times higher impact, thus becomes equally efficient to Preroll at an auction price of 0.04 €.

Preroll CPM vs. TrueView CPV at equal efficiency

■ Preroll ■ TrueView



=



Two efficiency scenarios



From an advertiser's perspective there are two possible scenarios:

- maximise campaign efficiency at given budget

“Up to which auction bid do I get greater brand impact from TrueView than from preroll in return for my budget?”

- reach the maximum possible brand impact at flexible budget
(→ assumption: standard preroll is the reference point for maximum impact)

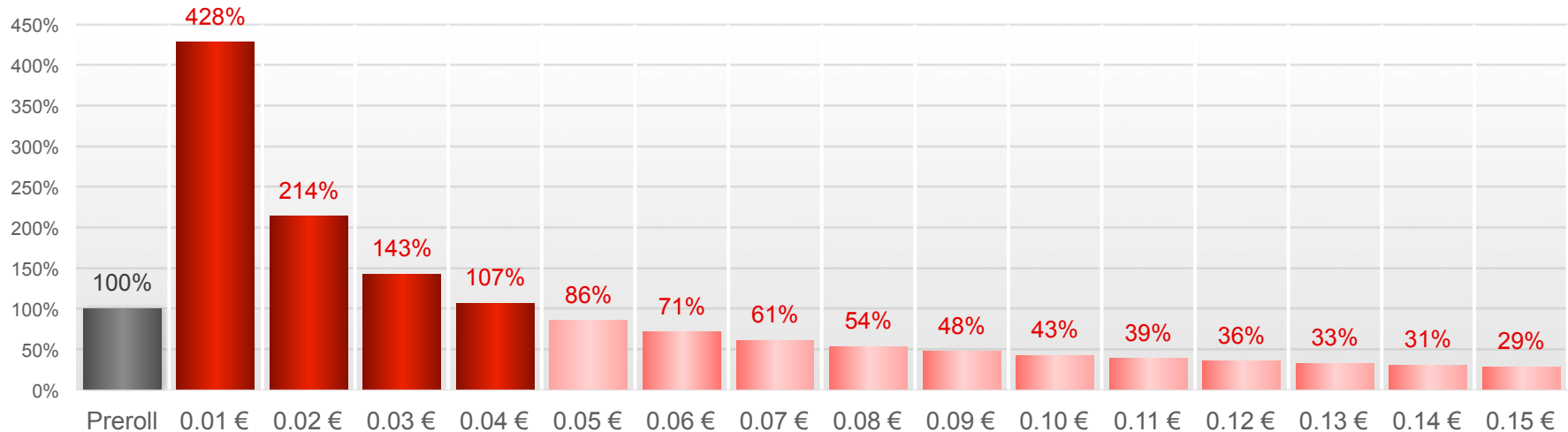
“How much budget (relative to the preroll scenario) will I need for TrueView to maximize campaign impact?”

Scenario 1: fixed budget

TrueView delivers greater impact than preroll up to 0.04 € CPV. TrueView is less efficient if the auction rises to 0.05 € or more.

TrueView impact index to preroll at equal levels of media budget

IMPACT ON TOP OF MIND AWARENESS (indexed to preroll)



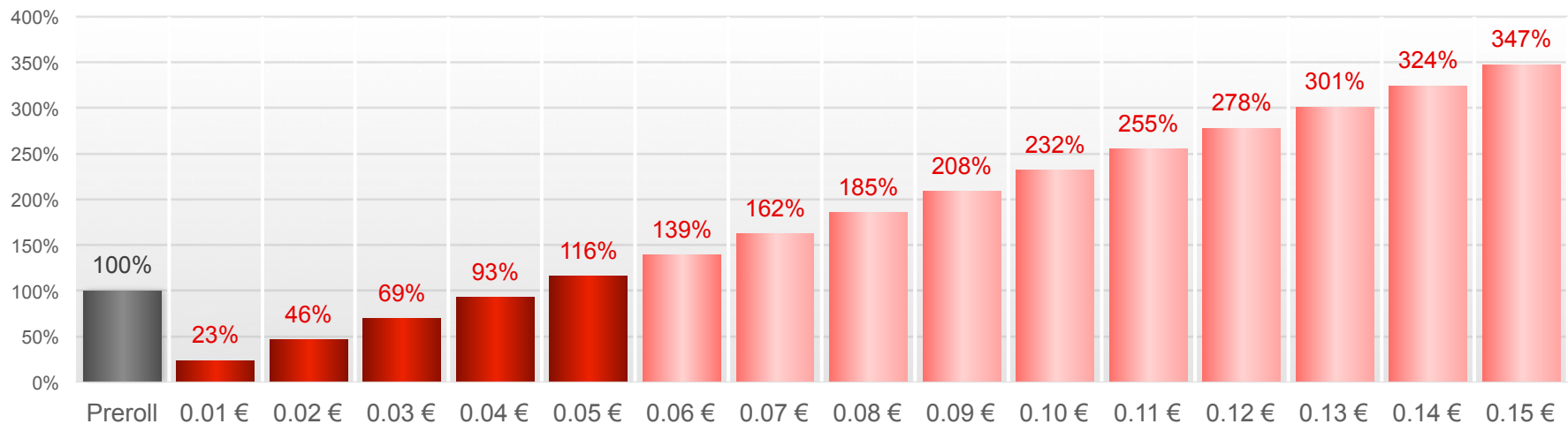
TRUEVIEW IMPACT INDEX AT ... AUCTION BID

Scenario 2: maximum impact

TrueView delivers the same impact as preroll at lower budget up to 0.04 € CPV. If the auction rises to 0.05+ € a higher budget for TrueView than for preroll is required for the same level of brand impact.

TrueView budget index to preroll at equal level of brand impact

TRUEVIEW BUDGET TO IMPACT TOP OF MIND AWARENESS (indexed to preroll)



TRUEVIEW TOTAL BUDGET INDEX AT ... AUCTION BID

thank you!

